

June 2026

# Victorian Access Regime update

An aerial photograph of a city at dusk, showing a dense urban area with numerous buildings, streets, and a prominent water tower. The sky is filled with soft, colorful clouds in shades of blue, orange, and pink. A large white rectangular box is overlaid on the bottom half of the image, containing text.

## Disclaimer

This Victorian Access Regime update has been prepared by VicGrid Body Corporate (VicGrid) to provide an update on how access, connections and related processes are proposed to be managed under the new Victorian Access Regime. This information is for guidance only and does not represent the final position of VicGrid. Any indicative timelines or future dates included in this update are subject to change.

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Nothing in this update or otherwise affects the operation of the *National Electricity (Victoria) Act 2005*, the National Electricity Rules or National Electricity (Victoria) Law.

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## Acknowledgment of Traditional Owners

We acknowledge and respect Victoria's Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it. We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

We are committed to genuinely partnering and meaningfully engaging with Victoria's Traditional Owners and First Peoples to support the protection of Country, the maintenance of spiritual and cultural practices and their broader aspirations in the 21st century and beyond.

# Executive summary

VicGrid is developing the Victorian Access Regime with the Department of Energy, Environment and Climate Action (DEECA). It sets out how renewable energy generation and storage projects will access Victoria's transmission network, known as the Declared Transmission System (DTS).

The Victorian Access Regime is designed to coordinate generation, storage and transmission assets, reduce the risk of excessive network curtailment for generators located within a renewable energy zone (REZ), and ensure projects engage with and create value for Traditional Owners, communities and landholders in line with the Victorian Government's Community Engagement and Social Value (CESV) Guidelines.

## Progressive implementation of the Victorian Access Regime

The indicative revised forward program sets out a progressive implementation approach for the Victorian Access Regime, as outlined in Figure 1 below. This approach is designed to respond to the evolving Victorian energy market context, promote fairness and certainty for developers, and provide time to embed new expectations for how industry engages with Traditional Owners, communities and landholders.

This approach allows for a transition to the new access regime that reflects its scale and complexity. Alongside consultation feedback, VicGrid has considered the link between the Victorian Access Regime and the Victorian Transmission Plan (VTP), and recent changes in the energy market outlook. These include updated demand forecasts to reflect increased electrification and new sources of demand, such as data centres.

The Victorian Access Regime is now targeted to commence in July 2027, subject to government approvals. Prior to this date, the current open access arrangements under the National Electricity Rules (NER) will continue to apply.

In September 2025, VicGrid published the Access and Connections Consultation Paper and draft Grid Impact Assessment (GIA) Guidelines for consultation. These documents contained information on the proposed approach to key elements of the Victorian Access Regime.

VicGrid has carefully considered the consultation feedback received from Traditional Owners, industry, communities, landholders and other stakeholders, and has revised the forward program for implementing the Victorian Access Regime. This Victorian Access Regime update sets out the indicative revised forward program along with updates on key topics raised through the consultation process.

In 2026, VicGrid, together with DEECA, is focused on working with Traditional Owners, industry and communities, to prepare for the commencement of the new access arrangements by:

- Finalising the CESV Guidelines and working with project developers to ensure their engagement is consistent with the new guidelines between now and the Victorian Access Regime commencing. This will support industry in preparing for the assessment that will be undertaken as part of the new access arrangements.
- Starting the development of REZs in Victoria following their formal declaration by the Minister for Energy and Resources, including planning and readiness activities with Traditional Owners, industry and communities.
- Continuing consultation on and refinement of the Victorian Access Regime design and implementation approach, with the proposed release of draft instruments and documents in mid-late 2026 to provide detailed information on how the new arrangements will operate.

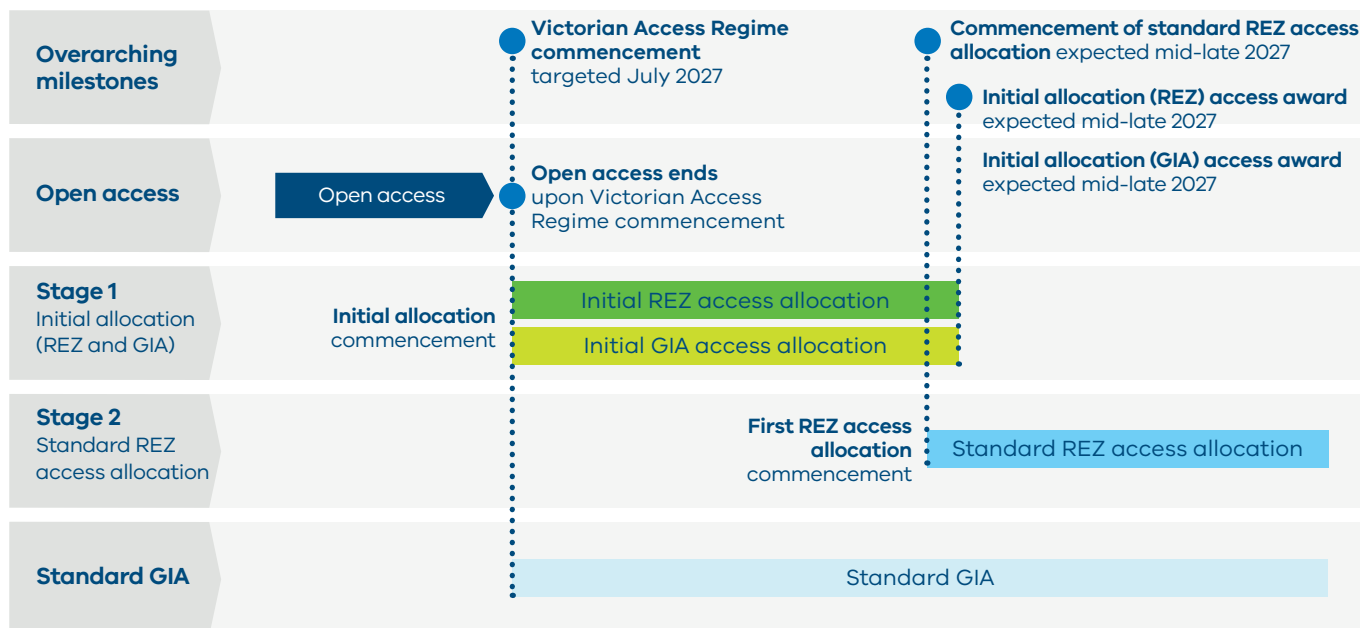


In July 2027, the Victorian Access Regime is targeted to commence operation. VicGrid proposes to allocate access to the grid across two sequential stages:

- Stage 1 Initial Allocation:** An initial access allocation process will provide early certainty for projects in advanced stages of development. The process will apply to eligible projects across Victoria and is a once-off allocation process to assist with the transition to the Victorian Access Regime.
- Stage 2 Standard REZ Access Allocation:** The first standard application process to allocate access under the REZ schemes will commence following the initial allocation.<sup>1</sup> REZ scheme access allocation only applies to eligible projects located within REZs.

Developers of all projects not eligible to apply for access under a REZ scheme will need to apply for a grid impact authority and gain access through the GIA. The standard GIA requires applicants to meet two criteria: network curtailment (referred to as Criterion 1) and engagement and benefits (referred to as Criterion 2). The standard GIA process will be in place from the commencement of the Victorian Access Regime and is expected to operate in parallel, including with the initial allocation process.<sup>2</sup>

**Figure 1: Overview of Victorian Access Regime implementation timeline**



<sup>1</sup> VicGrid will continue to refine the implementation approach in 2026, including the timing for the commencement of Stage 1 and Stage 2 and how they interact with each other.

<sup>2</sup> VicGrid will continue to refine the implementation approach in 2026 and is considering the potential interaction of the initial allocation and the standard GIA, in particular in relation to the GIA Criterion 1 (excessive curtailment) assessment.

## Purpose and scope of this update

This Victorian Access Regime update outlines the indicative revised forward program along with an update on some of the key topics raised through the consultation process undertaken on the Access and Connections Consultation Paper, draft GIA Guidelines and draft CESV Guidelines in mid-late 2025.

Key topics covered in this update include:

- **Eligibility criteria for the initial allocation** – greater clarity on the initial allocation process (formerly referred to as transitional arrangements) for projects in advanced stages of development when the Victorian Access Regime commences
- **The standard of REZ access allocation** – further refinement of the REZ access allocation process and an update on the alternative process expected to apply for offshore wind projects in the Gippsland Shoreline REZ
- **The standard GIA** – an update on the standard GIA which applies to all projects not eligible under a REZ scheme, including an update to the proposed methodology for the Criterion 1 network curtailment assessment
- **Treatment of different technology types** – further clarification and update on how different technology types are treated under the Victorian Access Regime, including the technology types specified as eligible in the REZ schemes, and the treatment of standalone storage

This update is not intended to cover all elements of the design or implementation of the Victorian Access Regime and provides information and updated positions that are not final and are subject to further consultation and government and VicGrid approvals. Further information and draft documentation relating to the design and implementation of the Victorian Access Regime is proposed to be released for consultation in mid-late 2026.

## Next steps

VicGrid is progressing the work required to support the implementation of the Victorian Access Regime. In collaboration with DEECA, we are preparing for the release of further information and publications, as well as the development of frameworks, processes and procedures that will underpin the implementation and operation of the Victorian Access Regime.

Key expected dates for industry and other stakeholders include:

- **Mid-late 2026** – DEECA will publish draft regulations to support the implementation and operation of the Victorian Access Regime for consultation as part of the Regulatory Impact Statement (RIS) process.
- **Mid-late 2026** – VicGrid and DEECA will invite Traditional Owners, industry, communities, landholders and other stakeholders to provide feedback on the Victorian Access Regime Handbook (Access Handbook), updated draft GIA Guidelines and draft REZ schemes.
- **Early-mid 2027** – VicGrid and DEECA will finalise these documents, providing clear, end-to-end guidance on the steps required to secure access in Victoria.
- **July 2027** – the Victorian Access Regime is targeted to commence, which will end the current open access regime. Around the same time, the initial allocation process is expected to open.
- **Mid-late 2027** – the first standard REZ access allocation process is expected to open. Invitations to apply will outline the step-by-step process for seeking access within a REZ.

VicGrid will continue to take a consultative approach to the development of the Victorian Access Regime and will be engaging on a regular basis. We want to hear from Traditional Owners, industry, communities, landholders and other stakeholders to ensure the new access regime meets its objectives and delivers benefits for all Victorians.

# 1. Overview

## 1.1 Purpose and structure of this document

### Purpose

The Victorian Access Regime update provides an update on the new transmission network access arrangements being introduced under the *National Electricity (Victoria) Act 2005* and enabling subordinate instruments. These new access arrangements are referred to as the Victorian Access Regime (or Victorian Renewable Energy Zone Scheme framework).

In September 2025, VicGrid published the Access and Connections Consultation Paper and draft Grid Impact Assessment (GIA) Guidelines for consultation. These documents contained information on the proposed approach to key elements of the Victorian Access Regime. VicGrid received a range of feedback during the consultation period in relation to the proposed approach and parameters outlined in both documents.

