



Expanding competition in metering and related services – Rule change request Section 108A (NEL) / section 269 (NERL) report

Purpose

The Commission is required under section 108A of the National Electricity Law (NEL) and section 269 of the National Energy Retail Law (NERL) to publicly report on rules not made within 12 months of the publication of the notification of the commencement of the rule change process.

Background

In October 2013, the COAG Energy Council submitted to the Commission a rule change request seeking to establish arrangements to promote competition in the provision of metering and related services in the National Electricity Market. On 17 April 2014, the Commission published a notice under section 95 of the NEL and section 251 of the NERL commencing the rule change process.

Reasons for the rule determination not being made within 12 months

Under section 107 of the NEL and section 266 of the NERL, the Commission has twice extended the timeframe for making a draft rule determination due to the detailed and complex nature of the rule change request.

On initiation of the rule change process, the Commission extended the time for making a draft rule determination to 18 December 2015. The Commission considered the extension necessary as:

- The rule change request raises a large and complex scope of issues, and proposes fundamental changes to the current arrangements for the metering and related services.
- The issues raised by the rule change request relate to a number of projects being undertaken by the AEMC and other parties, requiring careful consideration of the interactions between these projects and a coordinated approach to their implementation.
- It was important to consult extensively with a number of stakeholders on these issues.

On 20 November 2014, the Commission again extended the time for making a draft determination to 26 March 2015. The Commission considered that an extension was necessary because:

- Several of the Commission's policy proposals presented at the fourth and fifth stakeholder workshops raised issues that warranted further attention and extensive legal input.
- The Commission needed to consider AEMO's advice on the minimum services specification, which had not yet been provided. Several aspects of the draft rule were dependent on finalising this advice.
- The Commission initiated an additional consultation process with stakeholders to seek feedback on its proposed implementation timeframe, including the proposed commencement date for the new rules.
- An additional stakeholder workshop was considered necessary to consult with stakeholders on the issues above ahead of the publication of a draft rule determination.

A draft rule determination was published under section 99 of the NEL and section 256 of the NERL on 26 March 2015.

Expected timing for the final rule determination

Based on the requirements in the NEL and NERL, the Commission is currently scheduled to make a final rule determination for the *National Electricity Amendment (Expanding competition in metering and related services) Rule 2015* by 2 July 2015. However, based on comments raised by

stakeholders at the public forum on 30 April 2015 and the number of submissions expected on the draft determination, the Commission expects that it may need to consider whether it would be necessary to extend the time for making a final rule determination until mid-August 2015.