

## Federal regulators and projects

### ACCC

#### ***Speech - Opportunity for energy savings must not be wasted***

26.03.21

[Media Release](#)

Speaking at the Energy Users Association of Australia (EUAA) online seminar series on 26 March 2021, ACCC Chair Rod Sims said that while recent reductions in wholesale electricity prices have been of benefit, there is still much work to be done to ensure electricity retailers are passing on the large cost savings to all Australians. In relation to electricity, Mr Sims noted that the focus on reliability and sustainability need not, and therefore should not, come at the expense of affordability. Mr Sims also said the ACCC's most recent gas report showed that LNG exporters and other gas suppliers also have the opportunity and capacity to offer cheaper gas to the domestic market and could do more.

#### ***The ACCC issues draft determination authorising Vali gas joint marketing***

26.03.21

[Media Release](#)

The ACCC has issued a draft determination which proposes to grant authorisation for Vintage Energy Ltd (Vintage), Metgasco Ltd (Metgasco) and Bridgeport (Cooper Basin) Pty Ltd (Bridgeport), a wholly owned subsidiary of New Hope Corporation Limited to enter into joint marketing arrangements and is seeking submissions on the draft determination. Vintage, Metgasco and Bridgeport are joint venture partners at the Vali field, a new gas field in the early stages of development, located in the Queensland Cooper/Eromanga Basin. None of the parties currently produce or sell natural gas. The authorisation will enable the parties to jointly market gas produced from the Vali field for five years and, within this period, to enter into gas supply agreements with customers on common terms and conditions (including price) and with supply terms of up to 15 years. Without authorisation, these joint marketing arrangements would risk breaching competition laws.

The ACCC is seeking submissions from interested parties in relation to the draft determination by 12 April 2021.

#### ***Speech - Greater effort needed to overcome high gas prices***

24.03.21

[Media Release](#)

On 24 March 2021, ACCC Chair Rod Sims spoke at the Australian Domestic Gas Outlook conference on the importance of 'Overcoming gas affordability issues'. He stated that stronger measures need to be taken so businesses and households are not paying more for gas than would be expected in a well-functioning market. Mr Sims also spoke about the lack of progress on the voluntary Gas Code of Conduct, which is intended to even the playing field between gas suppliers and buyers. As well as highlighting that, despite gas prices falling significantly over the past year, the ACCC's January 2021 report found that prices were still higher than export parity and the risk of a supply shortfall remains.

### Australian Government

#### ***New projects to secure gas supply***

29.03.21

[Media Release](#)

The Australian Energy Market Operator (AEMO) forecasts sufficient gas supply until at least 2026 across the eastern and south-eastern gas systems. AEMO's Gas Statement of Opportunities (GSOO) report for March 2021 finds this outlook depends on field developments and pipeline expansions. One such project is the Port Kembla Gas Terminal (PKGT), Australia's first LNG import facility. The terminal is planned for completion by winter 2023. The Australian Government and state and territory governments will work with industry in delivering gas infrastructure projects.

[AEMO announcement and GSOO report](#)

[Minister's media release](#)

<p><b><i>Energy customer protections extended through COVID-19</i></b></p> <p>The Australian Government is extending protections for households and small businesses experiencing hardship with energy bills due to the pandemic. The Statement of Expectations for energy companies will be extended by three months until 30 June 2021. Key support measures the government expects energy companies to provide include:</p> <ul style="list-style-type: none"> <li>• not disconnecting residential customers in financial distress who have made contact with their retailer or responded to communications</li> <li>• not disconnecting small business customers who are adhering to a payment plan or payment arrangement.</li> </ul> <p>Australian Energy Regulator (AER) Chair Clare Savage said the regulator expects retailers to contact customers with energy debt. Those customers should be placed on sustainable payment plans or hardship arrangements.</p>	24.03.21	<p><a href="#">Media Release</a></p> <p><a href="#">Minister's Media Release</a></p> <p><a href="#">AER Announcement</a></p>
<p><b><i>Government ensuring better, simpler energy bills</i></b></p> <p>Simplified electricity and gas bills will soon be mandatory and consistent. The Australian Energy Market Commission (AEMC) has delivered a final rule to make complex energy bills a thing of the past. The rule sets out the purpose of an energy bill. It will enable small customers to easily understand payment amounts, dates and methods. The Hon Angus Taylor, Minister for Energy and Emissions Reduction, said the improved clarity will help customers better understand their energy use.</p>	18.03.21	<p><a href="#">Media Release</a></p> <p><a href="#">Minister's Media Release</a></p> <p><a href="#">AEMC Media Release</a></p>
<p><b><i>Renewables records broken in 2020</i></b></p> <p>The December Quarter 2020 Carbon Market Report released today by the Clean Energy Regulator (CER) shows two records were achieved last year:</p> <ul style="list-style-type: none"> <li>• 7GW of new renewable energy capacity delivered across Australia</li> <li>• 16 million Australian carbon credit units (ACCUs) issued.</li> </ul> <p>David Parker, Chair of the CER, highlighted that the 7GW of new renewable energy capacity exceeded the CER's original estimate of 6.3GW. The report also confirms Australia has met its Large-scale Renewable Energy Target of 33,000GWh. The CER expects eligible generation could reach 40,000GWh in 2021.</p>	10.03.21	<p><a href="#">Media Release</a></p> <p><a href="#">Highlights for Quarter 4 2020</a></p>
<p><b><i>Keeping energy companies honest</i></b></p> <p>Energy companies have paid \$4.38 million in penalties over the last six months according to the latest compliance and enforcement update by the AER. This action was taken in response to breaches including wrongful disconnection of customers, and non-compliance with life support protections and reporting obligations.</p> <p>The Hon Angus Taylor MP, Minister for Energy and Emissions Reduction, said the government will continue to crack down on bad behaviour in the sector.</p>	09.03.21	<p><a href="#">Media Release</a></p> <p><a href="#">Minister's Statement</a></p>
<p><b><i>Accelerating carbon capture technologies</i></b></p> <p>Carbon capture projects will get a boost through the Australian Government's \$50 million Carbon Capture, Use and Storage Development Fund, which opened on 1 March 2021. Carbon capture and storage technologies are one of five priority areas for investment under the Government's Technology Investment Roadmap. The Hon Angus Taylor MP, Minister for Energy and Emissions Reduction, said carbon capture technologies would be critical to achieving net zero emissions from power generation, natural gas and hydrogen production as well as process emissions from heavy industries like cement and fertiliser production. The Australian Government is actively pursuing opportunities to collaborate on technology solutions, including CCUS, with Japan, Singapore, the UK and the US.</p>	01.03.21	<p><a href="#">Media Release</a></p> <p><a href="#">Minister's Statement</a></p> <p><a href="#">Technology Investment Roadmap</a></p>