VicGrid has carefully considered this feedback from Traditional Owners, industry, community, landholders, and other stakeholders. VicGrid is working with Department of Energy, Environment and Climate Action (DEECA) to undertake further analysis in relation to elements of the Victorian Access Regime where we are proposing to adjust our approach in response to what we have heard.

VicGrid also recognises that, since the release of the 2025 Victorian Transmission Plan (VTP), the energy market outlook has evolved, with demand forecasts being updated to reflect increased electrification and anticipated data centre development.

This indicates that Victoria may require additional planned transmission capacity to support increased renewable generation and storage beyond that planned for in the 2025 VTP. VicGrid is considering the evolving system needs through the development of the 2027 VTP, alongside the design of the Victorian Access Regime.

In this context, we have carefully considered the approach to implementing the Victorian Access Regime. The forward program has been revised to support the transition to the new access regime that reflects its scale and complexity and remains responsive to the evolving energy market context.

This Victorian Access Regime update outlines the indicative revised forward program along with an update on some of the key topics raised through the consultation process. Further information and draft documentation relating to the design and implementation of the Victorian Access Regime will be released for consultation in mid-late 2026.

As such, this update includes selected key topics and does not cover all elements of the design or implementation of the Victorian Access Regime. It also provides information and updated positions that are not final and are subject to further consultation and approval through government, statutory and organisational decision-making processes, depending on the nature of the matter.

## Structure of this document

This document is structured as set out in Table 1 below.

**Table 1: Outline of document structure**

<p><b>Part A: Introduction</b></p> <p>Introduces the purpose of, and context for, this update, including:</p> <ul style="list-style-type: none"><li>• The policy context for the Victorian Access Regime</li><li>• A summary of “What VicGrid heard” in consultation last year</li></ul>	<p><b>Part B: Victorian Access Regime update</b></p> <p>Provides an update on specific aspects of the Victorian Access Regime as VicGrid, together with DEECA, work towards finalising the design of the regime, including:</p> <ul style="list-style-type: none"><li>• The indicative revised forward program for implementing the Victorian Access Regime</li><li>• What the revised forward program means for developers of projects inside and outside of renewable energy zones (REZs) that will be required to apply for access authorities under the new access regime</li><li>• Treatment of different technology types</li></ul>	<p><b>Part C: Next steps</b></p> <p>Provides a forward view of further information and documentation planned for publication and consultation.</p> <p>This includes plans to publish additional information and draft guidance on how the Victorian Access Regime will work through draft instruments and documentation in mid-late 2026.</p>
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## 1.2 Context: Victoria’s shift to renewable energy

### The Victorian Transmission Investment Framework

Victoria’s energy system is changing. Coal-fired power stations are retiring, and Victoria requires a significant amount of new renewable energy generation and storage capacity to replace legacy generation and meet local energy needs.

To support a smooth transition to renewables, the Victorian Government undertook a significant policy reform program called the Victorian Transmission Investment Framework (VTIF). The VTIF introduces comprehensive reforms that change the way transmission infrastructure and renewable energy generation is planned in Victoria. The VTIF includes:

- A new long-term strategic plan for transmission development called the VTP
- New benefits arrangements for Traditional Owners, communities and landholders
- The Victorian Access Regime

VicGrid is responsible for planning Victoria’s transmission network and coordinating the planning and development of REZs. It is implementing the VTIF, and will administer the Victorian Access Regime when it commences.

## The Victorian Access Regime

The Victorian Access Regime is a new framework for managing how generation, energy storage systems (ESS) and hybrid projects access Victoria's transmission network, known as the Declared Transmission System (DTS).

The new regime is designed to coordinate generation, storage and transmission assets, reduce the risk of excessive network curtailment for generators located within a REZ, and ensure projects engage with and create value for Traditional Owners, communities and landholders in accordance with expectations set out in the Victorian Government's Community Engagement and Social Value (CESV) Guidelines.

The new regime has been introduced through legislation via a series of amendments to the *National Electricity (Victoria) Act 2005*:

- **Stage 1:** *National Electricity (Victoria) Amendment (VicGrid) Act 2024* empowered VicGrid to deliver the first VTP.
- **Stage 2:** *National Electricity (Victoria) Amendment (VicGrid Stage 2 Reform) Act 2025* established the core legislative framework of the Victorian REZ Scheme (Victorian Access Regime), including the framework for a REZ scheme authority or a grid impact authority.
- *Energy and Other Legislation Amendment (Resilience Reforms and Other Matters) Act 2026* amended certain aspects of the Victorian REZ Scheme (Victorian Access Regime), including content requirements for REZ orders and schemes, and the GIA initial allocation process.

The legislation introduces regulations, guidelines and other legal instruments to give effect to the regime. These include:

- **REZ orders**, which declare areas of Victoria as REZs.
- **REZ scheme declarations**, which set out the requirements for eligible projects inside REZs to apply for a REZ scheme authority (alongside requirements in the legislation and regulations).

- **GIA Guidelines**, which set out the requirements for projects outside REZs, and technologies not specified as eligible in REZ schemes within REZs, to apply for a grid impact authority (alongside requirements in the legislation and regulations).
- **Access authorities**, including **REZ scheme authorities** and **grid impact authorities**, which provide the terms on which a specific project can gain access to the DTS.

These legislative and regulatory requirements, together with the processes that VicGrid will use to implement the regime, comprise the Victorian Access Regime. Processes to apply for access will operate in parallel with the transmission connections process, set out in Chapter 5 of the National Electricity Rules (NER). Holding an access authority (REZ scheme authority or grid impact authority) will be a prerequisite to receiving an offer to connect to the DTS.

Key benefits of the Victorian Access Regime include:

- **A planned and coordinated Victorian energy transition:** enabled by replacing open access with a managed access framework that improves locational signals and aligns generation development with transmission planning through the VTP and REZs
- **Supporting investor confidence through reduced network curtailment risk:** delivered through REZ schemes that place a cap on connections (known as an access limit) within each REZ, working together with the GIA excessive network curtailment test to reduce the risk of excessive network curtailment<sup>3</sup>
- **Better outcomes for Traditional Owners, communities and landholders:** delivered by embedding the community engagement and social value expectations set out in the CESV Guidelines within the application and assessment process for access authorities, ensuring early engagement and meaningful social and economic benefits

<sup>3</sup> The 'excessive network curtailment test' is described in section 33B(2)(b) of the *National Electricity (Victoria) Act 2005* as being 'that the operation of the relevant system, or facility after the relevant system change, will not have the effect of substantially constraining the output of electricity generated, or planned to be generated, by eligible generating systems or eligible integrated resource systems connected to the Declared Transmission System within a renewable energy zone.'

## Developing the Victorian Access Regime

Since 2022, VicGrid has undertaken a consultation process to ensure that Traditional Owners, industry, community, landholders and other stakeholders have been engaged early and throughout the development of the Victorian Access Regime.

- From 2022-2024, VicGrid developed the VTIF, which culminated in a Victorian Transmission Investment Final Design Paper published in July 2023.
- In June 2024, VicGrid published a Victorian Access Regime Paper, which described key aspects of the regime. This was followed by a GIA Consultation Paper published in January 2025.
- In August 2025, the VTP was published, following a public consultation process. The first VTP, known as the 2025 VTP, outlines the renewable energy generation and transmission infrastructure needed over the next 15 years to keep Victorians connected to reliable, affordable power as coal fired power stations close.
- In September 2025, VicGrid released three documents for consultation on the proposed design of the Victorian Access Regime: the Access and Connections Consultation Paper, draft GIA Guidelines and draft CESV Guidelines. Consultation on these documents closed on 5 November 2025.

There have also been three rounds of public consultation on REZs:

- A statewide strategic land use assessment to identify areas suitable for REZs in 2024
- Consultation on the draft 2025 VTP described above that led to the identification of six proposed REZs and the Gippsland Shoreline REZ to connect offshore wind projects
- Consultation on draft REZ orders between 20 November 2025 to 15 March 2026

As a result of the feedback from the VTP and REZ order consultation some REZ boundaries were adjusted to avoid sensitive areas or to provide greater flexibility. On 29 May 2026, the Minister for Energy and Resources formally declared 5 onshore REZs along with the Gippsland Shoreline REZ.



## 1.3 Consultation summary

### What VicGrid did

Between 23 September and 5 November 2025, VicGrid consulted with Traditional Owners, industry, communities, landholders and other stakeholders on the proposed design of the Victorian Access Regime following consultation on the Access and Connections Consultation Paper, draft GIA Guidelines and draft CESV Guidelines. These activities included:



**Eight workshops** with local governments and community

**32 one-on-one meetings** with renewable energy developer

**Five one-on-one meetings** with community members

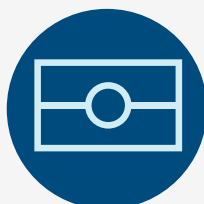


**161 written submissions**



One industry webinar with over **300 attendees**

One community webinar with over **100 attendees**



Workshops with Traditional Owners

**One-on-one meetings** with Traditional Owners



Five **briefings** with industry peak bodies

Five **roundtables** with industry peak bodies

**Briefings** with local governments and community



**23 phone and email enquiries**



## What VicGrid heard

The feedback highlighted several key themes which have informed the design and development of the indicative revised forward program for the Victorian Access Regime and shaped updates on key topics set out in this update. A summary of what we heard and how this feedback is being addressed is outlined in Table 2 below.

