

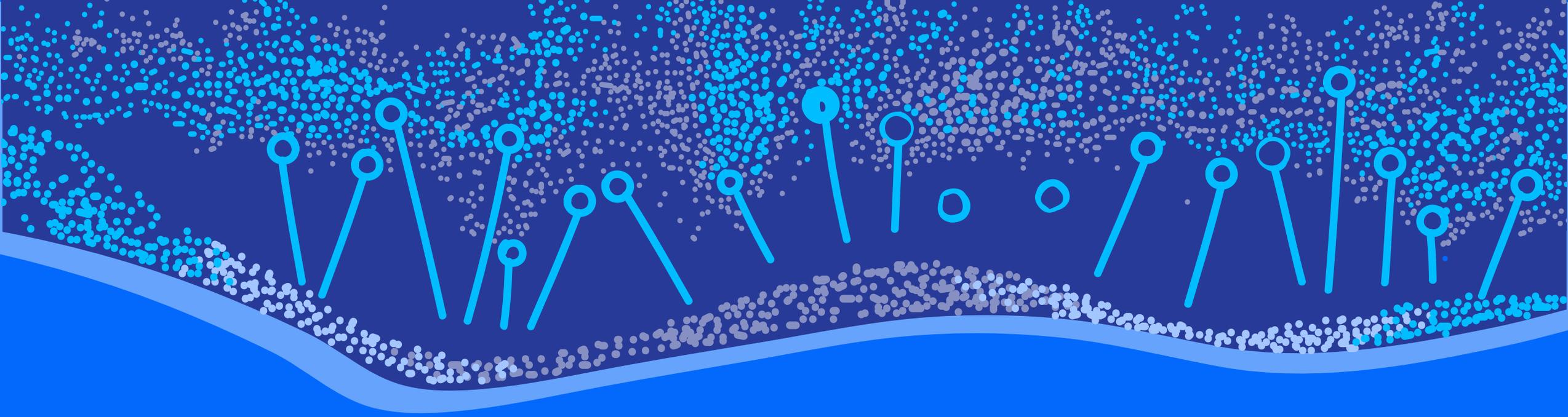
# Electricity Network Regulation Review – terms of reference

Public Forum

26 March 2026

Australian Energy Market Commission

**AEMC**

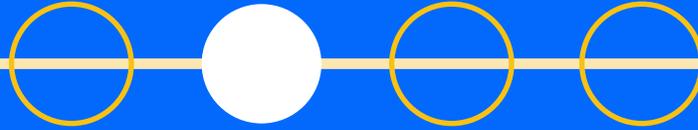


# ACKNOWLEDGEMENT OF COUNTRY

*The AEMC acknowledges and shows respect for the Traditional Custodians of the many different lands across Australia on which we live and work. The AEMC office is located on the land of the Gadigal people of the Eora Nation. We pay respect to all Elders past and present, and the enduring connection of Aboriginal and Torres Strait Islander peoples to Country.*

# Forum agenda

	ITEM	TIME	PRESENTER
1	Chair introduction, <a href="#">slides 4–5</a>	3:35 – 3:40	<b>Anna Collyer</b> Chair
2	AEMC overview of review, context and scope, <a href="#">slides 6–9</a>	3:40 – 4:00	<b>Martina McCowan</b> Project sponsor <b>James King</b> Project lead
3	Interactive session 1 – key issues, <a href="#">slide 10</a>	4:00 – 4:10	<b>Zak Rich</b> Market specialist
4	Interactions with other processes and approach, <a href="#">slides 11–12</a>	4:10 – 4:20	<b>James King</b> Project lead
5	Interactive session 2 – discuss results, <a href="#">slide 13</a>	4:20 – 4:30	<b>Zak Rich</b> Market specialist
6	General Q&A Closing remarks	4:30 – 4:45	<b>Danielle Beinart</b> EGM, N&T

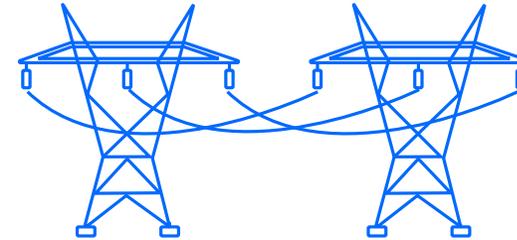


# Chair introduction

# Purpose of the forum

1

**Opportunity for you to hear from us**  
on why we think this review is needed and  
our indicative focus areas for the review.