## COAG Energy Council / Energy Security Board

### ***Stand-Alone Power Systems Legislative Amendments – Consultation on Revised National Electricity Rules and National Energy Retail Rules***

15.03.21

[Media Release](#)

In November 2019, Energy Ministers considered the findings of the AEMC's Stand-Alone Power Systems Priority 1 final report and agreed to make a number of changes to national energy law to support the efficient delivery of stand-alone power systems (SAPS) by distribution network service providers. Following stakeholder consultation on proposed legislative amendments and agreement from Energy Ministers, the Statutes Amendment (National Energy Laws) (Stand-Alone Power Systems) Bill (Bill) was introduced into the SA Parliament in November 2020. After completing the 2019 review, the AEMC conducted a further review, which included public consultation, on consequential changes to the NER and NERR that would be required for distribution network SAPS, once the proposed distribution network service provider SAPS law changes were made. The AEMC published the final report for this review, containing recommended rule changes in May 2020. Senior Officials are now consulting on changes that reflect the amendments to the rule change package since the AEMC's 2020 report and subsequent consequential amendments.

Senior Officials are seeking submissions on the rule change package by the 6 April 2021. Submissions will be considered and a final rule change package will go to Energy Ministers for approval in mid-2021.

[SAPS Rules – Consultation Paper](#)

## AER

### ***COVID-19 energy protections extended for a limited time***

24.03.21

[Media Release](#)

Additional protections to support households and small businesses struggling with energy bills will be extended for a limited time to enable retailers and customers to work together to tackle energy debts. Australian Energy Regulator (AER) Chair Clare Savage said the regulator expects retailers to continue making contact with those customers with energy debt who need support and to transition them onto sustainable payment plans or hardship arrangements.

The AER has published its fourth update to the Statement of Expectations. AER's Statement of Expectations calls on retailers to provide additional data on a voluntary basis to enable us to have visibility of the effect of COVID-19 on the retail energy market. This additional data is a subset of that already provided by retailers as part of the normal quarterly reporting cycle, but on a more frequent basis.

[Retail market dashboard](#)

[Statement of Expectations](#)

### ***AER makes determination on CPU's application for a jurisdictional scheme***

19.03.21

[Media Release](#)

On 25 February 2021, CitiPower, Powercor and United Energy Distribution requested the AER determine whether the Energy Safe Victoria (ESV) Levy Scheme is a jurisdictional scheme. The National Electricity Rules (NER) allows any person to request the AER to determine whether a scheme is a jurisdictional scheme. On 19 March 2021, the AER published its determination of the scheme as a jurisdictional scheme.

The AER has determined that the scheme established by section 8 of the *Electricity Safety Act 1998* (Vic) is a jurisdictional scheme pursuant to clause 6.18.7A of the NER. Under this scheme, known as the ESV Levy Scheme, Victorian electricity distribution network service providers (DNSPs) must make payments to ESV in respect of their reasonable costs and expenses, as determined by the Victorian Minister. The AER has determined that this scheme meets the jurisdictional scheme eligibility criteria set out in the NER. This approval reduced the steps that all Victorian DNSPs need to undergo to recover the actual costs associated with the jurisdictional scheme obligations.

### ***Brighte Energy Pty Ltd - application for electricity retailer authorisation - request for submissions***

18.03.21

[Media Release](#)

On 18 March 2021, the AER accepted an application from Brighte Energy Pty Ltd (Brighte Energy) for an electricity retailer authorisation under the National Energy Retail Law (Retail Law). The AER is now seeking submissions from interested stakeholders on Brighte Energy's application by 19 April 2021.

### ***AER reports on high wholesale electricity prices in SA in January 2021***

16.03.21

[Media Release](#)

The AER has today published a report into prices in the wholesale electricity market in SA on 22 January 2021. The AER monitors and reports on the causes for wholesale electricity spot prices exceeding \$5,000 per megawatt hour (MWh). The wholesale electricity spot price exceeding this threshold triggers the AER reporting.

[22 January report](#)

The AER's analysis found the following factors contributed to the high prices:

- Pelican Point power station tripped, meaning around 240 MW of capacity priced below \$100/MWh, was no longer available.
- Following the trip at Pelican Point, imports from Victoria were reduced by 240 MW. Imports were reduced to protect the power system in SA in case the Heywood interconnector also tripped.

Given the loss of supply from Pelican Point and reduced imports from neighbouring regions, around 450 MW of capacity had to be sourced locally. This could only be met by capacity priced at the cap for 2 dispatch intervals.

More in-depth analysis of these events can be found in the AER's 22 January 2021 report.