**Table 2: Summary of feedback and responses**

<b>What we heard</b> 	<b>How this update responds</b> 
<p>Industry participants broadly support the shift to the Victorian Access Regime, but identified a need for further detail, clearer allocation timeframes and practical guidance to support preparation. There were also concerns about the pace of implementation and the need for further consultation.</p>	<p>This update sets out a revised implementation timeframe for the Victorian Access Regime to respond to concerns about timing and readiness (see section 2), and provides information on when Traditional Owners, industry, community, landholders and other stakeholders will be consulted (see section 6).</p>
<p>Stakeholders noted that the initial allocation (formerly referred to as transitional arrangements in the Access and Connections Consultation Paper) should provide clear guidance for projects expected to be in advanced stages of development when the Victorian Access Regime commences and emphasised the importance of early certainty and clear eligibility criteria to support continuity of investment planning.</p>	<p>This update sets out proposed positions on eligibility criteria for the initial allocation process for projects inside and outside of REZs (see sections 3.3 and 4.3). It provides some information on application and assessment processes and outlines when further information will be provided.</p>
<p>Industry raised concerns about the lack of clarity regarding the treatment of successful Commonwealth Infrastructure Scheme (CIS) projects under the new access arrangements.</p>	<p>This update provides proposed positions on the eligibility of CIS projects in the initial allocation process (see sections 3.3 and 4.3) and their expected targeted assessment approach. It also provides some information on application and assessment processes and outlines when further information will be provided.</p>
<p>Communities emphasised the importance of transparent access allocation decision-making and clear communication of allocation criteria. All stakeholders and rightsholders broadly supported the application of CESV Guidelines in the Victorian Access Regime, to support meaningful involvement of communities and landholders, and self-determined agreement-making with Traditional Owners.</p>	<p>This update sets out how VicGrid will work with project developers to ensure their engagement is consistent with the new CESV Guidelines between now and the Victorian Access Regime commencing (see section 2).</p>
<p>Stakeholders provided specific feedback on the GIA network curtailment (Criterion 1) assessment approach, including concerns about the treatment of different technology types.</p>	<p>This update sets out the latest positions on the GIA Criterion 1 assessment approach and how we are considering its application for different technology types, further developed in response to this feedback (see sections 4.2 and 5).</p>

VicGrid has prepared two reports that set out the feedback captured through the consultation period in further detail. Both reports are accessible on our VicGrid webpage:

- Access link to **Draft Community Engagement and Social Value Guidelines Engagement Report**
- Access link to **Access and Connections Engagement Report**

# 2. Progressive implementation of the Victorian Access Regime

## Updates since the Access and Connections Consultation Paper

- VicGrid is proposing a progressive implementation approach for the Victorian Access Regime. The updated approach is designed to respond to the evolving Victorian energy market context, promote fairness and certainty for projects and provide time to embed new expectations for how industry engages with Traditional Owners, communities and landholders.
- The indicative revised forward program adopts an extended transition, with the Victorian Access Regime targeted to commence in July 2027. Prior to this, the current open access arrangements under the NER will continue to apply.
- The revised forward program provides an opportunity to work with industry to provide clear guidance on engagement and delivering social value. To support this, VicGrid will work with project developers to ensure their engagement is consistent with the new CESV Guidelines between now and the Victorian Access Regime commencing.
- Following the targeted commencement of the Victorian Access Regime in July 2027, VicGrid proposes to allocate access across two sequential stages:
  - Stage 1 initial allocation:** An initial access allocation process will provide early certainty for projects in advanced stages of development. The process will apply to eligible projects across Victoria and is a once-off allocation process to assist with the transition to the Victorian Access Regime.
  - Stage 2 standard REZ access allocation:** The first standard application process to allocate access under the REZ schemes will commence following the initial allocation. REZ scheme access allocation only applies to eligible projects located within REZs.

## 2.1 Understanding the progressive implementation approach

In September 2025, VicGrid published the Access and Connections Consultation Paper and draft GIA Guidelines for consultation. We received a range of feedback from Traditional Owners, industry, community, landholders and other stakeholders on the proposed approach outlined in both documents.

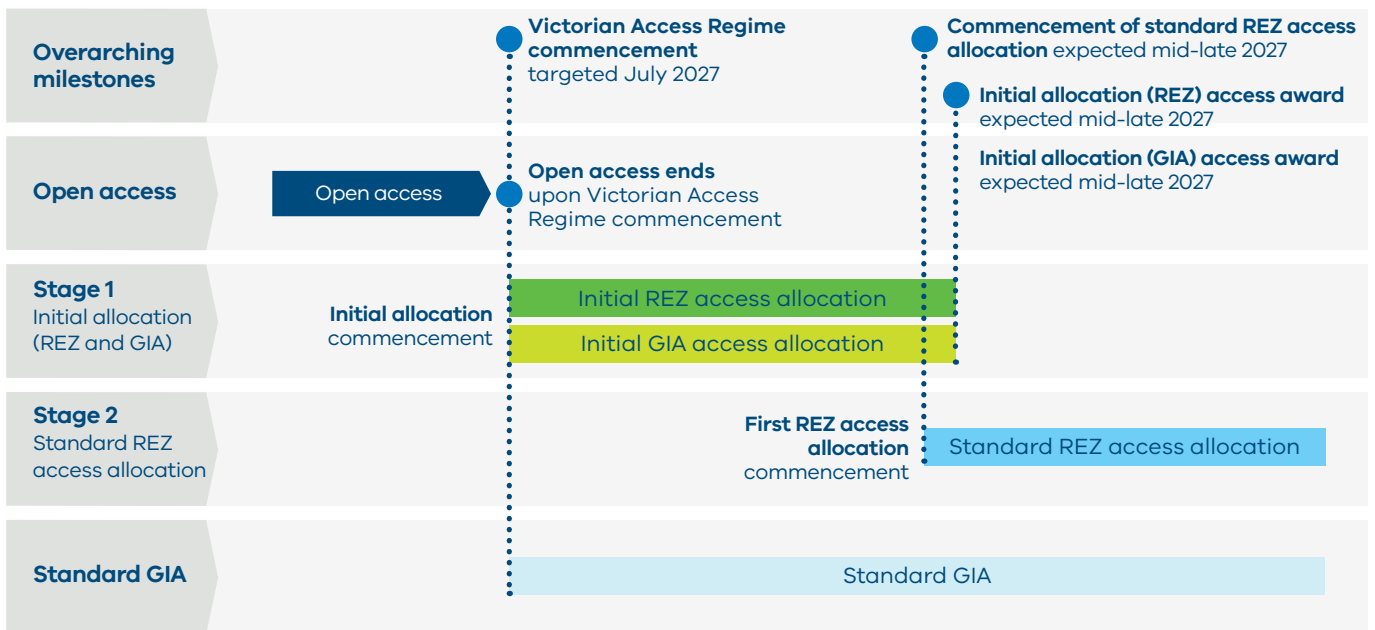
As set out in section 1.3, VicGrid has considered the feedback received, as well as the evolving Victorian energy market context, and has revised the forward program for the Victorian Access Regime implementation. This allows for a transition to the new access regime that is reflective of its scale and complexity and remains responsive to the evolving energy market context, as captured through the upcoming 2027 VTP.

Under the indicative revised forward program, the Victorian Access Regime is targeted to commence in July 2027 with a progressive implementation approach. The open access arrangements will continue until this point.

In 2026, VicGrid, together with DEECA, is focused on working with Traditional Owners, industry and communities, to prepare to 'go live' with the new access arrangements, by:

- Finalising the CESV Guidelines and working with project developers to ensure their engagement is consistent with the new guidelines between now and the Victorian Access Regime commencing. This will support industry in preparing for the assessment that will be undertaken as part of the new access arrangements.
- Starting the development of REZs in Victoria following the formal declaration of REZs by the Minister for Energy and Resources, commencing planning and readiness activities with Traditional Owners, industry and communities.
- Continuing to consult on and refine the Victorian Access Regime design and implementation approach, with the proposed release of a suite of draft instruments and documents in mid-late 2026 that provide detailed information on how the new arrangements will operate (e.g. enabling regulations, draft REZ schemes, revised draft GIA Guidelines, etc. – see section 6).

Figure 2: Overview of Victorian Access Regime implementation timeline



In July 2027, the Victorian Access Regime is targeted to commence following the finalisation of regulations, guidelines and other legal instruments (see section 6), and will be implemented in two stages as shown in Figure 2.

- **Stage 1 Initial Allocation:** An initial access allocation process will provide early certainty for projects in advanced stages of development. The process will apply to eligible projects located within and outside REZs. See section 3.3 and 4.3 for further details and eligibility criteria for the initial allocation. This is a once-off allocation process to assist with the transition to the new access arrangements.
- **Stage 2 Standard REZ Access Allocation:** The first standard application process to allocate access under the REZ schemes will commence following the initial allocation.<sup>4</sup>

Projects not eligible to apply for access under a REZ scheme will need to apply for access under the GIA process. The GIA process will be in place from the commencement of the Victorian Access Regime and is expected to operate in parallel with the initial allocation process.<sup>5</sup>

## 2.2 Benefits of the progressive implementation approach

The Victorian Access Regime fundamentally changes how generation and storage projects access shared transmission infrastructure in Victoria. By extending the transition to this new regime, VicGrid can undertake further technical design work, test implementation pathways, and continue consultation with Traditional Owners, industry, community, landholders and other stakeholders to ensure the approach is effective and long-lasting.

Several key considerations have driven the progressive implementation approach, including:

- **Responding to the evolving Victorian energy market context:** The Victorian Access Regime is a forward-looking regime that allocates access to generation, ESS and hybrid projects within the planned capacity of the transmission network. As such, it is strongly linked to the VTP. VicGrid also recognises that, since the release of the 2025 VTP, the energy market outlook has evolved, with demand forecasts being updated to reflect increased electrification and anticipated data centre development. This indicates that Victoria may need more renewable generation and storage capacity than planned for in the 2025 VTP. VicGrid is considering this through the 2027 VTP development process. The progressive implementation approach enables the first standard REZ access allocation process to

commence after the 2027 VTP is finalised. As a result, new information in the 2027 VTP, including any potential increase in planned transmission capacity, can be captured in this access allocation.

- **Promoting fairness and certainty for projects in advanced stages of development:** VicGrid is proposing an initial allocation process, sequenced ahead of the first standard REZ access allocation process. This is designed to provide earlier certainty for projects with near-term delivery timeframes while supporting the transition to the new access arrangements.
- **Providing Traditional Owners, industry, community, landholders and other stakeholders more time to prepare for the new access arrangements:** VicGrid recognises that the Victorian Access Regime represents a significant change to the existing open access arrangements. The revised commencement date will provide additional time for consultation to inform the detailed design and implementation of the new access arrangements, and develop clear guidance on the steps required to gain transmission network access in Victoria. It will also allow more time for Traditional Owners, industry, community, landholders and other stakeholders to prepare for the new arrangements. These were key themes raised in feedback on the documents released in September 2025.

<sup>4</sup> VicGrid will continue to refine the implementation approach in 2026, including the timing for the commencement of Stage 1 and Stage 2 and how they interact with each other

<sup>5</sup> VicGrid will continue to refine the implementation approach in 2026 and is considering the potential interaction of the initial allocation and the standard GIA, in particular in relation to the GIA Criterion 1 (excessive curtailment) assessment.

## 2.3 Open access period and exempt projects

### Open access arrangements

The current open access arrangements will continue until the Victorian Access Regime's targeted commencement in July 2027. This means generation, ESS and hybrid projects will not be required to apply for an access authority to connect to the DTS until the Victorian Access Regime commences.

### Applying the Community Engagement and Social Value Guidelines

On or around the date of this update, DEECA and VicGrid will publish the final Community Engagement and Social Value Guidelines, setting out the minimum expectations for how developers engage early and meaningfully with host landholders, neighbours, local communities and Traditional Owners. Developers are also expected to consider feedback from these groups when designing projects, support local economic investment, deliver community benefits and recognise impacts on communities. The importance of applying these expectations was a key theme raised in feedback from community and Traditional Owner groups.

Once the Victorian Access Regime commences, VicGrid will require all projects applying for access to meet the expectations in the guidelines. Between now and the Victorian Access Regime commencing, VicGrid will work with projects to ensure their engagement is consistent with the new guidelines.

