ACEREZ
the future of renewable energy

2 July 2026

[redacted] General Manager, Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

CC: [redacted]

Submitted electronically to: [redacted]

Dea[redacted]

ACEREZ Partnership (ACEREZ), as an authorised network operator for the Central-West Orana Renewable Energy Zone (REZ), is pleased to submit its 2026 Annual Delivery Phase Revenue Adjustment Proposal to the Australian Energy Regulator (AER) for the Main Central-West Orana REZ Network Infrastructure Project (RNIP).

In accordance with the Electricity Infrastructure Investment Act 2020 (NSW), the Electricity Infrastructure Investment Regulation and AER Guidelines, this Proposal seeks AER approval to Revenue Adjustments permitted under the Project Deed between EnergyCo and ACEREZ dated 28 March 2025 and which have been agreed with EnergyCo since the 4 April 2025 (Financial Close Revenue Adjustment Proposal reference date). Consistent with our obligations under the Project Deed, ACEREZ has obtained EnergyCo's approval to submit this proposal to the AER.

ACEREZ is seeking AER approval for the following three adjustments to Determined RNI Service Payments.

Permitted Revenue Adjustment Mechanism	Description
TM-01 Net Financial Impacts	To account for additional regulatory and reporting costs for ACEREZ in administering the NSW Strategic Benefit Payment Scheme. The NSW Energy Minister introduced a new condition in ACEREZ's Transmission Operator's Licence on 30 June 2025.
TM-02 Consumer Price Index (CPI)	To account for the differences between actual CPI published by the ABS and the rate of 2.5% assumed in the Base Case Financial Model over the period since December 2024 to the end of March 2026. This impacts on cost components over the operational phase of the RNIP which are linked to CPI under the Project Deed.
TM-03 Wage Price Index (WPI)	To account for the differences between actual WPI published by the ABS and the rate of 3.5% assumed in the Base Case Financial Model over the period since December 2024 to the end of March 2026. This impacts on cost components over the operational phase of the RNIP which are linked to WPI under the Project Deed.

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These Revenue Adjustments have been applied in accordance with the contractual arrangements entered into with EnergyCo at Contract Close and approved by the AER in its Financial Close Revenue Remade Determination made on the 27 June 2025. The Base Case Financial Model has been updated to reflect the impacts of these Revenue Adjustments.

The net impact of these Revenue Adjustments is to slightly increase the Determined RNI Service Payments in nominal terms to account for additional operating and maintenance costs. This increase is predominately caused by actual CPI being higher than the 2.5% assumption over the period. The RNIP capital costs have remained the same.

Table 1 presents the proposed changes to the schedule of quarterly payments over the current determination period between 2025 to 2029. The Revenue Adjustments result in an increase of $2.1m (nominal) over this period which is equal to 0.14% of total allowed revenue for the current determination period.

The Central-West Orana RNIP is the first renewable energy zone network infrastructure project with a contestable revenue determination to be progressed under the Electricity Infrastructure Investment Act 2020 (NSW) and will play a crucial role in enabling the energy transition and supporting the reliability of electricity supply in New South Wales through more effectively coordinating investment in new transmission capacity and renewable energy generation.

Since Financial Close, the project has successfully transitioned from early works into a fully mobilised and resourced construction phase with multiple concurrent work fronts now active across the energy hubs and transmission corridors. Importantly, the first transmission tower erection has been achieved, marking a key transition into infrastructure delivery.

We see our role as not only delivering and operating safe and reliable network infrastructure but also achieving the successful connection of multiple renewable generation projects concurrently. Over the past 12 months, our Generator Integration Centre has worked extensively with the 10 projects awarded access rights assisting them through their internal approval processes. This is the first time multiple large connection applications at the same location are being assessed and approved concurrently and our innovative batching process is capable of simultaneously progressing multiple connections.

In collaboration with EnergyCo, we have continued to strengthen our local presence and community engagement in the REZ. This has included working in partnership with community through our Community Reference Group meetings, participating in numerous forums and local events, plus opening our Community Information Centre in August 2025.

ACEREZ appreciates the engagement with the AER in the preparation of this Adjustment Proposal. We look forward to continuing to work collaboratively with you to progress to a decision on this Proposal, and throughout the term of the Project.

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Should you re[redacted] questions regarding our Adjustment Proposal, please contac[redacted]

Yours sincerely,

[redacted]

CEO Network Operator

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Table 1: Proposed Changes to Schedule of quarterly payments to be made to ACEREZ for current determination period 2025 to 2029 ($ nominal, GST exclusive)

Quarter ending	Determined RSPs (as per FCRD)	Proposed RSPs (as per 2026 ADP)	Delta (Proposed adjustment to the Schedule of Payments)
Mar 2025	0	0	0
Jun 2025	0	0	0
Sep 2025	70,000,000	70,000,000	0
Dec 2025	70,000,000	70,000,000	0
Mar 2026	70,000,000	70,000,000	0
Jun 2026	74,250,000	74,250,000	0
Sep 2026	74,250,000	74,250,000	0
Dec 2026	74,250,000	74,250,000	0
Mar 2027	74,250,000	74,250,000	0
Jun 2027	74,250,000	74,250,000	0
Sep 2027	74,250,000	74,250,000	0
Dec 2027	74,250,000	74,250,000	0
Mar 2028	74,250,000	74,250,000	0
Jun 2028	74,757,362	74,763,850	6,489
Sep 2028	92,419,280	92,881,793	462,512
Dec 2028	84,811,148	85,048,932	237,784
Mar 2029	97,527,884	97,776,124	248,240
Jun 2029	104,898,642	105,202,199	303,558
Sep 2029	139,277,009	139,887,526	610,517
Dec 2029	114,240,106	114,482,952	242,846
		Total change	$2,111,946