<b><i>Maximum Energy Retail Pty Ltd - application for electricity retailer authorisation - request for submissions</i></b>	15.03.21	<a href="#">Media Release</a>
On 15 March 2021, the AER accepted an application from Maximum Energy Retail Pty Ltd (Maximum Energy Retail) for an electricity retailer authorisation under the Retail Law. The AER is now seeking submissions from interested stakeholders on Maximum Energy Retail's application by 15 April 2021.		
<b><i>iGENO Pty Limited - application for gas retailer authorisation - request for submissions</i></b>	15.03.21	<a href="#">Media Release</a>
On 15 March 2021, the AER accepted an application from iGENO Pty Limited (iGENO) for a gas retailer authorisation under the Retail Law. The AER is now seeking submissions from interested stakeholders on iGENO's application by 15 April 2021.		
<b><i>iGENO Pty Limited - application for electricity retailer authorisation - request for submissions</i></b>	15.03.21	<a href="#">Media Release</a>
On 15 March 2021, the AER accepted an application from iGENO for an electricity retailer authorisation under the Retail Law. The AER is now seeking submissions from interested stakeholders on iGENO's application by 15 April 2021.		
<b><i>Wholesale electricity prices above \$5,000 per MWh in South Australia on 12 March 2021</i></b>	15.03.21	<a href="#">Media Release</a>
The AER monitors and reports on wholesale electricity markets and is required to report on events that result in wholesale electricity spot prices exceeding \$5,000 per MWh and average frequency control ancillary service (FCAS) prices above \$5,000 per MW over consecutive trading intervals. On 12 March 2021, the wholesale electricity price in SA went above \$5,000 per MWh on 6 occasions between the 7.30 pm to midnight trading intervals. The AER will publish a report into these high prices by mid-May 2021.		
<b><i>Wholesale Demand Response Participation Guidelines - Notice of Consultation and Issues Paper</i></b>	12.03.21	<a href="#">Media Release</a>
On 11 June 2020, the AEMC published its Final Rule determination to introduce a new Wholesale Demand Response Mechanism into the National Electricity Market (NEM). Under this rule, eligible large consumers will be able to sell a reduction in their load by way of demand response into the NEM from the effective date, 24 October 2021. As part of these reforms, the AER must develop Wholesale Demand Response Participation Guidelines. These Guidelines must include guidance about information Demand Response Service Providers (DRSP) must keep regarding compliance with their obligations.		
On 11 March 2021, the AEMC published an Issues Paper seeking comments about the information DRSPs must retain regarding compliance with their obligations under the new Rule. The Issues Paper also seeks feedback on what guidance may help DRSPs to better understand their bidding obligations under the new Rule. The AER invites interested parties to make written submissions in response to the Wholesale Demand Response Participation Guidelines Issues Paper by COB on 23 April 2021.		
<b><i>AER releases latest compliance audit results on the provision of timely and accurate information</i></b>	11.03.21	<a href="#">Media Release</a>
The AER has released the results of its latest compliance audits under the Retail Law. The audit covered reporting activities related to the 1 October to 31 December 2019 reporting period. The audit identified a number of areas in which businesses can improve how the preparation, accuracy, management and provision of performance data is supplied to the AER. The AER is now working with each retailer to monitor the implementation of the recommendations.		

[Wholesale Demand Response Participation Guidelines](#)

<p><b><i>AER mid-year compliance and enforcement update</i></b></p> <p>The AER's mid-year compliance and enforcement update highlights energy businesses paid \$4.38 million in penalties between July and December 2020. Key actions and outcomes delivered in the first half of the financial year include:</p> <ul style="list-style-type: none"> <li>• \$3.8 million in civil penalties following successful litigation outcomes;</li> <li>• \$580,000 in penalties paid in response to 29 infringement notices;</li> <li>• 2 court enforceable undertakings secured to correct failings in compliance processes and systems; and</li> <li>• guidance published on key protections for customer metering and compliance expectations for key obligations under the NER as market participants prepared for the critical summer period.</li> </ul>	05.03.21	<a href="#">Media Release</a>
<p><b><i>Reforms improve access to pipeline capacity for wholesale gas customers</i></b></p> <p>The AER has published a report reviewing the implementation of pipeline capacity trading reforms, introduced in March 2019. The review includes an examination of the performance of the two new markets introduced through the Capacity Trading Platform and the Day Ahead Auction. The report found that the Day Ahead Auction has been a particular success, providing cheap access to more than 73 PJ of pipeline capacity over the past two years. Participants won the most capacity on routes south on the Moomba to Sydney Pipeline, totalling nearly 21 PJ of capacity. This additional capacity has supported increased trade in the east coast gas spot markets and allowed participants to respond flexibly to changing market conditions.</p>	05.03.21	<a href="#">Media Release</a>  <a href="#">Report</a>
<p><b><i>Powershop Australia Pty Ltd - Application for gas retailer authorisation - Request for submission</i></b></p> <p>The AER accepted an application from Powershop Australia Pty Ltd (Powershop) for a gas retailer authorisation under the Retail Law. The AER is now seeking submissions on Powershop's application from interested stakeholders by 8 April 2021.</p>	05.03.21	<a href="#">Media Release</a>
<b>AEMO</b>		
<p><b><i>AEMO forecasts adequate gas supply to at least 2026</i></b></p> <p>The AEMO forecasts an improved outlook for gas supply until at least 2026 across the eastern and south-eastern gas systems, if committed field developments and pipeline expansions proceeded as planned, with operation of the Port Kembla Gas Terminal (PKGT) commencing before the 2023 winter.</p> <p>AEMO's Gas Statement of Opportunities (GSOO) highlighted southern supply risks for winter 2023 if PKGT is delayed and certain conditions emerge, such as a 1-in-20 maximum winter daily demand in Victoria, coincident peaks across southern regions, power-system events significantly increasing gas-powered generation of electricity (GPG), or gas production outages. AEMO Group Manager, Nicola Falcon, said the announcement of the Port Kembla Gas Terminal, Australia's first LNG import terminal, has improved supply capacity with an estimated injection of up to 500 terajoules per day. The GSOO – developed using reserve and forecast information from gas producers and industrial gas users – also highlights that the gas sector is on the cusp of transformation, with changes in consumption patterns forecast and alternate supply sources being actively developed.</p> <p>The National Gas Infrastructure Plan (NGIP) being developed by the Federal Department of Industry, Science, Energy and Resources (DISER) is considering a number of pathways to unlock gas supply and improve efficiency in the east coast gas market.</p>	29.03.21	<a href="#">Media Release</a>  <a href="#">Gas Statement of Opportunities</a>
<p><b><i>Solar PV curtailment initiative by SA Government supports the NEM</i></b></p> <p>On 14 March, SA experienced near-record minimum demand levels for electricity from the grid. This was due to mild weather conditions, low energy needs from industry and large volumes of surplus electricity from rooftop solar passively feeding into the power system. At the same time, a week-long planned outage on one of the high-voltage powerlines feeding the Victoria to South Australia (SA) interconnector was taking place, permanently</p>	18.03.21	<a href="#">Media Release</a>  <a href="#">AEMO's DER Program</a>  <a href="#">January 2021 Directions Paper</a>

