



26 May 2022

Australian Energy Market Commission
GPO Box 2603
SYDNEY NSW 2000

RE: ERC0323: Draft Determination – Improving consultation procedure in the Rules

CitiPower, Powercor and United Energy welcome the opportunity to respond to the Australian Energy Market Commission's (AEMC) draft determination on improving consultation procedures in the Rules, following a rule change request from the Australian Energy Market Operator (AEMO).

We are supportive of the AEMC's draft determination to **retain two rounds of consultation** as a **default** for the **standard National Electricity Rules (NER)** consultation procedures. Robust consultation, particularly in an industry undergoing such substantial transformation and change, is critical to the development of good policy and regulation. Decision-making must be supported by sound evidence and reasoning which is transparent and subject to consultation with industry and stakeholders. Two rounds of consultation allows more robust engagement and scoping of issues. It allows stakeholders to raise issues before market bodies have narrowed their focus towards developed positions. Stakeholders are then offered the opportunity to comment on the proposed positions.

The AEMC's draft determination also introduces a new **expedited process for non-material changes** to existing instruments. In this instance, consulting parties are only required to conduct **one round of consultation**. We are generally supportive of AEMC's more preferable rule change which limits the circumstances the expedited process can be applied to existing subordinate instruments under the NER. However, decision-makers and industry participants come from different perspectives in terms of measuring the impact of proposed policy and regulatory changes. There will inevitably be differing views on when extra consultation is required. In addition, it is not always clear at the beginning of a consultation how complex the issue may be. For this reason, we recommend AEMC be flexible and transparent in when the expedited process is applied, and open to challenges and discussions on the appropriateness of this decision.

Should you have any queries please do not hesitate to contact Ellen Lukin on 0428 824 858 or elukin@powercor.com.au.

Yours sincerely,

Brent Cleeve

Head of Regulatory Policy and Compliance
CitiPower, Powercor and United Energy