



TELSTRA CORPORATION LIMITED

Submission to Australian Energy Market Commission's draft determination on improving consultation procedures in the Rules

26 May 2022



Introduction

We welcome the opportunity to comment on the Australian Energy Market Commission's (AEMC) draft determination on improving consultation procedures in the Rules (the draft determination) (ERC0323).

We support the AEMC's approach to make a more preferable draft electricity rule encompassing best practice engagement principles. The AEMC's draft determination will result in better outcomes for the market by ensuring stakeholders have an opportunity to engage more effectively in proposed changes to the market rules and procedures.

We support the draft determination's position to:

- introduce two new consultation processes for non-material changes, and minor and administrative changes;
- standardise the varying consultative requirements under the National Electricity Rules (NER) in to one *standard consultation process* which includes two opportunities for stakeholder engagement;
- include information from workshops/forums and submissions in draft and final decisions; and
- allow stakeholders to request meetings with consulting parties.

Maintaining flexibility will also be important. Flexibility will help ensure that consulting parties are able to adjust timeframes for particularly complex or contentious changes (e.g. extend the consultation period).

Expedited process

We support the proposed expedited consultation process for non-material changes and minor administrative changes.

Test for expedited

We do not consider that a test of whether the change is 'unlikely to have a significant impact on the NEM' will be sufficient for determining whether an expedited process is warranted. As the AEMC identify in the draft determination, there are a number of changes which may have an impact on a particular class of participant or particular operation of the market which would warrant consultation, but otherwise not be classed as a *significant impact*. The AEMC could require the consulting party to make best endeavours to inform the affected class of participants of the consultation to ensure the materiality is properly considered / assessed. This may be achieved by maintaining a stakeholder list and emailing relevant participants (rather than relying on general updates to the consulting party's website).

Other reasons

We support the inclusion of an 'other reasons' objection to expedited rule changes, which would allow participants to seek a change to the standard consultation process. Other valid reasons could include the volume of regulatory change underway which may prevent stakeholders from reviewing and responding to an expedited consultation within the 2-week period.

Exemptions list



We cannot see a reason to continue to maintain the current exemptions list for minor changes.¹ At a minimum, we recommend that the B2B procedures should be aligned with the MSATS procedures for consultative requirements as these instruments have the similar roles within the market.

Objection threshold

We support the proposed threshold of whether the objection is *misconceived / lacking in substance*. This approach is consistent with the National Electricity Laws for non-controversial and urgent Rules.

Standard process

We support the two rounds of consultations being maintained in the standard process, and generally support the proposed updated timeframes for publication of the relevant instrument. However, we would encourage the AEMC to consider adding in a requirement for the consulting party to either have a 'stop the clock' approach to consultation periods which occur over significant public holidays, or to otherwise require additional consultation time over significant public holidays.

While policymakers may give additional time if releasing a paper before Christmas under current arrangements, this is at their discretion. From a stakeholder perspective, it is often difficult from a resourcing perspective to properly consult and engage internally and prepare a response within the timeframe due to annual shut-down or leave arrangements

¹ See p8 of the AEMC's [draft rule determination](#) *Improving consultation procedures in the Rules*.