restoring the transmission towers damaged from extreme weather conditions in January 2020. AEMO anticipated this minimum demand event and issued a market notice early Sunday morning forecasting insufficient demand levels below the 400 megawatts (MW) threshold.

[More information on South Australia's energy transition](#)

AEMO's studies have shown that the secure scheduled demand threshold is 400 MW when SA is at risk of islanding, which was the case at this time due to the network outages. Despite AEMO taking steps to reduce synchronous generation and large-scale renewable generators while maintaining system security, minimum operational demand fell to 358 MW, just shy of the 300 MW record set on 11 October 2020. Due to the combination of these circumstances, to retain system security, AEMO directed SA's transmission owner and operator, ElectraNet, to take steps to maintain grid-demand above 400 MW for about an hour from 3:00pm (ACDT). This resulted in curtailing a range of larger distribution-connected solar generation and residential solar customers, including more than 10 MW for the first time through the SA Government's 'Smarter Homes' initiatives.

AEMO has been and continues to work with governments, government agencies, market bodies and consumers to support the development of a range of measures that seeks to enable greater amounts of renewable energy in the NEM and maximise consumer benefits. This includes establishing Australia's first DER register, conducting engineering studies, trials and modelling to effectively integrate DER, and enhance inverter standards, market reforms and regulations.

In addition, AEMO is contributing to the Energy Security Board's (ESB) post 2025 energy reforms, aimed at progressing a modern regulatory structure which will better support innovative market response to these situations. In January 2021, a directions paper was published by the ESB outlining four reforms which are addressing almost all aspects of how electricity is generated and dispatched, how consumers can access the services they want and how investment can occur in the most efficient way to avoid unnecessary costs.

The ESB will advise Energy Ministers by mid-2021 on changes to the existing market design, or recommend an alternative market design, to enable the provision of the full range of services to customers necessary to deliver a secure, reliable and lower emissions electricity system at least-cost.

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#### ***Energy Australia announces the early retirement of Yallourn***

11.03.21

[Media Release](#)

On 10 March 2021, EnergyAustralia announced that the Yallourn Power Station will retire in mid-2028 and that it has committed to building a four-hour, 350 megawatt utility-scale battery by 2026 in the Latrobe Valley. In response, the AEMO Chief System Design Officer, Alex Wonhas, welcomed the certainty provided by EnergyAustralia for the coal-fired generator.

[2020 Integrated System Plan](#)

In developing the 2020 Integrated System Plan (ISP), AEMO consulted with generation owners on the expected closures of existing plant. This included the first Yallourn unit retiring in 2028/29 with the fourth and last unit in 2032/33. The ISP also flagged that 63 per cent of today's coal-fired power stations would retire by 2040, replaced by wind and solar projects, which would be complemented by firming generation, such as battery storage, pumped hydro and gas. To achieve the full benefit of the least-cost ISP roadmap for the National Electricity Market, essential market and regulatory reform is needed to ensure consumers reap the benefit of the future power system.

AEMO is committed to collaborating with all industry participants to design the lowest cost, secure and reliable energy system for the future.

## **AEMC**

#### ***AEMC welcomes consultation on revised rules to support distributor-led stand-alone power systems***

[Media Release](#)

The AEMC has welcomed the next steps in the implementation of reforms we recommended to support the efficient provision of stand-alone power systems (SAPS). SAPS are usually a combination of solar, batteries and a back-up generator and can be an alternative to using the national grid to serve customers in remote areas. SAPS include microgrids and individual power systems and have become more viable as technology improves and costs drop. The Statutes Amendment (National Energy Laws) (Stand-Alone Power Systems) Act was passed this month and came after the AEMC's 2019 and 2020 reports recommending changes to energy laws and rules to enable distributor-led SAPS when this is cheaper than maintaining a grid connection.

[Stand-Alone Power Systems legislative amendments](#)

The AEMC welcomes consultation on amendments to the package of rules developed by the AEMC and notes that a final rule change package is expected to go to Energy Ministers for approval in mid-2021.