### Projects exempt from the Victorian Access Regime

Generation, ESS and hybrid projects will not be required to apply for an access authority under the new arrangements if, on or before the commencement date, they are:

- Already connected to the DTS<sup>6</sup>, or
- In receipt of an offer to connect or acceptance of a submission to alter an existing facility<sup>7</sup>

All other projects (and any system changes) will need to apply for an access authority from the commencement date.

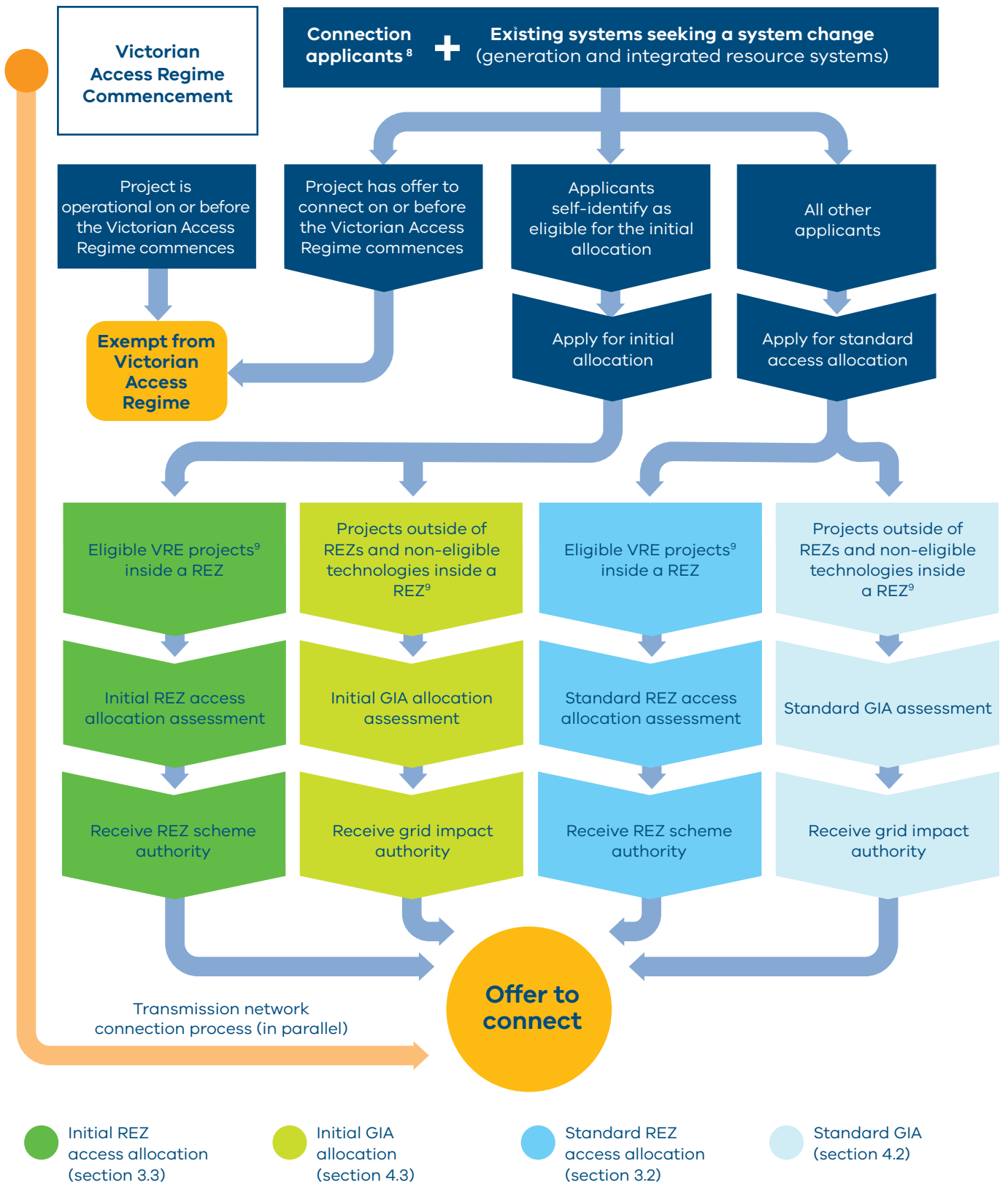
At this stage, this position remains unchanged from the position put forward in the Access and Connections Consultation Paper. However, it is subject to regulations which are expected to be issued in draft form in mid-late 2026 (see section 6) and remain subject to government decision-making processes. More guidance will be provided by that time.

A summary of the Victorian Access Regime application process for applicants across the initial allocation (REZ and GIA), standard REZ access allocation and standard GIA is set out in Figure 3 below.

<sup>6</sup> Note these projects will be required to obtain a relevant access authority if they seek to increase the capacity of their projects (i.e. system change) once the Victorian Access Regime has commenced (via modification or alteration of their system).

<sup>7</sup> Note offer to connect is currently considered to have the same meaning as the term in clause 5.3.6 of the NER, and the equivalent to acceptance of a submission under clause 5.3.10.

Figure 3: Summary of the Victorian Access Regime application process



<sup>8</sup> For the initial allocation under the GIA, it is proposed that the requirement to be a Connection Applicant will not apply (see section 4.3).

<sup>9</sup> REZ schemes will set out eligible technology types for projects to apply for a REZ scheme authority. It is proposed that variable renewable energy (VRE) generation (i.e. solar, onshore wind and offshore wind) and VRE hybrid projects which have a storage component will be eligible technologies. Technology types that are not eligible will be subject to the GIA, regardless of whether they are located inside or outside of a REZ.

# 3. What does progressive implementation mean for projects eligible for renewable energy zone schemes?

## **Updates since the Access and Connections Consultation Paper**

### **Standard REZ access allocation process**

- VicGrid has refined the REZ access allocation process across five main steps: Invitation to apply, preparation and submission of applications, assessment process, selection of successful applicants and issuance of REZ scheme authorities.
- An alternative REZ access allocation process is expected to apply for offshore wind projects seeking to connect within the Gippsland Shoreline REZ to reduce duplication of assessment across government processes.

### **Initial REZ access allocation eligibility criteria**

- Last year we heard from industry that VicGrid should provide greater clarity on the initial allocation process for projects in advanced stages of development when the Victorian Access Regime commences. This update aims to address that feedback by providing additional information on the proposed eligibility requirements, which are set out in section 3.3.

### **Initial REZ access allocation assessment process**

- An update is provided on how VicGrid is considering assessing projects applying for the initial allocation under the REZ schemes. This is set out in section 3.3.

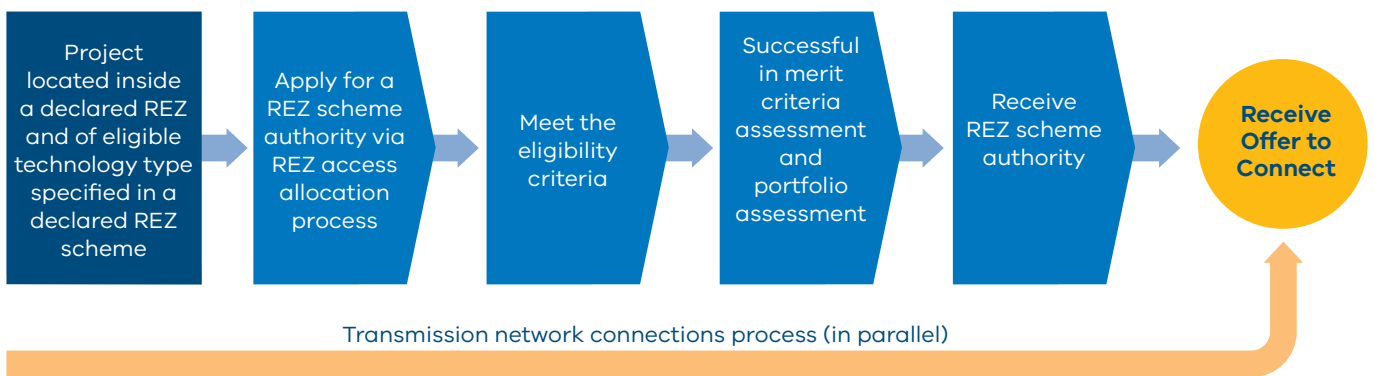


### 3.1 Section overview

This section outlines proposed updates to the Victorian Access Regime following stakeholder feedback on the Access and Connections Consultation Paper, including:

- The standard REZ access allocation process under the REZ schemes, including key steps involved
- The initial allocation process under the REZ schemes for eligible advanced projects (initial REZ allocation).

Figure 4 : Overview of the standard REZ access allocation process



As set out in the Access and Connections Consultation Paper, once a REZ order and REZ scheme are declared by the Minister for Energy and Resources, a project may apply for a REZ scheme authority if it:

- Is a Connection Applicant for a project located within the relevant REZ and of a technology type specified as eligible under the REZ scheme; or
- Is an existing project located within the relevant REZ that is seeking to increase its capacity (i.e. system change) and is of a technology type specified as eligible under the REZ scheme

The eligible technology types specified in REZ schemes are proposed to be VRE generation and VRE hybrid projects (see section 5.2).

Note this position and others in this section are subject to consultation and final decision by the responsible Minister or other government decision-making processes.





### 3.2 Standard REZ access allocation process

The standard REZ access allocation<sup>11</sup> is a competitive process through which eligible projects located within a REZ apply for access to the DTS. It will commence after the initial allocation, and is designed to operate as 'business as usual' for developers of eligible projects.

VicGrid maintains the intention to open applications for REZ scheme authorities across all REZs concurrently once REZ schemes are declared by the Minister for Energy and Resources. This will allow developers to consider the specific REZ(s) in which their project will be located and identify the relevant REZ scheme(s) to apply to.

A non-price competitive application process<sup>12</sup> is proposed for allocating access and issuing REZ scheme authorities across REZs in Victoria, except for the Gippsland Shoreline REZ (see call-out box below). However, there may be instances where a different application process is warranted for a particular REZ (e.g. first come first serve). This is because the pipeline of projects in development varies across REZs, and the standard REZ access allocation process will occur after the initial allocation commences.

The standard REZ access allocation process will be set out in REZ schemes declared by the Minister for Energy and Resources, anticipated in early-mid 2027 following the declaration of REZ orders in 2026. VicGrid will consider what updates are required to REZ orders and REZ schemes following the publication of the 2027 VTP (e.g. to access limits), ahead of the commencement of the standard REZ access allocation process.

VicGrid, together with DEECA, is considering the detailed design of the standard REZ access allocation process, including merit criteria, access limits and the access allocation amount and timing.

Further information on the standard REZ access allocation process will be included in the Victorian Access Regime Handbook (Access Handbook) and draft REZ schemes expected to be published for consultation in mid-late 2026.

#### Standard REZ access allocation process

VicGrid has refined the standard REZ access allocation process since the release of the Access and Connections Consultation Paper.

