



DECISION

Net Zero Economy Authority Act 2024

s.56 (NZEA) - Application for a community of interest determination

Application by the Commonwealth of Australia as Represented by the Net Zero Economy Authority

AGL Energy Ltd and AGL Torrens Island Pty Ltd

(NZ2025/1)

DEPUTY PRESIDENT SAUNDERS

NEWCASTLE, 20 NOVEMBER 2025

Community of interest determination – application not opposed – determination made.

Introduction and background

[1] The CEO of the Net Zero Economy Authority has applied for a community of interest determination in relation to the closure of the **Torrens B** power station: an open cycle steam turbine gas-fired power station located on Torrens Island in South Australia. The application is made pursuant to s 56(1) of the *Net Zero Economy Authority Act 2024 (Cth)*.

[2] AGL Energy Ltd and AGL Torrens Island Pty Ltd are named as “closing employers” in the application (collectively, **AGL**). No “dependent employers” have been nominated as part of the present application.

[3] On 20 November 2025, I conducted a hearing, by video conference, in relation to the application. NZEA tendered a statutory declaration made by Mr David Shankey, Chief Executive Officer of NZEA, on 11 November 2025. AGL tendered a witness statement made by Mr Kevin Taylor, Head of Gas Assets, made on 11 November 2025. Neither witness was required for cross examination.

[4] In accordance with s 57(1) of the NZEA Act, the CEO of NZEA, the Energy Industry Worker Redeployment Advisory Group, AGL, each employee organisation that is entitled to represent the industrial interests of one or more of the transition employees of AGL, each employer organisation that is entitled to represent the industrial interests of AGL, and each transition employee of AGL have been given a right to be heard.

[5] AGL does not oppose the application. Nor does any other entity entitled to be heard by the Fair Work **Commission** in relation to the application.

[6] The Energy Industry Worker Redeployment Advisory Group filed short submissions supporting the application.

[7] The Australian Municipal, Administrative, Clerical and Services Union, The Association of Professional Engineers, Scientists and Managers, Australia, The Australian Workers' Union, "Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU), and Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia (collectively, the **Joint Unions**) filed submissions supporting the application.

[8] NZEA and AGL also filed comprehensive written submissions, which I have read and taken into account.

Consideration

[9] Because the application is not opposed, my reasons for making the community of interest determination will be brief.

[10] On the basis of the material before the Commission, I am satisfied, in accordance with s 57 of the NZEA Act, that:

- (a) the employers named in the application, AGL, are "closing employers" within the meaning of the NZEA Act; and
- (b) it is reasonable in the circumstances to specify AGL as closing employers in the determination, having regard to:
 - (i) the objects of the NZEA Act, which are to promote orderly and positive economic transformation as the world decarbonises, facilitate the achievement of Australia's greenhouse gas emissions reduction targets, and ensure Australia's regions, communities and workers are supported to manage the impacts, and share in the benefits, of Australia's transition to a net zero emissions economy. Making the community of interest determination sought in the application is consistent with the objects of the NZEA Act. The effect of the determination will be to place obligations on AGL to take action aimed at supporting transition employees to obtain alternate employment. It will promote such action being implemented and offered to transition employees at an early stage, reinforcing the likelihood that transition employees will be supported to successfully transition to new employment. This factor weighs in favour of a conclusion that it is reasonable in the circumstances to make the community of interest determination;
 - (ii) the existing supports that are available to facilitate transition employees of the employer to find other employment, including supports provided under relevant enterprise agreements or other industrial instruments. I accept on the evidence before the Commission that AGL has put in place a range of supports to assist the transition employees. NZEA's written submissions are somewhat critical of the supports provided by AGL, but in the hearing Mr Bourke KC, Senior Counsel for NZEA, submitted that NZEA was not criticising AGL for clearly

making efforts to support the transition employees. NZEA submits that, given the composition of the transition employees, high levels of support will be needed to assist those employees to transition to new jobs and the structure and certainty associated with making a community of interest determination will assist such support being given. I accept that submission. It supports the making of the determination;

- (iii) the number of transition employees and an estimate of the number of those transition employees who are, or who will become, participating employees of the employer. There are 106 transition employees and about 78 participating employees. This number of employees weighs in favour of a conclusion that it is reasonable in the circumstances to make the determination;
- (iv) the capacity of the employer to redeploy those transition employees in other business operations of the employer or in business operations of associated entities of the employer. While AGL has committed to providing alternative employment within the business, where possible, and has “ring fenced” 25 roles at Barker Inlet Power Station for transitioning employees, the precise scope of those roles has not been determined. AGL has also indicated that it will consider wider redeployment opportunities in its business closer to the time of closure. Further, even if approximately 25 transition employees were able to be redeployed to Barker Inlet Power Station, this would still leave a significant number of employees without any potential redeployment opportunity. These matters weigh in support of a determination being made;
- (v) the capacity of other employers in the same geographic area in which the power station concerned is located to offer employment to those transition employees. The Adelaide labour market is moderately strong in some areas. However, there are some matters which suggest that there will be limited capacity of other employers in the same geographic area to offer employment to transition employees. These include that the scope of the industries in which the transition employees would likely need to be employed (i.e. the electricity, gas, water and waste service sectors) is very small (1% of the Adelaide employment market), a skill set of a significant proportion of the transition employees (approximately 37%) is highly specialised to the equipment on Torrens and other employers in the same geographic area do not have a need for such skillsets, and over 70% of transition employees are over 45 years of age or have a tenure at Torrens of over ten years. These matters weigh in support of a determination being made;
- (vi) information contained in the application under section 56 of the NZEA Act. The information contained in the application supports the making of the determination. Much of that information has been summarised elsewhere in this short decision. Broadly speaking, the information in the application suggests that the transition employees require ongoing support and will benefit by the making of the determination;

- (vii) information obtained from entities with a right to be heard in accordance with subsection 57(1) of the NZEA Act. I have had regard to the submissions and other material filed by the NZEA, AGL, the Energy Industry Worker Redeployment Advisory Group, and the Joint Unions; and
- (viii) other relevant matters. It is relevant that the application is not opposed by AGL and is supported by the Joint Unions. These matters support the making of the determination. Further, although three of the four generating units of Torrens will be closed on 30 June 2028, the fourth unit will be closed in June 2026. The relatively short period of time prior to the closure of the fourth unit weighs in support of making the determination.

Conclusion

[11] For the reasons explained above, I am satisfied that I should make the community of interest determination sought in the application because AGL is a closing employer within the meaning of the NZEA Act and it is reasonable in the circumstances to specify them in the determination as a closing employer. The effect of making the determination will be to require AGL to comply with its obligations under ss 58 and 59 of the NZEA Act. Those provisions will require AGL to take a range of actions for the benefit of the transition employees.

[12] A separate determination [PR793922](#) will be issued to give effect to this decision.



DEPUTY PRESIDENT

Appearances:

Mr J Bourke, KC, for the Applicant

Mr M Garozzo, of counsel, for AGL

Ms K Thomas, on behalf of the Joint Unions

Hearing details:

2025.

Newcastle (via videoconference)

20 November

Printed by authority of the Commonwealth Government Printer
<PR793921>