

C L I F F O R D

C H A N C E

A vibrant sunset scene with a bright sun low on the horizon, casting a golden glow over a vast expanse of fluffy, white clouds. The sky transitions from a deep blue at the top to a warm orange and yellow near the sun.

ENERGY & INFRA UPDATES
Q1 2025

What's new in APAC's Energy Transition?
The latest energy and infrastructure updates



- 1. Opportunities for investment into offshore electricity transmission and infrastructure**
- 2. Regulatory reform to accelerate investment into smart meters**
- 3. Cyber security reform strengthens protection for Australia's critical infrastructure**
- 4. Portfolio financings becoming more flexible for energy and infrastructure assets in 2025**
- 5. Broader APAC Round-Up**

1

Opportunities for investment into offshore electricity transmission and infrastructure

Key takeaway

The Offshore Electricity Infrastructure Amendment Regulations 2024 came into effect on 12 December 2024. Their main purpose is to prescribe additional matters for the licensing scheme under the *Offshore Electricity Infrastructure Act 2021* (Cth). Applications for offshore electricity transmission and infrastructure licenses are open as of 28 February 2025 until 30 June 2025.

Key details

The regulations provide a framework for the licensing regime for offshore renewable energy and transmission infrastructure in Australia by setting requirements for license holders in respect of projects and giving the regulator the necessary oversight of activities planned to be undertaken in accordance with a license.

This includes the introduction of reporting requirements related to the Australian supply chain and workforce, requirements for management plans to be developed by license holders and requirements and procedures related to financial security in favour of the Commonwealth. Financial security protects the Commonwealth from incurring expenses or liabilities associated with decommissioning or other license holder obligations under the offshore electricity infrastructure legislative framework.

We have seen a significant amount of investment by private capital into offshore transmission assets globally including as part of the tender processes run by Ofgem to appoint offshore transmission owners (OFTOs) to facilitate the offshore wind industry in the UK.

2

Regulatory reform to accelerate investment into smart meters

Key takeaway

On 28 November 2024 the Australian Energy Market Commission (AEMC) announced a final rule requiring universal smart meters to be deployed across the National Electricity Market (NEM) by 2030. We expect this will accelerate investment by private capital into smart meter businesses in Australia.

Key details

The AEMC's reforms include several significant measures to ensure the efficient rollout of smart meters including:

- **Power quality data access:** Improved access to power quality data that will help networks manage their systems better, reduce costs, save energy, and minimise safety risks;
- **Consumer safeguards:** New safeguards to protect consumers from upfront installation costs and ensure they receive clear information about the benefits and any changes to their tariffs;
- **Improved meter testing and inspections:** Enhanced procedures for meter testing and inspections to help minimise costs and improve efficiencies for both industry and consumers; and
- **Regulatory framework:** A robust regulatory framework to support the accelerated deployment and ensure compliance with the new rules.

The reforms will be implemented progressively from December 2024 to July 2026 and follow the announcement of a A\$50 million loan from the Australian Government-backed Clean Energy Finance Corporation to Intellihub, Australia's largest smart meter provider.

Clifford Chance has been advising investors on some of the largest transactions in this sector, including the consortium on its full lifecycle investment in Calisen (the UK's largest independent owner and installer of smart meters), which encompasses the take-private, subsequent merger and sale.

3

Cyber security reform strengthens protection for Australia's critical infrastructure

Key takeaway

The Australian Government introduced significant changes to cyber security legislation on 29 November 2024 which seek to enhance Australia's resilience to cyber threats and ensure the protection of critical infrastructure. These reforms will impact investors in critical infrastructure projects in Australia.

Key details

The *Cyber Security Act 2024* (Cth), which is part of the broader Cyber Security Legislative Package, received Royal Assent on 29 November 2024 and introduces several measures to address legislative gaps and align Australia with international best practices. Key initiatives include mandating minimum cyber security standards for smart devices, introducing mandatory ransomware and cyber extortion reporting, and establishing a Cyber Incident Review Board to review significant cyber incidents.

Amendments to the *Security of Critical Infrastructure Act 2018* (Cth) received Royal Assent at the same time and seek to enhance the security and resilience of critical infrastructure including by expanding the definition of 'critical infrastructure' to now include data storage systems holding business-critical data, critical banking assets, critical broadcasting assets, critical insurance assets and critical domain name systems.

Companies investing into critical infrastructure assets should ensure that their investments are compliant with these enhanced cyber security requirements, including across sectors such as data centres and battery energy storage systems (BESS).

4

Portfolio financings becoming more flexible for energy and infrastructure assets in 2025

Key takeaway

Portfolio financing structures – where financiers support a diversified bundle of energy and infrastructure assets under a single financing arrangement – have become a well-established feature of the Australian and wider Asia Pacific markets. This approach not only mitigates risk for financiers through diversification but also enhances flexibility for sponsors.

Key details

In 2025, financiers and sponsors are innovating further by exploring new use cases and features.

For example, within energy portfolios, merchant revenues from energy storage systems are now incorporated into debt sizing criteria, and eligibility is broadening to include offshore wind projects in Australia as well as overseas energy projects (with thin capitalisation considerations remaining in focus).