Under the competitive application process, eligible projects will be required to respond to an invitation to apply issued by VicGrid. Applications will be subject to a merit-based assessment against specific criteria to determine a list of projects that will be issued REZ scheme authorities and granted access to the DTS inside a REZ. At this stage, VicGrid maintains the proposed position on REZ scheme eligibility and merit criteria set out in the Access and Connections Consultation Paper.

Applicants must meet the eligibility criteria and will then be assessed against merit criteria. Following the merit assessment, VicGrid expects to undertake a portfolio assessment to ensure that projects as a portfolio will not result in adverse outcomes or outcomes not aligned with the Victorian Access Regime or VTP objectives. The methodology will be applied consistently across all applicants and scoring outcomes will be reviewed and cross-checked to moderate and ensure fairness.

Table 3 below provides more information on the primary steps of the standard REZ access allocation process.

<sup>11</sup> The term 'access allocation' is used to refer to the allocation of capacity in REZs via an application method and the process for VicGrid to issue REZ scheme authorities, in accordance with the *National Electricity (Victoria) Act 2005*.

<sup>12</sup> This is referred to as a competitive tender process in the *National Electricity (Victoria) Act 2005*.



**Table 3: Overview of the REZ access allocation process**

Process Step	Description
<p><b>Step 1</b> Invitation to apply opens</p>	<p>REZ access allocation will commence with the release of the invitation to apply via an electronic data room, alongside relevant reference documents to support developers in preparing their applications.</p> <p>Documents may include information relating to probity, interactions with VicGrid outside of the allocation process, and key expectations of the applicants.</p>
<p><b>Step 2</b> Preparation and submission of applications</p>	<p>Applications must be prepared in the form requested in the invitation to apply and returnable schedules. During this period, applicants can submit written questions for clarification.</p>
<p><b>Step 3</b> Assessment process</p>	<p>VicGrid will assess applications against the eligibility criteria to determine whether they are eligible to proceed to the merit assessment.</p> <p>Eligible applications will then be assessed against the merit criteria and ranked.</p> <p>Once the merit assessment is complete, VicGrid will undertake a portfolio assessment.</p>
<p><b>Step 4</b> Selection of successful applicants</p>	<p>VicGrid will select successful applicants based on the outcomes of the assessment process.</p> <p>Each applicant will be notified of our decision to grant (or refuse to grant) their application for a REZ scheme authority.</p> <p>REZ scheme authorities will be issued subject to conditions.</p>
<p><b>Step 5</b> Issuance of REZ scheme authorities</p>	<p>By issuing a REZ scheme authority, VicGrid allocates a right to the REZ scheme authority holder to access the transmission network.</p>

## Treatment of offshore wind projects

An alternative REZ access allocation process is expected to apply to offshore wind projects seeking to connect within the Gippsland Shoreline REZ and will be decided by the Minister for Energy and Resources. The Victorian Government has legislated offshore wind targets and is leading procurement of the first 2 GW of offshore wind capacity through a competitive auction scheduled to open in August 2026.

The government has declared the Gippsland Shoreline REZ as a limited area where developers will need to locate infrastructure, such as underground cables, to connect offshore wind energy to the transmission network. It is not designed to host onshore wind or solar projects.

The Gippsland Shoreline REZ scheme will have minimum application requirements as set out in legislation, including a criteria of contract award from the Victorian Government's first offshore wind industry auction for an initial 2 gigawatts (GW) of capacity.

VicGrid anticipates that offshore wind proponents that are awarded a contract with the State will subsequently be granted a REZ scheme authority. The REZ scheme authority application process will operate alongside the offshore wind industry auction process, such that a REZ scheme authority can be issued imminently after the contract award.

## Frequency of standard REZ access allocation processes

Following the first standard REZ access allocation, VicGrid will periodically assess whether additional access needs to be allocated within REZs to maintain reliable, secure and affordable electricity supply. This responds to consultation feedback, which called for a predictable yet flexible allocation mechanisms, and seeks to maintain investor confidence and system reliability. The Access Handbook, expected to be released for consultation in mid-late 2026, will provide detail on the timing and frequency of subsequent REZ access allocations.



### 3.3 Initial allocation for advanced projects

VicGrid recognises that Victoria has a strong pipeline of renewable energy projects currently under development within REZs, and the Victorian Access Regime will introduce significant changes to how these projects obtain access to the transmission network.

The initial allocation is designed to facilitate the transition to the new access regime for projects that have either reached selected advanced development milestones or have been successful through National Electricity Market (NEM) generation tenders of the CIS prior to the commencement of the Victorian Access Regime.

The initial allocation process aims to provide earlier certainty on access outcomes for projects in advanced stages of development, while maintaining fairness and consistency with the standard REZ access allocation process. Developed in partnership with DEECA, the process has been intentionally sequenced ahead of the first standard REZ access allocation to support projects with near term delivery timeframes, facilitate an orderly transition to the new access arrangements, and ensure equitable treatment across applicants.

In developing the initial allocation process, VicGrid has applied a set of guiding principles, outlined below, that reflect feedback received through consultation.

#### Initial allocation guiding principles

- Minimise the impacts of the change to the new access regime on projects in advanced stages of development under the current open access arrangements.
- Limit impacts and uncertainty on projects participating in large-scale competitive government tender processes, where finalised information on the new access regime is not yet available.
- Develop efficient processes with timely decision-making to mitigate against critical path delays to project development (all else equal).
- Limit requirements to those that could reasonably be expected to apply to projects in advanced stages of development.
- For projects subject to the GIA, mitigate potential impacts of the new excessive network curtailment assessment criterion on projects that have progressed to advanced stages of development under the current open access arrangements (see section 4.3).

As with the standard REZ access allocation process, the initial REZ access allocation process will be set out in REZ schemes declared by the Minister for Energy and Resources, anticipated in early-mid 2027 following the declaration of REZ orders in 2026. The initial allocation process will apply access limits based on the 2025 VTP.

#### Which projects will be eligible to apply for the initial REZ access allocation?

To participate in the initial REZ access allocation, applicants will need to meet at least one of the proposed eligibility criteria set out in Table 4 below. These criteria have been developed in accordance with the guiding principles outlined above.

The selected milestones allow prospective applicants to verify whether they can apply for the initial REZ access allocation. Applicants will also need to meet the broader REZ scheme eligibility criteria applicable in the standard REZ access allocation process, including technology types and other standard requirements.

**Table 4: Proposed eligibility criteria for the initial allocation process under the REZ schemes**

Eligibility category	Eligibility criteria		
<p><b>Advanced development indicators</b></p>	<p>Projects will be eligible if they have:</p> <table border="1" data-bbox="400 383 1479 775"> <tr> <td data-bbox="400 383 949 775"> <p>A relevant planning approval, as defined in the relevant REZ scheme, has been issued prior to the commencement of the Victorian Access Regime;</p> <p><b>or</b></p> <p>environmental assessment process has been completed for a key assessment pathway prior to the commencement of the Victorian Access Regime.</p> </td> <td data-bbox="949 383 1479 775"> <p><b>And</b> received a valid 5.3.4A acceptance letter<sup>13</sup> (generator performance standards), prior to the commencement of the Victorian Access Regime.</p> </td> </tr> </table>	<p>A relevant planning approval, as defined in the relevant REZ scheme, has been issued prior to the commencement of the Victorian Access Regime;</p> <p><b>or</b></p> <p>environmental assessment process has been completed for a key assessment pathway prior to the commencement of the Victorian Access Regime.</p>	<p><b>And</b> received a valid 5.3.4A acceptance letter<sup>13</sup> (generator performance standards), prior to the commencement of the Victorian Access Regime.</p>
<p>A relevant planning approval, as defined in the relevant REZ scheme, has been issued prior to the commencement of the Victorian Access Regime;</p> <p><b>or</b></p> <p>environmental assessment process has been completed for a key assessment pathway prior to the commencement of the Victorian Access Regime.</p>	<p><b>And</b> received a valid 5.3.4A acceptance letter<sup>13</sup> (generator performance standards), prior to the commencement of the Victorian Access Regime.</p>		
<p><b>Competitively-awarded projects</b></p>	<p>Projects will be eligible if they have been announced as successful under a NEM generation CIS tender prior to the commencement of the Victorian Access Regime.</p>		

**What is the Capacity Investment Scheme?**

The CIS is a Commonwealth Government program designed to encourage new investment in renewable energy generation and clean dispatchable storage that can demonstrate project delivery by 2030. CIS projects are selected through a competitive, merit-based tender process, with successful projects receiving a revenue underwriting agreement.

The CIS program commenced in 2023. CIS applicants are assessed against criteria including project deliverability, planning, organisational and financial capability, First Nations participation and benefits sharing, social outcomes and community benefits sharing. The tender process places a strong weighting on a projects’ financial value, system reliability, and the broader system benefits delivered.

**Initial REZ access allocation process**

The initial allocation is intended to follow the same competitive application process as the standard REZ access allocation process outlined above. An applicant that is eligible under a REZ scheme and wishes to apply for access through the initial allocation will be required to respond to an invitation to apply. The application submission window may be shorter than for subsequent REZ access allocation rounds, to enable VicGrid to provide earlier certainty on access outcomes.

Once VicGrid receives all applications, it will verify eligibility before proceeding to assessment. VicGrid is still developing the assessment process for the initial allocation and is considering applying similar merit criteria to the standard REZ access allocation process. An assessment of the applicant’s near-term delivery pathway e.g. to 2032 is also being considered.

<sup>13</sup> A letter that represents acceptance under clause 5.3.4A (e) and, if applicable, clause 5.3.4B (k) of the NER.

In line with the guiding principles, VicGrid is considering how the assessment can be designed so that projects in advanced stages of development are assessed against reasonable expectations, recognising that the Victorian Access Regime will introduce new expectations after these projects have completed early-mid stage development activities.

Applications are intended to undergo a portfolio assessment to ensure there is sufficient remaining transmission capacity to allow for the access regime to continue to operate. As part of this, each application is intended to be assessed against the cumulative generation capacity taken up by the initial allocation. At the end of the process, successful applicants will be issued REZ scheme authorities (subject to conditions).

VicGrid is also considering how to design the assessment in a way that is fit-for-purpose for the number of applicants that may apply for an access authority via the initial allocation process .

Further information on the initial allocation assessment process and criteria will be included in the Access Handbook and draft REZ schemes expected to be published for consultation in mid-late 2026, ahead of final publication and declaration before the Victorian Access Regime commences.

### **Eligible CIS projects will be subject to a targeted initial allocation assessment to minimise duplication across competitive processes**

The introduction of the Victorian Access Regime has the potential to impact CIS tenders where final information about how the new access regime will operate is not available at the time the CIS tender occurs. This is partly because once the new access regime commences, an access authority will be a pre-condition for a project to connect to the DTS.

The CIS supports projects that can demonstrate project delivery by the end of 2030. The CIS tender process is also based on assessment criteria that are substantially similar to the merit criteria proposed for the REZ access allocation process (in the Access and Connections Consultation Paper), and it is important to avoid unnecessary duplication.