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#### ***New version 26 of the National Energy Retail Rules***

25.03.21

[Media Release](#)

On 25 March 2021, the AEMC published version 26 of the National Energy Retail Rules, which incorporates Schedule 2 of the National Energy Retail Amendment (Bill contents and billing requirements) Rule 2021 No. 2.		
<b><i>New version 68 of the National Electricity Rules (Northern Territory)</i></b>	25.03.21	<a href="#">Media Release</a>
On 21 March 2021, the AEMC published version 68 of the NER as in force in the Northern Territory (NT NER). Version 68 of the NT NER is version 160 of the NER as amended by the National Electricity (Northern Territory) (National Uniform Legislation) (Modification) Regulations 2016.		
<b><i>New version 160 of the National Electricity Rules</i></b>	25.03.21	<a href="#">Media Release</a>
On 21 March 2021, the AEMC published version 160 of the NER, which incorporates Schedule 1 of the National Electricity Amendment (Compensation following directions for services other than energy and market ancillary services) Rule 2020 No. 18.		
<b><i>New plan to make room on grid for more home solar and batteries</i></b>	29.03.21	<a href="#">Media Release</a>
On 29 March 2021, the AEMC released a draft determination on how to integrate more small-scale solar – and other new energy technology like batteries – into the electricity grid. The draft determination addresses the problem of ‘traffic jams’ on the network, which are occurring now and will get worse as more solar connects because the grid infrastructure was built when power only flowed one way.		
The reform package to make room for more solar includes:		
<ul style="list-style-type: none"> <li>• Changing distribution networks’ existing incentives to provide services that help people send power back into the grid. This gives networks a stronger reason to deliver quality export services that customers value. There are currently no financial penalties for poor network export service and no rewards for good service. The AEMC also proposed recognising energy export as a service to the power system in the energy rules to give consumers more influence over what export services networks deliver and how efficiently they deliver them.</li> <li>• Letting networks offer two-way pricing to better manage the poles and wires. This gives networks pricing options they don’t have now, like rewarding solar and battery owners for sending power to the grid when it’s needed and charging for sending power when it’s too busy. New incentives will give customers more reason to buy batteries or consume the power they generate at busy times on the grid.</li> <li>• Flexible pricing solutions at the network level. This allows each network to design a menu of price options to suit their capability, customer preferences and government policies. Customers could choose things like free export up to a limit or paid premium services that guarantee export during busy times. Networks might offer grandfathering for existing solar owners or choose community batteries.</li> </ul>		
These reforms follow a nine-month process of working with stakeholders as part of ARENA’s Distributed Energy Integration Program. The program was led by a steering group of consumer representatives, industry association and energy market bodies. As a result of that work, SA Power Networks, the St Vincent de Paul Society, the Total Environment Centre and the Australian Council of Social Services requested the AEMC change the rules.		
<b><i>Draft determinations for capacity commitment mechanism and synchronous services markets extended</i></b>	18.02.21	<a href="#">Media Release</a>
The AEMC has announced an extension to two rule change proposals that relate to having mechanisms to value and procure specific services that help keep the national electricity market secure as the system transitions. The proposals are:		
<ul style="list-style-type: none"> <li>• Capacity Commitment mechanism for system security and reliability services (Delta Electricity: a proposal to introduce a day ahead mechanism and payment to provide access to operational reserve and other required security or reliability services).</li> <li>• Synchronous services market (Hydro Tasmania: a proposal to create a market for synchronous services such as inertia, voltage control and fault level also known as system strength).</li> </ul>		
The draft determination for the Delta proposal will now be published by 24 June 2021 and for the Hydro Tasmania proposal by 30 September 2021.		

[Capacity Commitment mechanism for system security and reliability services](#)

[Synchronous services market](#)



The AEMC will also publish a policy directions paper on the Hydro Tasmania rule change proposal in June 2021 given the interactions between both of these rule changes. These rule changes form part of the ESB's post 2025 market design, in particular the essential system services work program. These rule changes are considering ways to value and procure missing system services, in particular where there are no spot market arrangements to procure a particular service.

The AEMC has been working with the ESB, the AEMO and the AER closely over the past few months to continue consideration of these issues. The revised timeframe allows this to be worked through, ultimately delivering coordinated and internally consistent reforms that are in the long-term interests of consumers. This also allows for further coordination and alignment with the ESB's post 2025 market design work program. While no formal consultation will take place during this extension period, the AEMC will continue to undertake informal consultation to progress this rule change. The AEMC welcomes discussions with any interested stakeholders on any aspect of these rule changes and will be holding further sessions with industry on specific aspects collaborating closely with AEMO, AER and the ESB.

#### ***Final rule for simpler energy bills***

18.02.21

[Media Release](#)

The AEMC has made a rule change to simplify electricity and gas bills, protecting consumers while also unlocking innovation and competition.

[Final Rule Determination](#)

The final determination follows a request from the Minister for Energy and Emissions Reduction Angus Taylor to change the National Energy Retail Rules so that households and small businesses could better understand their energy bills, avoiding confusion and frustration. The rule takes account of new technology options – protecting consumers, while also allowing them to benefit from innovation and market developments.

Under the rule change, existing billing provisions will be replaced with a mandatory guideline to be developed by the AER. Energy retailers will be required to comply with this billing guideline, which will govern how they prepare and issue bills to small customers. The rule sets out the purpose of an energy bill – for example to enable small customers to easily understand payment amounts, dates and methods.

In making the billing guideline, the AER will need to take into account certain principles. These include the need for consumer protections at the same time as enabling innovation and consumer choice, compliance costs for retailers and thus consumers, and the potential benefits of standardised language and terminology across bills, contracts and offers. The rule now explicitly requires the AER, when it is developing the billing guideline, to consider the National Energy Retail Objective (NERO) and the consumer protection test. These are aimed at promoting the long term of interests of consumers and ensuring protections for hardship customers.

The AEMC has also amended the draft rule to better enable digital delivery of bill information by allowing the AER to specify in the guideline that retailers can provide different types of information using different delivery methods.

In response to feedback, the implementation time frame for the final rule has been amended from the draft. Specifically, while retailers will still be required to comply with the guideline from 4 August 2022, the AER has discretion to set later dates for certain provisions, so long as all provisions in the first guideline start by 31 March 2023.

#### ***New version 67 of the National Electricity Rules (Northern Territory)***

11.03.21

[Media Release](#)

On 11 March 2021, the AEMC published version 67 of the NER as in force in the Northern Territory (NT NER). Version 67 of the NT NER is version 159 of the NER as amended by the National Electricity (Northern Territory) (National Uniform Legislation) (Modification) Regulations 2016.

