

1996—No. 170

STATE OWNED CORPORATIONS ACT 1989—REGULATION

(State Owned Corporations (National Electricity Market) Regulation 1996)

NEW SOUTH WALES



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HIS Excellency the Governor, with the advice of the Executive Council, and in pursuance of the State Owned Corporations Act 1989, has been pleased to make the Regulation set forth hereunder.

Bob Carr
Premier.

Citation

1. This Regulation may be cited as the State Owned Corporations (National Electricity Market) Regulation 1996.

Commencement

2. This Regulation commences on 10 May 1996.

Application of Corporations Law to statutory SOC's

3. (1) The following provisions of the Corporations Law apply to and in respect of a statutory SOC:

- (a) Chapter 8;
- (b) Part 9.1, in relation to the keeping of registers and the registration of documents in connection with matters arising under Chapter 8;
- (c) Part 9.3, in relation to books kept in connection with matters arising under Chapter 8;
- (d) Part 9.4, in relation to offences relating to matters arising under Chapter 8;
- (e) Part 9.5, in relation to matters arising under Chapter 8;
- (f) Part 9.6, in relation to proceedings on matters arising under Chapter 8;

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- (g) section 1345A, in relation to matters arising under Chapter 8;
- (h) Part 9.10, in relation to matters arising under Chapter 8;
- (i) Chapter 1, to the extent to which it is necessary to apply that Chapter in order for the provisions referred to in paragraphs (a)–(h) to have effect in relation to statutory SOCs.

(2) This clause applies only to energy services corporations within the meaning of the Energy Services Corporations Act 1995.

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EXPLANATORY NOTE

The object of this Regulation is to apply specified provisions of the Corporations Law to those statutory SOCs that are energy services corporations within the meaning of the Energy Services Corporations Act 1995.

The development of a wholesale market for electricity in New South Wales will involve the trading of electricity futures contracts on an electricity futures market. It is proposed to protect such trading from State laws prohibiting gaming and betting by means of section 1141 of the Corporations Law (which gives such protection to futures contracts traded on certain futures exchanges). To do this, it will be necessary for the electricity futures market to be declared an exempt futures market under section 1127 of the Corporations Law. The Australian Securities Commission has advised that, in accordance with current policy, such a declaration cannot be made unless energy services corporations (which would be among the main players in an electricity futures market) are made subject to specified provisions of the Corporations Law. Energy services corporations (being statutory SOCs) are not currently subject to the Corporations Law, but can be made subject to specified provisions of the Corporations Law by means of a regulation under the State Owned Corporations Act 1989 (see section 20G of that Act).

This Regulation comprises or relates to matters that are not likely to impose an appreciable burden, cost or disadvantage on any sector of the public.

This Regulation is made under the State Owned Corporations Act 1989, including section 38 (the general regulation making power) and section 20G.