Victorian projects announced as successful in NEM generation tenders of the CIS prior to the targeted commencement of the Victorian Access Regime will be eligible for the initial allocation in mid-2027. These projects will be subject to a separate targeted assessment process that includes a focus on changes and progress since their CIS tender submissions were made, noting this policy position is subject to government decision making. This assessment approach seeks to reduce duplication across competitive processes. Applicants will likely be required to share the relevant contents of their CIS tender submissions with VicGrid, along with a declaration of any changes since the submissions were made.

Subject to VicGrid's targeted assessment of the applications, it is anticipated that CIS projects will be granted access authorities, unless there have been significant deviations to the deliverability of the projects, or a failure to adhere to commitments made (assuming all legislative requirements have been met).

If VicGrid finds material gaps between the applicant's CIS tender submissions and the initial allocation assessment criteria, VicGrid may seek to incorporate these as conditions in the relevant access authority. For example, it may seek to incorporate conditions to increase alignment with the CESV Guidelines over time.

# 4. What does progressive implementation mean for projects subject to the Grid Impact Assessment?

## **Updates since the Access and Connections Consultation Paper**

### **Standard GIA**

- The GIA will be in place from the commencement of Victorian Access Regime, noting that advanced eligible projects will be able to apply for the initial allocation under the GIA.
- In response to feedback on the proposed network curtailment assessment (referred to as Criterion 1) for the GIA, VicGrid is considering an alternative approach to reduce assessment timeframes and provide greater transparency in the modelling approach. The revised approach involves removing the proposed two-test approach and replacing it with a single Power System Simulation for Engineering (PSS/E) test that would be administered by VicGrid.

### **Initial GIA allocation eligibility criteria**

- As set out in section 3, VicGrid recognises the importance of providing clear, early guidance on the eligibility criteria for the initial allocation to help maintain the delivery timeframes of advanced projects already under development in Victoria.
- VicGrid has designed a lower eligibility threshold for projects applying for the initial allocation under the GIA. This is because the GIA will introduce a new excessive network curtailment assessment criterion that may impact projects that have progressed to advanced stages of development under the current open access arrangements. The eligibility criteria for the initial allocation under the GIA will be enacted through regulations and is subject to final Government decision-making. They are set out in section 4.3.

### **Initial GIA allocation assessment process**

- This update also provides an update on the assessment process that VicGrid is considering for the initial GIA allocation. It is proposed that projects will not be subject to the Criterion 1 assessment. Instead, VicGrid is considering an assessment similar to the merit assessment proposed for the initial REZ access allocation process.

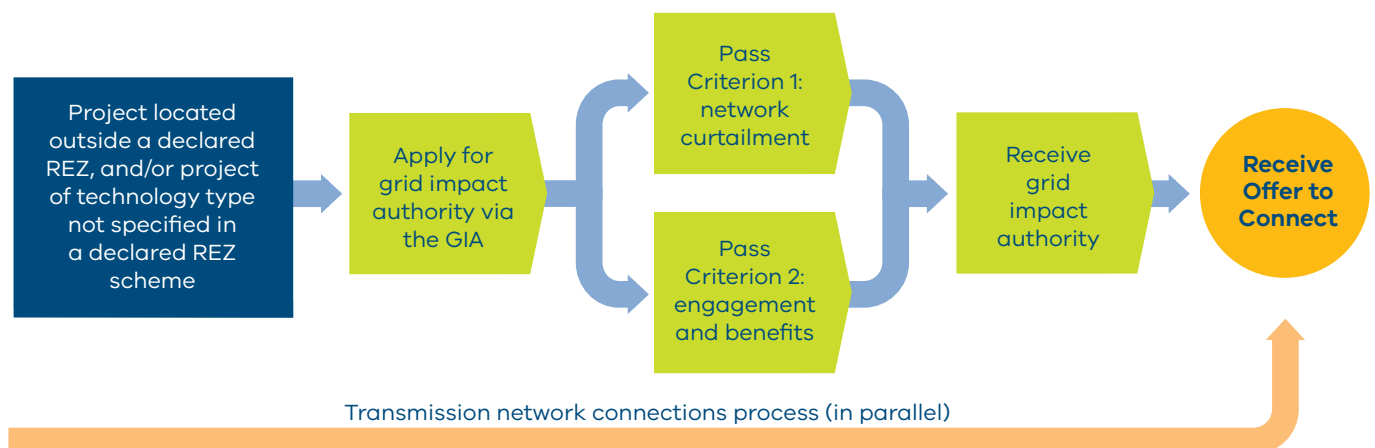


## 4.1 Section overview

This section outlines proposed updates to the Victorian Access Regime following stakeholder feedback on the Access and Connections Consultation Paper, including:

- The process and steps involved in the standard GIA process
- Proposed alternative approach to the network curtailment assessment (referred to as Criterion 1)
- The initial allocation process under the GIA for eligible advanced projects (initial GIA allocation).

**Figure 5: Overview of Grid Impact Assessment process**



As set out in the Access and Connections Consultation Paper, to apply for a grid impact authority through the GIA, a person will need to be:

- A Connection Applicant in respect of a generator, storage or hybrid project located outside a REZ, or
- A Connection Applicant in respect of a technology type not specified as eligible in a REZ scheme declaration (it is anticipated all stand-alone storage projects will fall into this group), or
- An existing generator, storage or hybrid (integrated resource provider) project seeking to increase its capacity (i.e. system change), located outside a REZ or of a technology type not specified as eligible in a declared REZ scheme

For the initial GIA allocation, it is proposed that the requirement to be a Connection Applicant will not apply (see section 4.3). Note some positions in this section are subject to consultation and final decision by the responsible Minister or other government decision-making processes.

## 4.2 Standard Grid Impact Assessment process

The standard GIA, will be in place from the commencement of the Victorian Access Regime. Once launched, it is designed to operate as 'business as usual' for developers, with the initial allocation process enabled to facilitate the transition to the new access regime.

VicGrid is considering the sequencing of the initial allocation and standard GIA applications to ensure timely outcomes are provided to applicants.

The draft GIA Guidelines published in September 2025 set out the proposed assessment process for the standard GIA. In accordance with requirements under the *National Electricity (Victoria) Act 2005*, GIA applicants must demonstrate they meet two criteria:

- Criterion 1 – network curtailment: The proposed connection is unlikely to result in excessive network curtailment of existing and planned REZ scheme generators in Victoria (REZ scheme generators).
- Criterion 2 – engagement and benefits: The applicant meets government expectations for Traditional Owner, community and landholder engagement, and provides meaningful social value and economic benefits.

VicGrid is still considering the detailed design of the standard GIA process and feedback received on the draft GIA Guidelines. Further information on the standard GIA process will be included in the revised draft GIA Guidelines expected to be published for consultation in mid-late 2026. Updates on select topics are provided below.

### GIA queuing approach

The draft GIA Guidelines included a proposed queuing approach where GIA applications would be assessed in the order in which they are received and validated (that is, first in, first served). In response to feedback, VicGrid expects to amend the proposed approach to enable more efficient processing of applications.

VicGrid is proposing to organise forums to gather feedback on the standard GIA process, including the queuing approach. An updated approach will be included in the revised draft GIA Guidelines for consultation and will consider how cumulative network curtailment impact from multiple grid impact authority applicants will be assessed.

### Alternative Criterion 1 testing

The draft GIA Guidelines proposed a two-test methodology for Criterion 1 to assess network curtailment impacts. Under that draft, passing either test would be considered sufficient to demonstrate the GIA application meets Criterion 1.

- Test 1 is a steady-state test using PSS/E and requires the applicant to carry out load flow power system studies under worst case(s) boundary conditions.
- Test 2 is a market-based test undertaken by VicGrid using PLEXOS market modelling, to quantify the impact on forecast REZ scheme generators and determine whether the impact is within the threshold for excessive network curtailment.

In response to feedback on the proposed Criterion 1 methodology, VicGrid is considering an alternative test, which will replace Test 1 and Test 2, and is intended to reduce Criterion 1 assessment timeframes and enable greater transparency in the modelling approach.

The alternative test is a single PSS/E test which will be administered by VicGrid. The alternative test follows the same principles as the previously proposed Test 2 and will be a quantification of the forecast impact of the proposed project on the network curtailment of REZ scheme generators.

Instead of adding applicants into a PLEXOS market model, the alternative test will utilise a set of PSS/E cases which represent different common scenarios from VicGrid's VTP market model. The level of curtailment in cases will be weighted to determine whether total curtailment is excessive.

As noted above, VicGrid is proposing to organise forums to gather feedback on the standard GIA process. This will include the Criterion 1 testing approach. Further details on the testing methodology will be provided in the revised draft GIA Guidelines expected to be published for consultation in mid-late 2026.

## 4.3 Initial allocation for advanced projects

VicGrid recognises that projects in advanced stages of development located outside of a REZ, or of a technology type not eligible in a REZ scheme, have an important role to play in supporting Victoria's near-term energy objectives. The Victorian Access Regime will introduce significant changes to how these projects obtain access to the transmission network. We are considering, where appropriate, how to minimise the impact of these new requirements on projects at an advanced development stage.

As outlined in section 3.3, the initial allocation is designed to facilitate the transition to the new access regime for projects that have reached an advanced development stage when the Victorian Access Regime commences. The initial allocation guiding principles set out in section 3.3 also apply to the initial GIA allocation processes.

The initial GIA allocation process will be set out in the revised draft GIA Guidelines and regulations subject to government decision-making processes.

The standard GIA process will apply to applications to be made under s 33A(1) of the *National Electricity (Victoria) Act 2005*, while the initial allocation process will apply to applications to be made under s 33A(1A) of the *National Electricity (Victoria) Act 2005*.

### Which projects will be eligible to apply for the initial GIA allocation?

Consistent with the principles in section 3.3, a lower eligibility threshold is proposed for the initial allocation under the GIA, as compared to under the REZ schemes. To participate in the initial GIA allocation, applicants will need to meet at least one of the proposed eligibility criteria set out in Table 5.

The eligibility criteria will be enacted through regulations which are subject to final government decision-making processes. To apply for the standard GIA, an applicant must be a Connection Applicant, as defined under the NER. To avoid adversely impacting projects unable to submit a connection enquiry or application due to the status of enabling transmission infrastructure in Victoria, the regulations will prescribe certain kinds of projects that will be eligible to apply for the initial GIA allocation regardless of whether a connection enquiry has been submitted in respect of that project.

Recent market trends and VTP analysis have emphasised the role of onshore wind in the meeting Victoria's energy objectives. However, the current pipeline of advanced projects in Victoria is weighted towards solar and storage projects, and onshore wind projects typically experience longer development timelines than these technologies. This has been considered in the design of the proposed eligibility criteria set out in Table 5, which includes a lower advanced development indicator for onshore wind and onshore wind hybrid projects.

Projects that have been successful in a NEM generation tender of the CIS prior to the commencement of the Victorian Access Regime will be eligible for consideration in the initial GIA allocation.