#### ***New version 159 of the National Electricity Rules***

11.03.21

[Media Release](#)

On 11 March 2021, the AEMC published version 159 of the NER, which incorporates Schedule 4 of the National Electricity Amendment (Semi-scheduled generator dispatch obligations) Rule 2021 No. 2.

#### ***AEMC clarifies obligations on weather-reliant generators***

11.03.21

[Media Release](#)

Weather-reliant generators such as large scale solar and wind farms will be prevented from turning down or off without informing the electricity market operator under a final rule to bolster system security.

[Semi-scheduled generator dispatch obligations](#)

The final rule is in response to a rule change proposed by the AER and developed following a request from the former Council of Australian Governments Energy Council to develop rule changes for semi-scheduled generators to improve their functioning within the national electricity market.



(NEM). This final rule acts on one of the Energy Security Board's recommended interim security measures, which aim to improve visibility of and confidence in system security services while new market arrangements are being developed through the post 2025 market design work.

The AEMC's final determination will address risks to system security and market efficiency from semi-scheduled generators turning down or off without informing the AEMO. The final rule does this by requiring semi-scheduled generators to meet a dispatch level, or cap, for how many megawatts of electricity they produce subject to variations in their natural resource (such as the sun or wind).

The AEMC's rule change has the effect of requiring semi-scheduled generators to follow their available resource except when AEMO decides there should be a semi-dispatch interval, when output should be limited to the cap specified by AEMO. This could happen because of a network constraint that limits the dispatch of electricity or because it is uneconomic to dispatch a semi-scheduled generator given to the generator's electricity market offers.

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**Stakeholder submissions invited on review of the Gas Supply Guarantee**

11.03.21

[Media Release](#)

The AEMC has launched its review of a mechanism designed to support the continued supply of gas to generators during times of electricity system stress such as heat waves. On 11 March 2021, the AEMC released a consultation paper on the review of the Gas Supply Guarantee.

Under the terms of reference, the AEMC will carry out the review during 2021 and report back to the energy ministers in the first quarter of 2022. The review will consider the circumstances in which the guarantee was introduced in 2017 and the many changes to the national electricity market and the east coast gas market since then. The AEMC is seeking stakeholder input on whether a mechanism is still required, and if so, whether it should be in its current, or another, form. Submissions on the consultation paper are due on 15 April 2021.

[Consultation Paper](#)

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**Consultation paper published on the review of the reliability standard and settings guidelines**

04.03.21

[Media Release](#)

The AEMC's Reliability Panel has published a consultation paper on the review of the guidelines used in reviewing key settings aimed at ensuring a reliable power supply. The guidelines set out the principles and assumptions the Panel will use when it reviews the reliability standard and settings. The reliability standard is a figure for an acceptable level of reliability in the national electricity market at the lowest possible cost. The Panel considers that given the transformation in the electricity market since the guidelines were first established, it is important to update them.

The next reliability standard and settings review will commence in mid-2021 and must be completed by April 2022. This is timely given the ESB's work on post 2025 market design, which is due to Energy Ministers by mid 2021. The Panel is working closely to coordinate its work with that of the ESB's. The timing of the RSS review will allow consideration of how the final recommended post 2025 market design will impact on the reliability standards and settings before completion of the review.

[Consultation Paper](#)

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**New version 66 of the National Electricity Rules (Northern Territory)**

04.03.21

[Media Release](#)

On 4 March 2021, the AEMC published version 66 of the NER as in force in the Northern Territory (NT NER). Version 66 of the NT NER is version 158 of the NER as amended by the National Electricity (Northern Territory) (National Uniform Legislation) (Modification) Regulations 2016.

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**New version 25 of the National Energy Retail Rules**

04.03.21

[Media Release](#)

On 4 March 2021, the AEMC published version 25 of the National Energy Retail Rules, which incorporates Schedules 2 and 3 of the National Energy Retail Amendment (Maintaining life support customer registration when switching) Rule 2021 No. 1.

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**New version 158 of the National Electricity Rules**

04.03.21

[Media Release](#)

On 4 March 2021, the AEMC published version 158 of the NER, which incorporates Schedule 3 of the National Electricity Amendment (Technical standards for distributed energy resources) Rule 2021 No. 1.

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**Extension for making Connection to dedicated connection assets final rule**

04.03.21

[Media Release](#)

The AEMC has extended the time for making a final rule on how connection assets are regulated in the national electricity market. A dedicated connection asset (DCA) is a privately owned and operated asset – such as a power line – that connects market participants – such as generators and large energy users – with the shared transmission network at a single connection point.

[Connection to dedicated connection assets](#)

This extension of time for the Connection to dedicated connection assets rule change is necessary due to the complexity of issues raised by the rule change request and feedback received from stakeholders in submissions to the draft rule determination requesting extra consultation. The Commission will use the additional time to address outstanding issues by undertaking further analysis and additional stakeholder consultation. The final rule and final determination will now be published on 8 July 2021.

## Clean Energy Regulator

### **February Emissions Reduction Fund media resources**

25.03.21

[Media Release](#)

CER has published the monthly Emissions Reduction Fund Emissions Position. This provides a national cumulative snapshot of project and abatement activity under the ERF, including contract deliveries, project registrations by state and territory and project registrations by method type.

[Emissions Reduction Fund Emissions Position](#)

It has also published the monthly Emissions Reduction Fund carbon abatement statement provides a snapshot of activities under the scheme, including a national snapshot of projects by method type and monthly 'Fund Facts'.

[Emissions Reduction Fund carbon abatement statement](#)

### **Compliance Update – 1 October to 31 December 2020**

25.03.21

[Media Release](#)

The CER has published its compliance update.