2

**We want to hear from you**  
this is an opportunity for you to provide input into the  
indicative focus areas for the review during an interactive  
session and to ask questions at the end of this presentation.



# Context for the review: Why the ENRR is needed now?

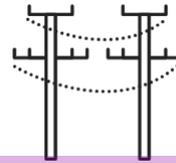
The changing role of the consumer – How can we ensure the regulatory framework for network service providers (NSPs) maximises outcomes for consumers?



## Rapid technological change

### A critical point in the transition

- World-leading investment in CER
- Rapid growth in variable renewables at wholesale level
- Broader trends of digitalisation, AI and data centres



## Changing roles and responsibilities for NSPs

### The role of DNSPs is evolving

- Becoming coordinators of two-way flows of energy as Distribution System Operators (DSOs).

### TNSPs face new challenges

- TNSPs must deliver large projects while maintaining system security



## The framework must continue to deliver for consumers

### Network regulation plays a critical role in consumer outcomes via:

- Long-lived cost impacts and option to capture value through CER.
- Supporting emissions reduction.
- Maintaining reliability and service quality.

# Context for the review: How the framework is working together as a whole, and its appropriateness going forward

## Regulatory context



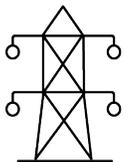
**A number of individual reforms** have been made to the regulatory framework in recent years



**A number of years since major reviews**, the AEMCs ENERF reviews from 2017 to 2020 recommended revisiting key features of the regulatory framework once CER further increased.



**Some indicators suggest a trend of** rising capex coupled with falling average levels of network utilisation across distribution networks. This raises questions about whether the regulatory framework continues to deliver the right outcomes for consumers under a changing operating environment.



**A holistic review of key components of the regulatory framework is necessary to ensure it continues to promote the long-term interest of consumers**

# **We are currently scoping the review: We seek your feedback on our indicatively proposed high-level scope**

We are starting with a broad lens but intend to focus the review on priority areas where we can make the biggest impact. Your input will support this process.

## **Expected focus areas**

- 1. Scope of monopoly regulation**
- 2. Efficient operations and expenditure**
- 3. Risk allocation & compensation**
- 4. Regulatory process and consumer voice**

**We are seeking your input on our indicative focus areas**

## **Following work on recent and ongoing work programs, we consider these areas may be lower priority: \***

- Network planning**
- Distribution and transmission pricing**
- Specific aspects of transmission investment/contestability**
- Transmission system security frameworks**

\* Some consideration may be required given inter-connected nature of the framework

# Focus and objectives: We are currently scoping the review – your input today will help inform what we focus on

How can network regulation support consumer outcomes?

## Scope of monopoly regulation

**Key questions:** What are regulated services? Are market power mitigants appropriate?

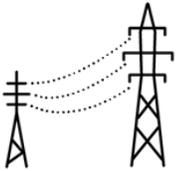
**Examples:** EV charging infrastructure, community batteries



## Efficient operations and expenditure

**Key questions:** How can we incentivise NSPs to operate efficiently and make expenditure decisions in consumers' interests?

**Examples:** DSO incentives, network utilisation, capex vs opex



## Risk allocation and compensation

**Key questions:** Are risks allocated to the parties best placed to manage them? Are compensation frameworks appropriate?

**Examples:** forecast risk, anticipatory investment, mid-period adjustments



## Regulatory process and consumer voice

**Key questions:** Is there a need to improve the regulatory determination process? Are consumer voices appropriately considered in the process?