**Table 5: Proposed eligibility criteria for the initial allocation process under the GIA**

Eligibility category	Eligibility criteria
<p><b>Advanced development indicators</b></p>	<p>Projects will be eligible if they have:</p> <p>A relevant planning approval, as defined in the Victorian Access Regime regulations, has been issued prior to the commencement of the Victorian Access Regime;</p> <p><b>or</b></p> <p>an environmental assessment process has been completed for a key assessment pathway prior to the commencement of the Victorian Access Regime;</p> <p><b>or</b></p> <p>a planning approval or environmental assessment, as defined in the Victorian Access Regime regulations, has been submitted to the relevant department for final evaluation and authorisation for public notice, including exhibition of an Environmental Effects Statement (EES), prior to the commencement of the Victorian Access Regime.</p>
<p><b>Technology-specific requirement</b></p>	<p>Onshore wind projects (including onshore wind hybrids) that are unable to demonstrate the advanced development indicators but can demonstrate a credible pathway to meet the requirements for and receive a valid 5.3.4A acceptance letter (generator performance standards) by the end of 2028 will be eligible.</p>
<p><b>Competitively-awarded projects</b></p>	<p>Projects will be eligible if they have been announced as successful under a NEM generation CIS tender prior to the commencement of the Victorian Access Regime. See section 3.3, for an explanation on CIS.</p>

**What does this mean for projects successful in CIS dispatchable tenders?**

Successful projects in NEM dispatchable tenders of the CIS will not be eligible for the initial allocation, unless they meet the advanced development indicators or technology-specific requirement outlined in Table 5. Stand-alone storage projects with CIS support are expected to be considered through the standard GIA in a way that recognises storage projects typically deliver curtailment-reduction and other system benefits. See section 5.3 for further detail.

Any hybrid VRE projects that participate in NEM dispatchable tenders are evaluated based on their storage component, and not the ‘associated project’ i.e. the generation component. As such, hybrid VRE projects successful in CIS dispatchable tenders will not be eligible for the initial allocation unless they meet the advanced development indicators or technology-specific requirement outlined in Table 5.

## Initial GIA allocation process

The initial GIA allocation is expected to be a once-off, time-limited process, to enable VicGrid to provide earlier certainty on access outcomes. VicGrid will verify eligibility prior to assessment of applications.

The design of the assessment process for the initial GIA allocation is still being considered. The standard GIA process will require applicants to demonstrate that their proposed connection is unlikely to result in excessive network curtailment of existing and planned REZ scheme generators in Victoria. It is proposed that this network curtailment assessment (Criterion 1) will not apply to applicants of the initial GIA allocation process. This recognises that projects in advanced stages of development may not be able to accommodate the new network curtailment assessment without considerable delay and/or expense.

VicGrid is considering applying merit criteria similar to the initial REZ access allocation, including an assessment of the applicant's near-term delivery pathway e.g. to 2032. This approach would align the assessment of initial allocation applicants under the GIA and REZ scheme processes. An engagement and benefits assessment would be retained.

As set out in section 3.3, VicGrid is considering a portfolio assessment step to ensure there is sufficient remaining transmission capacity to allow for the access regime to continue to operate. At the end of the process, successful applicants will be issued a grid impact authority (subject to conditions).<sup>14</sup>

VicGrid is also considering how to design the assessment in a way that is fit-for-purpose for the number of applicants that may apply for an access authority via the initial allocation process.

Further information on the initial GIA allocation process will be included in the Access Handbook and revised draft GIA Guidelines, expected to be published for consultation in mid-late 2026.

### Eligible CIS projects will be subject to a targeted initial allocation assessment to minimise duplication across competitive processes

As discussed in section 3.3, it is proposed that Victorian projects announced as successful in NEM generation tenders of the CIS prior to the commencement of the Victorian Access Regime will be eligible for the initial allocation in mid-2027. These projects will be subject to a separate targeted assessment process that includes a focus on changes and progress since their CIS tender submissions were made, noting this policy position is subject to government decision making. This assessment approach seeks to reduce duplication across competitive processes. Applicants will likely be required to share the relevant contents of their CIS tender submissions with VicGrid, along with a declaration of any changes since the submissions were made.

Subject to VicGrid's targeted assessment of the applications, it is anticipated that CIS projects will be granted access authorities, unless there have been significant deviations to the deliverability of the projects, or a failure to adhere to commitments made (assuming all legislative requirements have been met).

If VicGrid finds material gaps between the applicant's CIS tender submissions and the initial allocation assessment criteria, VicGrid may seek to incorporate these as conditions in the relevant access authority. For example, it may seek to incorporate conditions to increase alignment with the CESV Guidelines over time

<sup>14</sup> A letter that represents acceptance under clause 5.3.4A (e) and, if applicable, clause 5.3.4B (k) of the NER.

# 5. Treatment of different technology types

## Updates since the Access and Connections Consultation Paper

- VicGrid recognises that different technology types interact with the transmission network in different ways and bring varied system benefits and impacts on curtailment.
- This update clarifies that VRE and hybrid projects with VRE are proposed to be specified as eligible technology types under REZ schemes, subject to government decision-making processes. It also clarifies that hybrid projects with VRE will be assessed under REZ schemes in the same way as other VRE projects. VicGrid is still considering the impact of hybrid projects on REZ access limits and is proposing an assessment based on the VRE component's nameplate capacity.
- VicGrid is proposing that stand-alone storage projects, regardless of location within or outside of a REZ, will be subject to the GIA. In response to feedback on the assessment of stand-alone storage projects under the GIA Criterion 1 assessment, VicGrid is considering an alternative modified assessment. The next iteration of the draft GIA Guidelines will detail the proposed approach for consultation.
- For non-VRE technologies, this update confirms the intent that these technology types will not be eligible under the REZ schemes and will be subject to the GIA, regardless of location within or outside of a REZ.

## 5.1 Section overview

This section provides an update on the treatment of:

- VRE and hybrid VRE technology types
- Stand-alone storage
- Non-VRE technologies.

Note some positions in this section are subject to consultation and final decision by the Minister for Energy and Resources or other government decision-making processes.



## 5.2 Treatment of VRE and hybrid VRE technology types

### Treatment of VRE

VRE is a generation system that produces electricity from renewable energy sources, such as solar and wind, whose output varies due to environmental conditions and cannot be precisely controlled or scheduled.

VRE technologies located within a REZ are intended to be specified as eligible technology types under the REZ schemes. This means they will apply for access through a REZ access allocation process (either the initial allocation or a standard REZ access allocation) and will be subject to REZ access limits. Eligible VRE technologies will include solar, onshore wind and offshore wind.

VRE technologies located outside of a REZ will apply for access through the GIA.

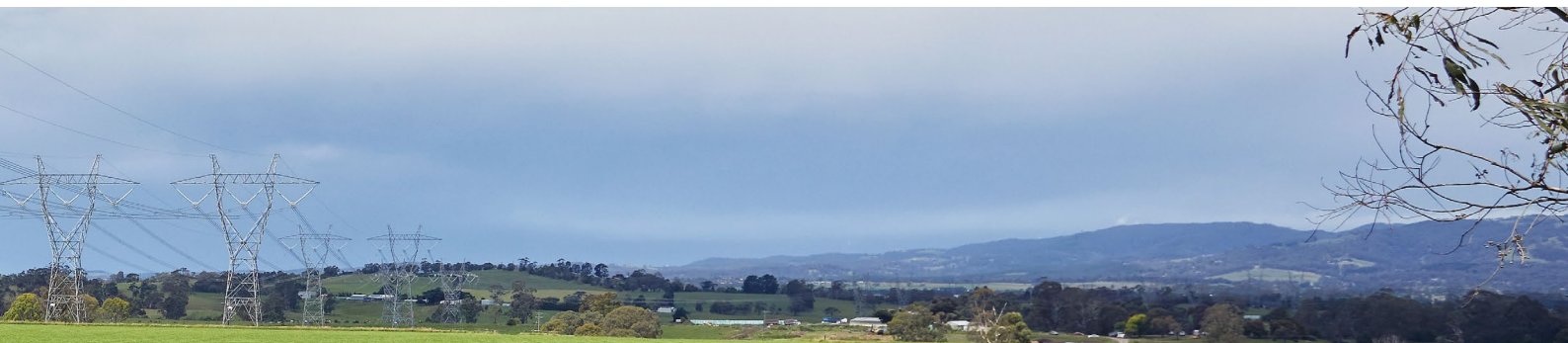
### Treatment of hybrid VRE

Hybrid VRE technologies comprise a VRE generation and storage component. They can be DC-coupled, sharing inverter systems, or AC-coupled, with separate inverters for each component. While hybrid VRE projects may theoretically dispatch in a manner that increases curtailment, this risk is considered lower than for stand-alone VRE generation, as the storage component is expected to mitigate the curtailment impact of the VRE component.

Hybrid VRE technologies located within a REZ are intended to be specified as eligible technology types under the REZ schemes. This means they will apply for access through a REZ access allocation processes. These projects are intended to be assessed under the REZ schemes in the same way as other VRE projects. VicGrid is still considering the impact of hybrid projects on REZ access limits and is proposing that the assessment will be based on the VRE component's nameplate capacity, meaning only the generation component draws on the available capacity of the applicable access limit.

While the aggregate dispatch profile of a hybrid generator may differ from a non-hybrid generator, this approach ensures consistent treatment across hybrid configurations and avoids reliance on projections of ESS dispatch behaviour that are difficult to predict.

Hybrid VRE technologies located outside of a REZ will apply for access through the GIA process. The Criterion 1 assessment under the GIA is proposed to apply in the same way as other VRE projects, however the performance of the storage component may be used as a mitigation as part of the Criterion 1 assessment.



### 5.3 Treatment of stand-alone storage

Stand-alone ESS is recognised as having the potential to deliver curtailment-reduction benefits, as well as broader system benefits, owing to its ability to both dispatch and import energy in a controlled manner. It is important for the Victorian Access Regime to support investment into technologies which provide benefits across the network.

In the Access and Connections Consultation Paper, VicGrid proposed that stand-alone ESS would apply for access under a REZ scheme or the GIA, depending on the project's location within or outside of a REZ. Industry feedback highlighted shorter development timelines for stand-alone ESS projects and the risk posed to these development timelines if the technology is required to align with REZ access allocation rounds. In response to this, it is proposed that stand alone ESS will not be specified as an eligible technology under the REZ schemes. Stand-alone ESS, irrespective of location, is now proposed to be assessed through the GIA.

In the draft GIA Guidelines, VicGrid considered how the Criterion 1 assessment could be applied to stand-alone ESS. The potential for storage, in limited circumstances, to interact with REZ transmission constraints during high-price periods was acknowledged. However, industry feedback highlighted that operational or dispatch constraints could impact project economics. Feedback also noted that the risk of additional network curtailment from stand-alone ESS is relatively low and is typically offset by the system benefits provided.

In recognition of these characteristics and benefits, and consistent with VicGrid's intent to support the continued development of stand-alone ESS, VicGrid is considering an alternative modified approach to applying Criterion 1 for stand-alone ESS projects. VicGrid will continue to consider project-specific information where relevant and appropriate.