[Audit guidance](#)

- Emissions-intensive and trade-exposed (EITE) entities: Applications for 2021 EITE exemption certificates were open for submissions from 1 August 2020. In order to be considered for an exemption amount this year, complete applications must be submitted by 30 March 2021. Participants may be requested to justify any discrepancies in their application. Failure to respond in a timely manner will result in that application being determined to be incomplete and at risk of being ineligible for any certifiable exemption.
- *Ensuring audits are appropriately targeted:* The CER recently published guidance that provides greenhouse and energy auditors with an improved understanding of the higher risk areas across all our schemes. Examples of high-risk areas include vegetation classification and mapping in land-based Emissions Reduction Fund (ERF) projects, and production variables for Safeguard entities. Scheme participants are encouraged to read this guidance and to expect close scrutiny from greenhouse and energy auditors against these areas of risk.
- *Further strengthening Small-scale Renewable Energy Scheme (SRES) integrity:* During November 2020, the CER announced a new solar panel serial number ledger capability to support our assessment of small-scale technology certificate (STC) claim eligibility; and the CER will be finalising consultation with stakeholders this month. The CER looks forward to implementing our new ledger early this year to enhance the regulatory framework and assist in preventing ineligible solar panels receiving Commonwealth incentives under the Small-scale Renewable Energy Scheme (SRES), whilst complimenting the Solar Panel Validation (SPV) Initiative.
- *Targeting Clean Energy Council (CEC) accredited installers making false written statements of STC eligibility:* The CER is ramping up a major task force to target installers who provide false information about solar PV installations to registered agents who then create STCs. Accredited installers must be onsite supervising the installation at least at the start, middle and end for it to be eligible for the Commonwealth STC entitlement. Together with the CEC, the CER is refining and automating our analytic methodologies to identify installers unlikely to have been on site in accordance with CEC requirements. Where necessary, the CER have investigative avenues, such as statutory notices, to confirm whether accredited installers were on site during the installation.
- *Record numbers of registered NGER Reporters and reports submitted before the deadline:* National Greenhouse and Energy Reporting (NGER) reports for the 2019–20 reporting period were due for submission in the Emissions and Energy Reporting System (EERS) by 2 November 2020. This year, the CER had a record number of registered NGER reporters, as well as the highest rate of reports submitted in EERS before the deadline. Two out of 911 reporters failed to report on time, however have since done so. They were both first time offenders. If they fail to report on time next year, they face an escalated compliance response. The CER is assessing 2019–20 NGER reports in line with our compliance priorities. Reporters with ongoing compliance issues may face actions including compulsory audits, enforceable

[2019-20 NGER data](#)

[Current enforceable undertakings](#)

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undertakings and penalty infringement notices. The 2019–20 NGER data is now available on the CER's website. The 2020–21 publication will be accompanied by the Corporate Emissions Reduction Transparency (CERT) report – a simple ledger that NGER reporters can reference to support their claims of climate action and ambition.

- *ERF – Ensuring reporting requirements are met:* During the quarter, the CER have been investigating the accuracy of waste tonnages reported for landfill gas projects as identified through audits, as a possible source of over crediting. Scheme participants who believe they have inaccurate waste tonnage reported in their projects should contact the CER to resolve the issue.
- *Enforceable undertakings:* During the period 1 October 2020 to 31 December 2020, no new enforceable undertakings were entered into. However, CER is currently investigating what it alleges is non-compliance with some enforceable undertakings and expect to take stronger enforcement action as a result of parties not meeting their undertakings.

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#### **Quarterly Carbon Market Report – Quarter 4 2020 is here**

10.03.21

[Media Release](#)

The CER has released the Quarterly Carbon Market Report – Quarter 4 2020.

[Quarterly Carbon Market Report – Quarter 4 2020](#)

The Quarterly Carbon Market Report provides market information on the three markets administered by the CER—the large-scale generation certificates, small-scale technology certificates and Australian carbon credit unit markets.

Highlights include:

- Emissions reduction from schemes administered by the CER reached 53 million tonnes of carbon dioxide equivalent (CO<sub>2</sub>-e) in 2020 and is expected to increase to 57 million tonnes in 2021.
- A record 7 gigawatts (GW) of new renewable energy capacity was delivered across Australia in 2020, up 11% from the 6.3 GW in 2019. Of this, 4 GW was large-scale (2.3 GW wind and 1.7 GW solar) and 3 GW was rooftop solar PV.
- The Large-scale Renewable Energy Target of 33,000 GWh was met at the end of January 2021. The CER expects eligible generation could reach 40,000 GWh in 2021.
- Australian carbon credit unit (ACCU) supply reached a record 16 million in 2020, up 8% from 14.8 million in 2019. Further supply growth is expected in 2021 reaching over 17 million.
- 158 projects were registered under the Emissions Reduction Fund in 2020, four times as many compared to 2019. This significant increase will likely contribute to ACCU supply growth in 2022 and beyond.
- Demand from the voluntary private and state and territory government market surged in 2020 with 4.9 million Australian units and certificates surrendered, four times the volume of 2019.

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#### **Renewables added capacity and carbon units issued break records in 2020**

10.03.21

[Media Release](#)

The December Quarter 2020 Quarterly Carbon Market Report released on 10 March by the CER shows two records were achieved last year, with 7 gigawatts (GW) of new renewable energy capacity delivered across Australia and 16 million Australian carbon credit units (ACCU) issued.

[Quarterly Carbon Market Report – Quarter 4 2020](#)

David Parker, Chair of the CER said the continued rapid growth in rooftop solar PV in the Small-scale Renewable Energy Scheme (SRES) contributed 3 GW of the new renewable energy capacity, with the remaining 4 GW coming from power station accredited under the Large-scale Renewable Energy Target. The report also confirms Australia has met its Large-scale Renewable Energy Target of 33,000 gigawatt hours (GWh).

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The CER expects eligible generation could reach 40,000 GWh in 2021. Australia has added on average more than 6 GW of renewable capacity each year since 2018. This level of investment is expected to continue through to 2022, reshaping Australia's electricity sector.