**Examples:** Opportunities to streamline process, clarify role of consumer voices.

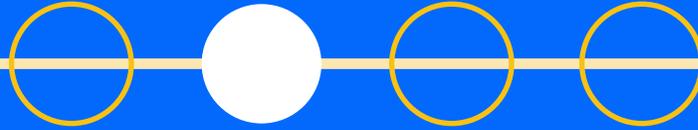




## ***Interactive session***

***In your view, what are the current and emerging issues we should be considering?***





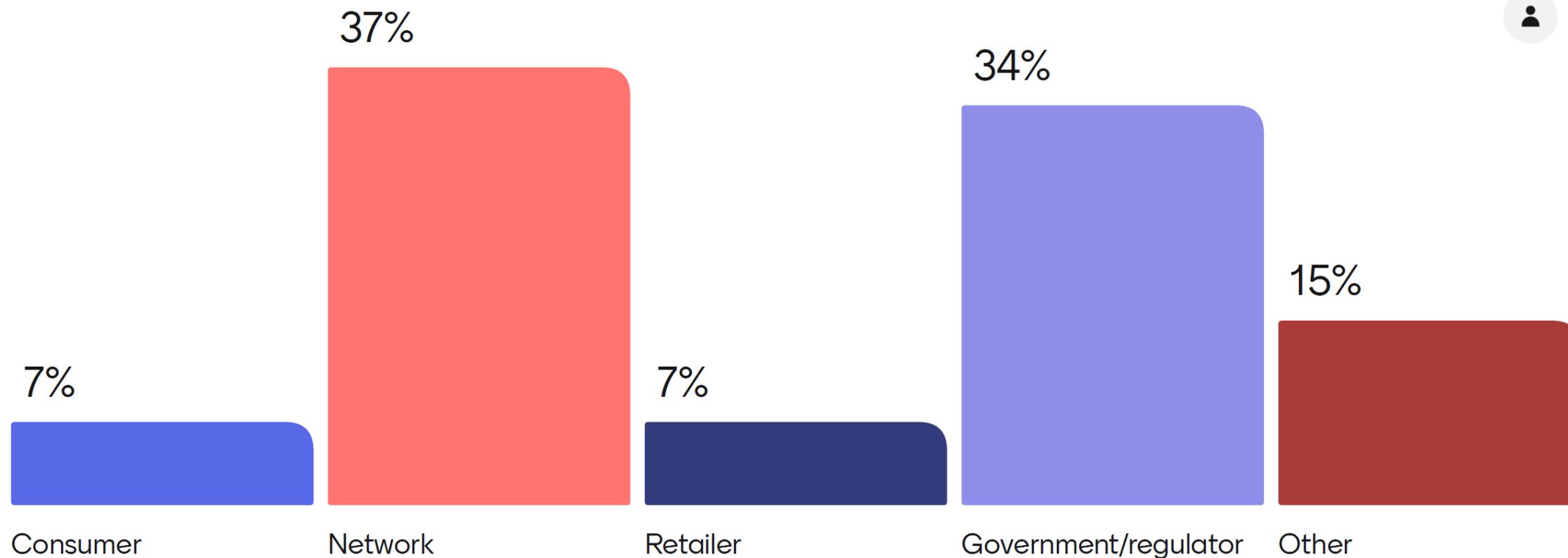
# Interactive session results

*Based on feedback provided by stakeholders that participated in the forum.*

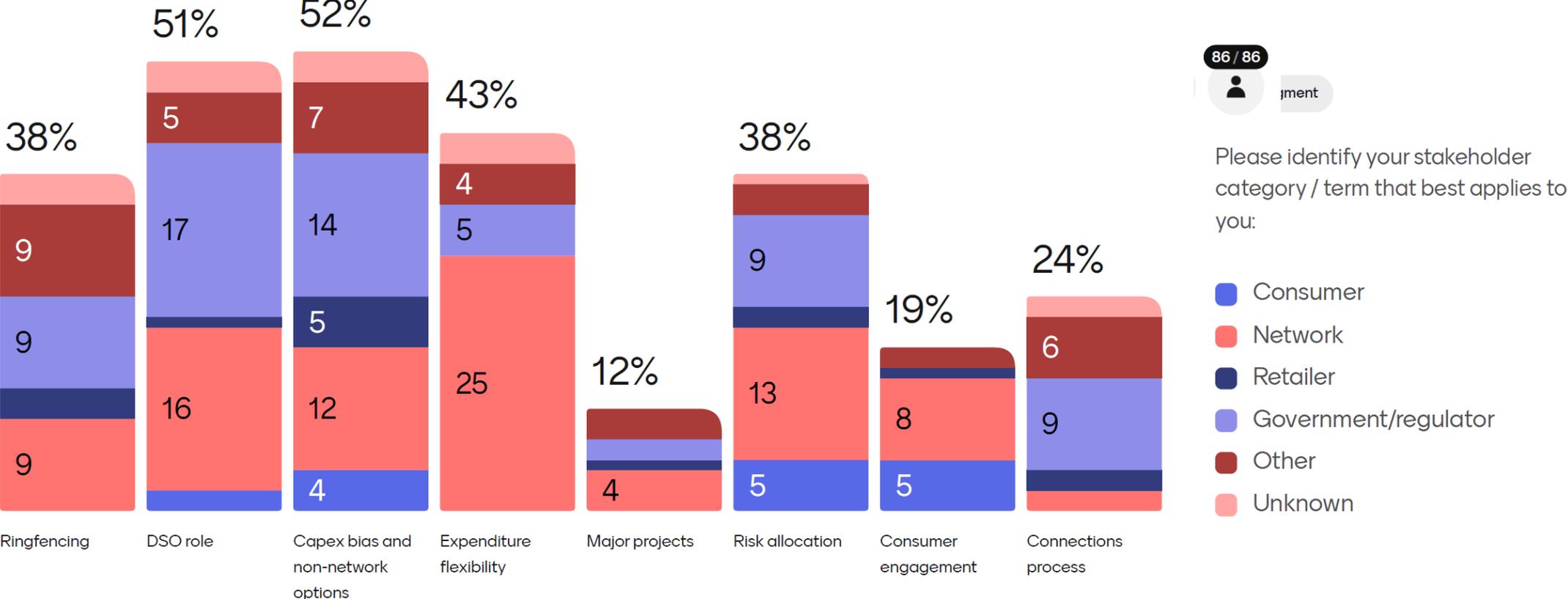