Further details of the Criterion 1 approach for stand-alone ESS projects will be provided in the revised draft GIA Guidelines expected to be published for consultation in mid-late 2026.

### 5.4 Treatment of non-VRE technologies

Technology types that are not specified as eligible under the REZ schemes will be subject to the GIA, regardless of whether they are located within or outside of a REZ. This includes:

- All dispatchable technologies, e.g. hydro generation
- All non-VRE technologies, e.g. gas, oil, waste, and coal
- All non-VRE hybrid configurations, e.g. gas and storage or other hybrid plant

VicGrid is undertaking further technical analysis to determine how the GIA Criterion 1 assessment should be applied to these technologies. As noted above, further details of the Criterion 1 approach will be set out and consulted on in the revised draft GIA Guidelines, expected in mid-late 2026.

# 6. Further access regime information and publications

As outlined in this update, the Victorian Access Regime is targeted to commence in July 2027. VicGrid and DEECA are preparing draft regulations, guidelines and other legal instruments to enable the implementation and operation of the Victorian Access Regime.

VicGrid is continuing to undertake the work required to support the implementation of the Victorian Access Regime. We recognise the importance of giving developers and other stakeholders clear, end-to-end guidance on the steps required to secure access in Victoria. With DEECA, we plan to publish additional information and draft guidance on how the new access regime will work via draft design instruments and documents in mid-late 2026.

This will include:

- The Victorian Access Regime Handbook (Access Handbook): to provide practical information about how the Victorian Access Regime will be implemented, including outlining the initial allocation processes, standard REZ access allocation process, and standard GIA processes.
- Revised draft GIA Guidelines: to set out the requirements for projects outside REZs, and technologies not specified as eligible in REZ schemes within REZs, to apply for a grid impact authority.
- Draft REZ schemes: to set out the requirements for eligible projects inside REZs to apply for a REZ scheme authority.

Alongside DEECA, VicGrid will be seeking feedback from Traditional Owners, industry, community, landholders and other stakeholders on these documents before finalising them ahead of the Victorian Access Regime, which is targeted to commence in July 2027.

VicGrid will organise meetings, events and forums to gather feedback and views on this update, prior to finalising the settings underpinning the Victorian Access Regime. At every opportunity we will look to engage with communities to explain how they are impacted by the introduction of the new access regime and ensure their views are incorporated into decisions. We also look forward to engagement with industry stakeholders as we share additional information and seek feedback through the upcoming meetings, events and forums.

Table 6 below provides further detail on information and publications proposed to be released by VicGrid, DEECA or the responsible Minister before the commencement of the Victorian Access Regime.

**Table 6: Further Victorian Access Regime information and publications**

<b>Instrument</b>	<b>Further information</b>	<b>Date</b>
<b>REZ orders</b>	The final REZ orders set out the areas of Victoria declared as REZs, along with information including: <ul style="list-style-type: none"> <li>• Geographical boundaries of each REZ</li> <li>• Intended transmission hosting capacity</li> </ul>	Published on <b>29 May 2026*</b>
<b>CESV Guidelines</b>	The final CESV Guidelines set expectations for how project developers will be expected to engage with and deliver social value and economic benefits to Traditional Owners, landholders, neighbours and community.	Published on <b>12 June 2026**</b>
<b>Draft Victorian Access Regime Regulations</b>	Draft regulations to support the implementation and operation of the Victorian Access Regime will be published for consultation as part of the Regulatory Impact Statement (RIS) process.	Anticipated <b>mid-late 2026</b>
<b>Draft REZ scheme declarations</b>	The first draft REZ schemes will be published for consultation. The REZ schemes govern how eligible projects can gain access to the DTS inside a REZ.	
<b>Victorian Access Regime Handbook (Access Handbook)</b>	The Access Handbook will provide explanatory information about the new Victorian Access Regime and outline how transmission network access will be managed in Victoria. It will include information about topics including: <ul style="list-style-type: none"> <li>• Initial allocation processes</li> <li>• Standard REZ access allocation process</li> <li>• Access limit calculation methodology</li> <li>• Standard GIA process</li> </ul>	
<b>Revised draft GIA Guidelines</b>	The revised draft GIA Guidelines will seek further feedback on the requirements for projects outside REZs, and technologies not specified as eligible in REZ schemes within REZs, to apply for a grid impact authority.	
<b>Revised Victorian Access Regime Handbook (Access Handbook)</b>	The Access Handbook will be updated to reflect and explain changes made to the Victorian Access Regime design as a result of the consultation processes in mid-late 2026.	
<b>Final GIA Guidelines</b>	The GIA Guidelines will incorporate feedback received on the revised draft GIA Guidelines. It will include the application process and assessment criteria, including the excessive network curtailment test.	Anticipated <b>early-mid 2027</b>
<b>Final REZ scheme declarations</b>	The final REZ schemes will incorporate feedback received on the draft REZ schemes. They will include: <ul style="list-style-type: none"> <li>• Eligible technology types</li> <li>• REZ access limits</li> <li>• Assessment criteria</li> </ul>	
<b>Final Victorian Access Regime Regulations</b>	Following the RIS process, the Victorian Access Regime Regulations will be finalised by the responsible Minister before a notice is published in the Government Gazette.	

\* [www.energy.vic.gov.au/about-energy/legislation/victorias-renewable-energy-zone-declaration-orders](http://www.energy.vic.gov.au/about-energy/legislation/victorias-renewable-energy-zone-declaration-orders)

\*\* [www.vicgrid.com.au/community/community-engagement-and-social-value-guidelines](http://www.vicgrid.com.au/community/community-engagement-and-social-value-guidelines)

## Acronyms

Term	Definition	Term	Definition
<b>CESV</b>	Community Engagement and Social Value Guidelines	<b>NEM</b>	National Electricity Market
<b>CIS</b>	Capacity Investment Scheme	<b>NER</b>	National Electricity Rules
<b>DEECA</b>	Department of Energy, Environment and Climate Action	<b>PSS/E</b>	Power System Simulation for Engineering
<b>DTS</b>	Declared Transmission System	<b>REZ</b>	Renewable energy zone
<b>EES</b>	Environment Effects Statement	<b>RIS</b>	Regulatory Impact Statement
<b>ESS</b>	Energy Storage System	<b>VRE</b>	Variable Renewable Energy
<b>GIA</b>	Grid Impact Assessment	<b>VTIF</b>	Victorian Transmission Investment Framework
<b>GW</b>	Gigawatts	<b>VTP</b>	Victorian Transmission Plan

# Glossary

Term	Definition
<b>Capacity Investment Scheme (CIS)</b>	The scheme is a Commonwealth Government program designed to encourage private investment in renewable energy generation and dispatchable storage delivered by 2030. CIS projects are selected through a competitive, merit-based tender process administered by AusEnergy Services Limited on behalf of the Australian Government. Successful projects receive a revenue underwriting agreement.
<b>Connection Applicant</b>	Connection Applicant has the same meaning as defined in the National Electricity Rules. A subset of which is a person who wants to establish or modify connection to a transmission network and who makes a connection enquiry as described in clause 5.3.2 or clause 5.3A.5 of the National Electricity Rules.
<b>Declared Transmission System (DTS)</b>	DTS has the same meaning as in the National Electricity Law and is the high-voltage electricity transmission network in Victoria.
<b>Energy Storage System (ESS)</b>	Any system which stores energy and dispatches it into the electricity network.
<b>Environment Effects Statement (EES)</b>	An EES in Victoria requires an assessment of the potential environmental impacts of a proposed development. The EES is administered under the Environment Effects Act 1978.
<b>Grid Impact Assessment (GIA)</b>	The application process for a grid impact authority, which will be required by generation, storage and hybrid VRE projects outside REZs, and technologies that are not specified in REZ schemes inside REZs, seeking to connect to the DTS (or seeking a system change).
<b>Initial allocation</b>	The application process for a REZ access authority or grid impact authority which will have been designed to facilitate the transition to the new access regime for projects that have either reached selected advanced development milestones or have been successful through NEM generation tenders of the CIS prior to the commencement of the Victorian Access Regime.
<b>Invitation to apply</b>	A formal document that is issued to invite proponents to apply for a tender process. VicGrid is proposing to issue an invitation to apply as the first step in the initial allocation and the standard REZ access allocation processes.
<b>National Electricity Market (NEM)</b>	The interconnected electricity network which services most areas of Queensland, New South Wales, Australian Capital Territory, Victoria, Tasmania and South Australia.

# Glossary

Term	Definition
<b>PLEXOS</b>	Energy market modelling software used to forecast how energy markets will behave, focusing on supply-demand balance, generation forecasts and transmission needs.
<b>Power System Simulation for Engineering (PSS/E)</b>	PSS/E is used for power flow (steady-state) and dynamic simulation to assess transmission network and generation performance.
<b>Renewable energy zone (REZ)</b>	A geographic area declared through a Renewable Energy Zone Order issued by the Minister for Energy and Resources. Each Order sets the boundary of the zone and its indicative transmission hosting capacity for future renewable energy generation development. These are areas where a REZ scheme and special benefits arrangements will apply.
<b>REZ scheme fees</b>	A fee payable to VicGrid by a REZ scheme authority holder.
<b>REZ scheme</b>	A scheme, under the proposed Victorian Access Regime, declared by the Minister for Energy and Resources which sets out arrangements governing network connections for new renewable generation and storage projects located in a REZ (or seeking a system change).
<b>Regulatory Impact Statement (RIS)</b>	A document prepared by a Victorian Government department or agency for new or sunseting regulations, assessing options and impacts before regulations are made.
<b>Standard Grid Impact Assessment (GIA)</b>	The application process for a grid impact authority, which will be required by projects located outside REZs, and technologies that are not specified in REZ schemes inside REZs, seeking to connect to the DTS (or seeking a system change).
<b>Standard REZ access allocation</b>	The application process for an access authority, which will be required by projects located inside a REZ and of a specified technology type in the REZ schemes, seeking to connect to the DTS (or seeking a system change).
<b>Victorian Access Regime (VAR)</b>	The new rules, defined under the <i>National Electricity (Victoria) Act 2005</i> , for how new generation projects can connect to the Declared Transmission System, both within and outside of REZs.
<b>Victorian Transmission Investment Framework (VTIF)</b>	A set of reforms being implemented to transmission planning in Victoria, including: a new transmission planning objective; a new planning process through the Victorian Transmission Plan; the Victorian Access Regime; new Traditional Owner community and landholder benefit arrangements; and new approaches to procuring transmission infrastructure.
<b>Victorian Transmission Plan (VTP)</b>	A document setting out an optimal set of transmission projects that address the planning and development needs over the following periods related to new major electricity transmission infrastructure to facilitate connection of renewable energy zones to the Declared Transmission System: <ul style="list-style-type: none"> <li>(a) 15 years for the first Victorian transmission plan</li> <li>(b) 25 years for each subsequent Victorian transmission plan</li> </ul>

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