



26 May 2021

Mr Benn Barr  
Chief Executive  
Australian Energy Market Commission  
GPO Box 2603  
SYDNEY NSW 2000

Dear Mr Barr

### **Improving consultation procedures in the rules – Draft Determination**

Energy Queensland Limited (Energy Queensland) welcomes the opportunity to provide a submission to the Australian Energy Market Commission (AEMC) in response to its draft determination on improving consultation procedures in the rules.

Energy Queensland acknowledges the significant transition underway in the energy sector and the desire of the market bodies to ensure that the consultation framework for the subordinate instruments, such as procedures and guidelines, is fit for purpose to enable this transition to proceed as efficiently as possible.

We agree with the objective statement in section 2.1 and consider that it is entirely appropriate “to make consultation on subordinate instruments transparent, predictable and appropriate to the matters at hand, so stakeholders and decision-makers can invest their limited resources productively”.<sup>1</sup>

We also agree with the following features of the draft determination:

- A minimum of two rounds of consultation for new instruments and for significant changes to existing instruments
- Consistent minimum timeframes for consultation periods for standard and expedited processes (minimum 4 weeks)
- Ability for consulting parties to set longer timeframes if they wish
- An enhanced approach to stakeholder meetings

---

<sup>1</sup> AEMC, Improving consultation procedures in the rules, Draft rule determination, p4, <https://www.aemc.gov.au/sites/default/files/2022-04/ERC0323%20-%20Improving%20consultation%20procedures%20in%20the%20rules%20-%20Draft%20determination.pdf>

- New requirements for publication of summaries for public forums and working groups
- New requirements for publication of marked-up versions of instruments

However, Energy Queensland has the following comments in relation to issues raised in the draft determination:

- *Expedited consultation*

Energy Queensland considers that the test to determine whether an expedited consultation approach can be used over a standard approach should be broader than the impact on the National Electricity Market (NEM), and instead should include impacts on participants or classes of participants. We expect that while consulting parties will always aim to improve the operation of the NEM through these changes, it is important to ensure that the impacts on individual participants are not overlooked.

Energy Queensland also seeks clarity regarding the grounds on which a consulting party can reject a request for a standard process to be followed. We consider that these arrangements need to reflect the objective statement in section 2.1, in particular the need to be transparent and appropriate. Further, Energy Queensland seeks clarity on whether the consulting party needs to respond, and how such a response is to be made.

From an implementation perspective, while we acknowledge that the intent is to enable changes to be finalised within 10 weeks, we are concerned that the focus on administrative speed could lead to longer implementation timeframes for stakeholders if they have not been afforded sufficient time to schedule the necessary system changes. For instance, where a process change in turn requires a system change (e.g. a change to a billing guideline requires a change within a retailer's billing system), then a business may need additional time to enact the process/guideline change to ensure compliance with the solution.

- *Minor or administrative changes*

We also note that in instances where a stakeholder raises complex issues in a consultation on minor or administrative changes, the draft rule requires a separate consultation process to be undertaken rather than an extension of the process. In the interests of efficiency, we question whether it makes sense to commence another change process when one is already underway.

Regarding the two-week consultation period for minor or administrative changes, while we understand the intent for this proposed change is to enable swift progress for these packages, we note that two weeks is a challenging timeframe for review and response. As such, we would welcome consideration of an extra week for this process.

In relation to the publication of feedback, we consider it appropriate for the release of feedback following the publication of the final instrument to be specified rather than left to the discretion of the consulting party. Such a requirement would build more consistency and transparency into the revised approach.

Regarding the list of instruments listed in table 2.2 of the draft determination which are exempt from consultation for minor changes, given the proposed changes which will be applied to other subordinate instruments, we suggest that it may be appropriate to review these exemptions in light of the current proposal with a view to bringing them under the same consultation regime.

- *Right to initiate review of instruments*

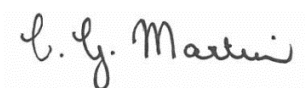
We note that the AEMC has decided not to award stakeholders a right to initiate reviews of subordinate instruments. Industry participants are directly affected by the application of these instruments and are well-positioned to understand the need for change. While we appreciate the challenges of limited resources, it is important for the market bodies to be responsive to the needs of participants, in the interests of the market. We therefore request the AEMC to consider whether a formal process is appropriate for instances where a document owner refuses a request from a stakeholder.

- *Retail consultation procedures*

Following comments from AGL and Snowy Hydro, Energy Queensland supports a review of the retail consultation procedures to investigate the need for new obligations for the Australian Energy Regulator to consider the costs of changes to their instruments on participants.

Should the AEMC require additional information or wish to discuss any aspect of this response, please contact me on 0438 021 254 or Peter Wall on 0436 423 112.

Yours sincerely



Charmain Martin  
**Acting Manager Regulation**

Telephone: 0438 021 254

Email: [charmain.martin@energyq.com.au](mailto:charmain.martin@energyq.com.au)