*The AEMC will continue to seek additional feedback from a wider range of stakeholders.*

Please identify your stakeholder category / term that best applies to you:

91 / 91  
[User Icon]



# Please choose the most important issue to you (you may choose up to three)



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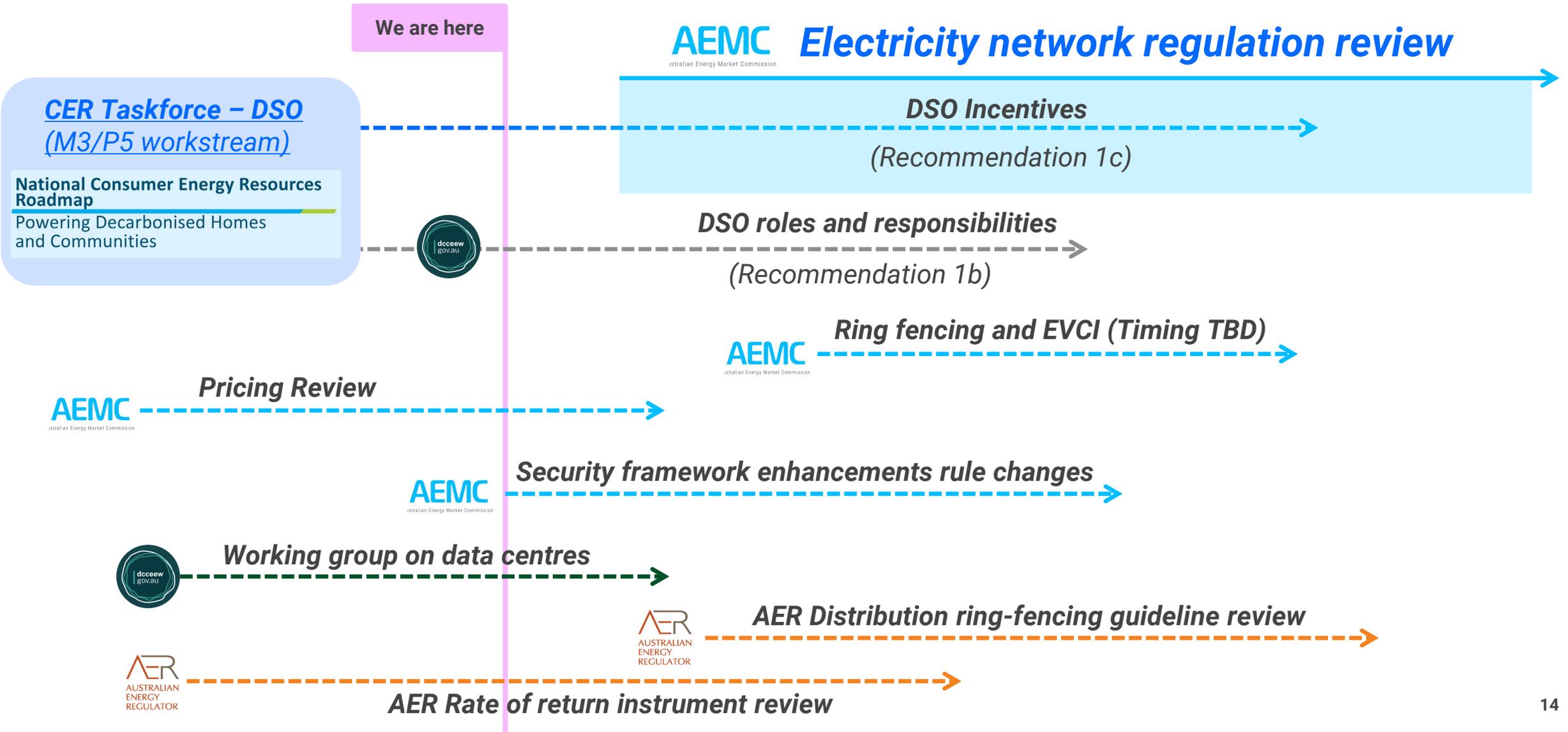
Please identify your stakeholder category / term that best applies to you:

