

Explanatory Statement

NATIONAL ELECTRICITY (NORTHERN TERRITORY) (NATIONAL UNIFORM LEGISLATION) LEGISLATION AMENDMENT BILL 2026

SERIAL NO. 75

LEGISLATIVE ASSEMBLY OF THE
NORTHERN TERRITORY

MINISTER FOR MINING AND ENERGY

GENERAL OUTLINE

This Bill amends the *National Electricity (Northern Territory) (National Uniform Legislation) Act 2015* and *National Electricity (Northern Territory) (National Uniform Legislation) (Modification) Regulations 2016*.

The purpose of this Bill is to set the application of the National Electricity Rules (NER) in the Northern Territory (NT) to at a point in time, giving the Territory control over which future national rule changes are adopted.

NOTES ON CLAUSES

Clause 1. Short Title.

This is a formal clause which provides for the citation of the Bill. The Bill when passed will be cited as the *National Electricity (Northern Territory) (National Uniform Legislation) Legislation Amendment Act 2026*.

Clause 2. Commencement.

This clause sets out how the amendment Act will be commenced. The Act commences on the day after the day on which the Administrator's assent to this Act is declared.

Clause 3. Act amended

This clause sets out that Part 2 of the Act amends the *National Electricity (Northern Territory) (National Uniform Legislation) Act 2015* (the NT Act).

The NT Act adopts the National Electricity Law and the National Electricity Regulations. It also makes amendments to the National Electricity Law to make it fit for purpose for the needs of the Territory.

Clauses 4 through 8. Various sections

These clauses amend various sections of the NT Act to change the version of the NER that applies in the NT (the NT NER) from the most recent version (as set by the phrase “from time to time”) to the version as at 31 July 2025.

That date was chosen as that is the last date prior to which changes were made by the Australian Energy Market Commission (AEMC) to enact a differential rule (that is, a rule that applies differently in the Territory compared to the NEM) so that the ‘Improving the NEM access standards – Package 1’ rule change had no effect in the Territory. It was when that rule change commenced in the NEM that the difference between the NER and the NT NER became highly unwieldy.

Clause 9. Schedule 1 amended (Modifications to National Electricity Law)

Schedule 1 of the NT Act contains the amendments made to the National Electricity Law (NEL) to make it fit for purpose in the NT.

This clause redefines National Electricity Rules (the NER) and the National Electricity Regulations to mean the NER and the National Electricity Regulations as at 31 July 2025. It also removes the functions and powers of the Australian Energy Market Commission to make and amend the NER as they relate to the Territory; and for clarities sake, also removes what considerations the AEMC was required to have when making a rule change in the Territory.

The clause also renumbers section 32A of the NT version of the NEL (which is a schedule of the *National Electricity (South Australia) Act 1996*) to section 32AA as the South Australian Parliament inserted a s32A post-adoption of the NEL (and insertion of the NT s32A) by the Territory. As both sections are required, the Territory must renumber the additional section it applied.

Clause 10. Regulations amended

This clause sets out that Part 3 of the Act amends the *National Electricity (Northern Territory) (National Uniform Legislation) (Modification) Regulations 2016*. (the modifying Regulation).

The modifying Regulation makes considerable amendments to the National Electricity Regulation and the National Electricity Rules to make them fit for purpose for the needs of the Territory.

The modifying Regulation modifies the NER to ensure it operates as intended in the NT by:

- adding or changing a definition, or
- setting out that a sub-rule, rule, part or entire chapter of the NER shall not apply in the NT, or
- adding a sub-rule, rule, part or chapter, or
- modifying or replacing a sub-rule or rule.

Clause 11. Regulation 5A amended (Application of Rules in this jurisdiction)

In the modifying Regulation, regulation 5A is used to ensure certain sub-rules, rules, Parts or even Chapters of the NER have no effect (do not apply) in the Territory.

This clause updates which sub-rules and rules do not apply in the Territory. The clause replaces Regulation 5A(1)(c), (d), (e), (f) and (g) in their entirety for ease of drafting.

The additional sub-rules and rules that have been disapplied in the Territory are rules 5.2.4(f), 5.2.5A(c) and (e), 5.3.4(b)(5), 5.3.4C, 5.3.9(a1), 5.3.12, 5.3.13, 5.12.2(c)(9a), 5.13.1(d)(5) and (6), 5.14.1(d)(3A), 5.14.3(b), subparagraph (e1)(3) in Schedule 5.4B, paragraphs (o) and (q) in Schedule 5.8, 5A.A.2(a1), 5A.E.1(b1), 6.18.2(b)(6C), 6.18.7(e), and 6.20.3A, 5.3.7A, 5.3.8(e1) and 5.3.10(a1), 5.12.1(b)(7), 5.14.4, 5.15.1(b), 5.15.2(b1), 5.15A.1(e), 5.15A.2(a), 5.15A.3, 5.16.1, 5.16.3(a)(9), 5.16A, 5.16B(b)(3), 5.19.4(c), 5.23 and 5.24, and rule 8.14(b)(4).

Clause 12. Schedule 2 amended (Further modifications to operation of National Electricity Rules)

In the modifying Regulation, schedule 2 is used to modify or replace sub-rules, rules, Parts or even Chapters of the NER to ensure the NER that applies in the Territory (the NT NER) is fit for purpose.

The majority of the sub-clauses to clause 12 simply add a note, or modify an existing note, to the relevant rule in the NER to indicate that in the NT NER that rule or a particular sub-rule, or sub-rules, does not apply (as established by regulation 5A (above)).

The clause also sets certain guidelines published by the Australian Energy Regulator (AER) to be those guidelines as published on 31 July 2025.

- The AER publishes and/or is required to publish guidance material that are used to explain how a rule will be regulated or how an industry participant should comply with a rule. That guidance material is regularly updated and is always informed by the current version of the NER. The ‘freezing’ of the NT NER means that some guidance material also needs to be ‘frozen’ to ensure it is relevant to the version of the NT NER that will apply in the Territory.
- The guidelines that will be set to a publication date of 31 July 2025 are:
 - the Asset Exemption Guidelines
 - the Connection Charge Guidelines
 - the Distribution Confidentiality Guidelines
 - the Distribution Ring-Fencing Guidelines
 - the Distribution Service Classification Guidelines
 - the Expenditure Forecast Assessment Guidelines
 - the Export Tariff Guidelines
 - the Regulatory Investment Test for Distribution Application Guidelines
 - the Regulatory Investment Test for Transmission instrument
 - the Regulatory Investment Test for Transmission Application Guidelines
 - the Shared Asset Guidelines
 - TAPR Guidelines (Transmission Annual Planning Reports Guidelines).

The clause also amends a number of definitions either through an expansion of a definition or an alteration to ensure that those definitions are up-to-date and relevant to the Territory.

- An example is the definition of ***distribution system*** where it has been expanded to include “a stand-alone distribution system in a regulated SAPS” to capture a change made to the NER in 2022 that was not fully adopted in the NT NER, but is required when the NT NER is ‘frozen’.
 - SAPS are stand-alone power systems that typically comprise solar panels, batteries and back-up generators, and include both microgrids and individual power systems. The South Australian minister made the rule change rather than the AEMC; and the changes made did not fully align with the NTNER necessitating the additional changes made by the amendments in this Bill.

Clause 13. Repeal

This clause establishes that the Act is automatically repealed the day after it commences. This is because once the Act commences the amendments to the NT Act and the modifying Regulation will automatically happen; and at which time this Act has no more work to do and so no longer needs to be retained as current legislation.