Additionally, sponsors are increasingly examining the potential of these financing structures for other asset classes, such as data centres.

5

Broader APAC Round-Up

Australia: ACCC targets anti-competitive conduct in energy sector for 2025-26

The ACCC released its 2025-26 Compliance and Enforcement Priorities on 20 February 2025 and has committed to continue prioritising the promotion of competition in the energy sector (including both gas and electricity). As such, we expect to see an increased focus by the ACCC on what businesses are saying to consumers about their service plans and pricing across the energy and infrastructure sector in 2025.

China: Ongoing efforts to enhance carbon measurement capabilities

In November 2024, China released guidelines to develop carbon footprint accounting standards for around 200 key products, seeking to enhance the accuracy of emissions data by aligning with international standards and its carbon neutrality goals. Additionally, China is consulting on greenhouse gas calculation measures for the steel sector, and is expected to join the national mandatory carbon market.

Japan: Carbon Capture and Storage – How will Japan establish CCS value chains?

Japan has introduced the CCS Business Act (partially in effect from October 2024) which includes a licensing system for CCS businesses, marking a significant step towards practical CCS application. Further details can be found [here](#) in the Clifford Chance briefing, which provides an overview of the licensing and other requirements under the CCS Business Act and the current environment surrounding implementation of CCS value chains in Japan.

New Zealand: Introduction of classes of permits for offshore renewable energy projects

The Offshore Renewable Energy Bill passed its first reading on 17 December 2024, public submissions closed on 6 February 2025 and have been published. The Select Committee's on the Bill following submissions is due on 17 June 2025. The Bill takes a further step towards creating clear and long-term investment opportunities in renewable energy infrastructure. It introduces two classes of permits for offshore renewable energy projects: (i) feasibility permits providing exclusive rights over an offshore area to conduct studies; and (ii) commercial permits allowing permit holders to commence generation infrastructure activities.

Philippines: Offshore wind auction to launch in Q3 2025

The Department of Energy of the Philippines (DOE) announced in December 2024 that the fifth Green Energy Auction (GEA-5) for offshore wind projects will launch in Q3 2025, aiming to secure market access and long-term demand. This follows the World Bank and DOE's plan to install up to 21 GW of offshore wind by 2040 and the announcement of three strategic ports in September 2024.

Thailand: Regulatory shift on rooftop solar systems

As of 28 December 2024, Thailand has removed the factory license requirement for rooftop solar installations over 1 MW, opening new opportunities for factory and commercial building owners to reduce electricity costs, accelerating solar sector growth and increasing the attractiveness of investment for private capital.

Key Contacts

Australia



Nadia Kalic
Partner, Corporate
Global Co-Head of
Energy & Resources
Sydney
T: +61 2 8922 8095
E: nadia.kalic@
cliffordchance.com



Chad Bochan
Partner, GFM
Sydney
T: +61 2 8922 8501
E: chad.bochan@
cliffordchance.com



Elizabeth Richmond
Partner, Antitrust
Sydney
T: +61299478011
E: elizabeth.richmond@
cliffordchance.com



Cameron Hassall
Partner, APAC Head of L&DR
Sydney
T: +852 2825 8902
E: cameron.hassall@
cliffordchance.com



Robert Tang
Partner, L&DR
Sydney
T: +61 2 8922 8502
E: robert.tang@
cliffordchance.com



Sunny Jong
Counsel, GFM
Sydney
T: +61 2 8922 8030
E: sunny.jong@
cliffordchance.com



Mark Grime
Counsel, Antitrust
Sydney
T: +61 2 8922 8072
E: mark.grime@
cliffordchance.com



Emily Yung
Senior Associate, Corporate
Sydney
T: +61 2 8922 8507
E: emily.yung@
cliffordchance.com



Spencer Flay
Partner, L&DR
Perth
T: +61 8 9262 5554
E: spencer.flay@
cliffordchance.com



Mark Gillgren
Partner, GFM
Perth
T: +61 8 9262 5543
E: mark.gillgren@
cliffordchance.com



Pat Saraceni
Director, L&DR
Perth
T: +61 2 9262 5524
E: pat.saraceni@
cliffordchance.com



Kristian Maley
Counsel, L&DR
Perth
T: +61 2 9262 5582
E: kristian.maley@
cliffordchance.com

Please contact us for an introduction to our broader APAC energy transition team.

Key contributors this month:

Jenny Han (Counsel, Corporate, Tokyo); Tom Capel (Counsel, GFM, Singapore); Jane Chen (Senior Associate, GFM, Beijing); Wesley Tan (Senior Associate, Corporate, Singapore); William Lucas (Associate, Corporate, Sydney); Jae-Ho Kim (Associate, Corporate, Sydney); Chantelle Masters (Associate, Corporate, Sydney); Georgina Clarke (Trainee, Sydney); Callum Florance (Trainee, Sydney); Isabelle Ellerker (Trainee, Sydney); Isabel Lovisi (Trainee, Sydney); Julia Hegarty (Trainee, Sydney).

The New Zealand update was provided by the team at Chapman Tripp led by partners Lauren Curtayne (Lauren.Curtayne@chapmantripp.com) and Tom Jemson (Tom.Jemson@chapmantripp.com).