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Australian Government  
Department of Climate Change, Energy,  
the Environment and Water

Anna Collyer  
Chair  
Australian Energy Market Commission

By email: [Anna.Collyer@aemc.gov.au](mailto:Anna.Collyer@aemc.gov.au)

Dear Ms Collyer

**Re: Administrative error with Other Gases National Energy Retail Rules**

I write to you in my capacity as Chair of the Gas Working Group (Gas WG), the group of Commonwealth, state and territory officials established under the Energy and Climate Change Ministers Council (ECMC) to deliver on the ECMC's gas related priorities.

On 7 March 2024, the *Statutes Amendment (National Energy Laws) (Other Gases) Act 2023* and associated amending Regulations were proclaimed. On 21 March 2024, the associated rules framework, including amendments to the National Gas Rules and National Energy Retail Rules (NERR), were made by the South Australian Minister and gazetted.

In considering amendments to the NERR, Energy Ministers agreed to the draft rules recommended by the Australian Energy Market Commission (AEMC) which accompanied the final rules report – *Review into extending the regulatory frameworks to hydrogen and renewable gases*. Recommendations 53 and 55 of the AEMC's final rules report recommended that there be a transitional period so that certain new rules in the NERR should have an effective date **nine months** after they were made.

The nine month transitional period was to allow distributors and retailers time to adjust. It has been identified that an administrative error in legal drafting has meant that relevant new rules were made to be effective immediately, instead of being delayed nine months as recommended by the AEMC and agreed by Energy Ministers. Further details of the relevant rules are outlined at **Attachment 1**.

On behalf of the Gas WG, I confirm the policy intention that there be a nine-month transitional period from 12 March 2024 before the relevant new rules in the NERR are effective.

**DCCEEW.gov.au**

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I request that the AEMC consider amending the current effective date and commencement of the affected elements in the NERR to achieve this policy intent through a minor rule change process. I am comfortable for this letter to be made public to facilitate a rule change process.

Should you require more information in relation to this matter, please do not hesitate to contact the Manager of the Gas Transition Policy Team at the Department of Climate Change, Energy, the Environment and Water ([renewablegas@dcceew.gov.au](mailto:renewablegas@dcceew.gov.au)).

I have concurrently written to the Australian Energy Regulator on this matter and copied them into this letter.

Yours sincerely

***Approved for electronic transmission***

Hew Atkin  
Chair  
Gas Working Group  
Department of Climate Change, Energy, the Environment and Water

**31 May 2024**

CC. Matt Garbutt, Executive General Manager – Compliance, Enforcement and Surveillance,  
Australian Energy Regulator

## Attachment 1: NERRs intended to be effective nine months from being made

### Review into extending the regulatory frameworks to hydrogen and renewable gases

AEMC – Final Rules Report

*Recommendations 53 and 55*

[Review into extending the regulatory frameworks to hydrogen and renewable gases | AEMC](#)

#### **RECOMMENDATION 53: FINAL TRANSITIONAL RULE — CUSTOMER INFORMATION ON GAS TYPE AND AMENDMENTS TO CUSTOMER CONTRACTS**

- Specify in the schedule of amending rules that Part 8B of the NERR and the recommended final rules to change retail contracts commence nine months from the date the rule is made (the effective date)
- Insert transitional rules (recommended final transitional rule in Schedule 3, New Part xx) that provide that:
  - distributors are not required to provide a notice under new subrule 147D(1) in relation to a change of gas type that occurred before the effective date
  - distributors must comply with new rule 147F no later than the effective date
  - retailers must make alterations to their standard retail contracts by the effective date
  - new rule 49B applies to market retail contracts entered into prior to the effective date if, after the effective date, the contract is varied.

#### **RECOMMENDATION 55: FINAL TRANSITIONAL RULE — HISTORICAL BILLING INFORMATION**

Specify in the schedule of amending rules that recommended final rule 28(1A) commence nine months after the rule is made.