- Consumer
- Network
- Retailer
- Government/regulator
- Other
- Unknown

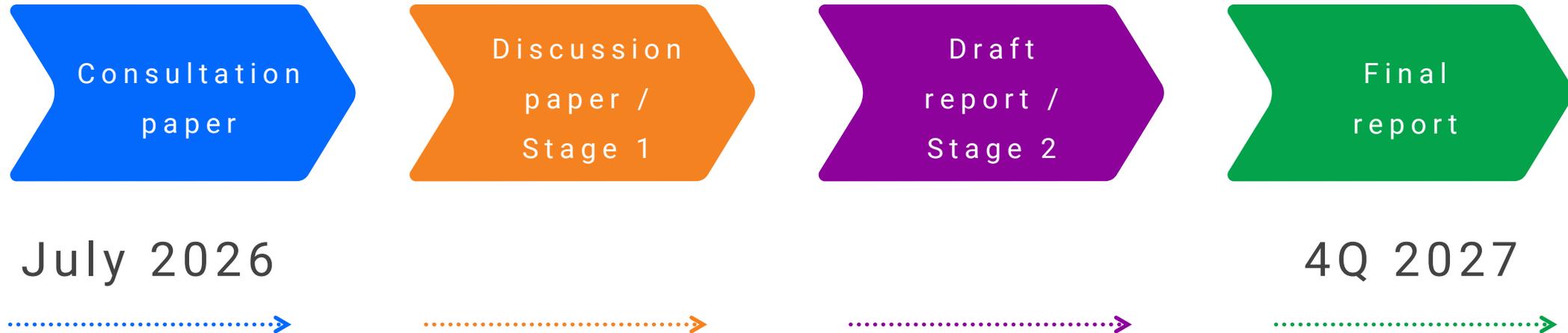
Note: these results reflect the views of those who attended the public forum on the day and do not necessarily represent the views of all relevant stakeholders. The AEMC recognises these limitations and will finalise the terms of reference in consultation with a range of stakeholders through multiple channels.

# Other reform will have significant interactions with the Review

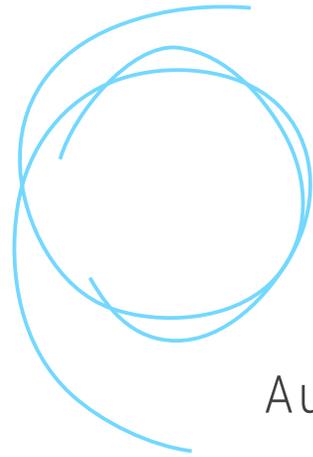
We will coordinate with other work programs (by the AEMC/other bodies) to support holistic reform outcomes



# We will consult at multiple steps along the way



We are currently determining the preferred delivery approach. This could involve undertaking the review in stages, or running the review sequentially.



# AEMC

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