#### **January Emissions Reduction Fund media resources now available**

02.03.21

[Media Release](#)

The January Emissions Reduction Fund (ERF) media resources are now available.

- The monthly ERF Emissions Position provides a national cumulative snapshot of project and abatement activity under the ERF, including contract deliveries, project registrations by state and territory and project registrations by method type.
- The monthly ERF carbon abatement statement provides a snapshot of activities under the scheme, including a national snapshot of projects by method type and monthly 'Fund Facts'.

## **Snowy Hydro Scheme**

#### **Commissioning of First Snowy 2.0 Tunnel Boring Machine**

19.03.21

[Media Release](#)

On 19 March 2021, Snowy Hydro celebrated a major milestone, with commissioning underway for the first tunnel boring machine (TBM) for the Snowy 2.0 project. The 'Lady Eileen Hudson' TBM will soon commence tunnelling for Australia's largest renewable energy project, the 2,000 megawatt pumped-hydro expansion of the mighty Snowy Scheme. The Lady Eileen Hudson TBM will excavate two tunnels. Firstly the main access tunnel, and then it will be relaunched underground to excavate the tailrace tunnel to the Talbingo Reservoir intake – for a total of 7.9km.

#### **Improvement works at Providence Portal**

16.03.21

[Media Release](#)

Work is about to start on a 500m section of channel between the Murrumbidgee/ Eucumbene tunnel outlet and the Eucumbene river at Providence Portal, to improve safety and environmental outcomes downstream. This section of channel is designed to sit below the Lake Eucumbene full supply level, but due to the current lake levels, it has been exposed, resulting in some unstable banks. As a short-term measure, the area has been fenced off. The works are being carried out in close consultation with the local trout fishing advocacy group, the Monaro Acclimatisation Society (MAS). MAS spokesman Steve Samuel said the works should improve conditions downstream for trout breeding and fishing, which are an important economic driver for the region. The work is expected to be completed by 30 April 2021.

## **State regulators and projects**

### **Independent Pricing and Regulatory Tribunal NSW (IPART)**

[no updates]

### **Essential Services Commission Victoria (ESC)**

#### **Commission extends safety net to struggling power customers**

26.03.21

[Media Release](#)

Victoria's independent economic regulator has reminded energy companies of their obligations to support struggling customers with disconnections rising sharply in recent weeks after being stopped for most of 2020.

The Essential Services Commission (ESC) has extended temporary rules introduced in October 2020 that require energy companies to provide additional help beyond the existing safety net framework. The ESC chair Kate Symon says customers who can pay should do so, but with average debt continuing to rise, energy companies must play their part to support customers. The ESC has published the following advice to energy companies - from 1 April 2021 to 30 June 2021:

- Retailers and distributors should not take steps to disconnect any residential or small business customer who may be in financial stress and who is in contact with you in relation to their debt or is accessing any retailer support (including under the payment difficulty framework)

- A distributor or retailer who becomes aware that a residential customer is isolating or quarantining because of the coronavirus, must not take steps to disconnect the customer. The ESC considers such an approach would not be consistent with the health and safety provisions of the Electricity Distribution Code. Gas and electricity customers should be treated similarly.

<p><b><i>Charging into a renewable future</i></b></p> <p>Victoria's booming renewable energy sector is getting a shot in the arm, with the ESC cutting red tape for new power generators and retailers to fast track their entry into the market. The changes could halve the time it takes to process licence applications. ESC chair Kate Symon says renewable energy is a key part of Victoria's future and it is vitally important to ensure new generators and retailers can enter the market in a timely manner.</p>	03.03.21	<a href="#">Media Release</a>
<p><b>Essential Services Commission of South Australia (ESCOSA)</b></p>		
<p><b><i>Variation to electricity generation licence exemption - Enrolled participants in AEMO's Virtual Power Plant demonstration program</i></b></p> <p>The Essential Services Commission (ESCOSA) is seeking stakeholder comment and feedback on the potential extension of the term of the current exemption for enrolled participants in AEMO's Virtual Power Plant Demonstration Program up to and including 30 June 2022.</p> <p>In November 2019, the ESCOSA, with the approval of the Minister for Energy and Mining, granted an exemption from the requirement to hold an electricity generation licence for enrolled participants in AEMO's Virtual Power Plant Demonstration Program. The term of the exemption was until the conclusion of the program, or until 30 June 2021 (whichever is the earlier).</p> <p>The ESCOSA seeks submissions on the potential extension to the term of the exemption until 30 June 2022 for operators who were enrolled participants in AEMO's Virtual Power Plant program.</p> <p>In addition, the ESCOSA also seeks submissions from stakeholders about the terms of any such exemption, as well as on potential licence conditions for VPP operators.</p>	26.03.21	<a href="#">Media Release</a>  <a href="#">Virtual Power Plant Demonstration program</a>
<p><b><i>Approval granted for variation to electricity generation licence – South Australian Water Corporation (SA Water)</i></b></p> <p>The ESCOSA varied SA Water Corporation's electricity generation licence, authorising the operation of an additional generating plant with a total export capacity of 18.76 mega-volt amperes and maximum export level of 15 megawatts located at Adelaide Desalination Plant (Stage 1). The ESCOSA assessed this application against the relevant provisions within the <i>Electricity Act 1996</i> (Electricity Act) and the <i>Essential Services Commission Act 2002</i> (ESC Act) and determined that all relevant criteria under those Acts have been satisfied. It has therefore approved the application.</p> <p>The application for the variation sought to authorise additional generating plant at the locations below. The assessment of the additional generating plants (Bolivar and Adelaide Desalination Plant (Stage 2)) will be considered separately at a later date.</p>	25.03.21	<a href="#">Media Release</a>
<p><b><i>Approval granted for electricity generation licence application – Vinpac International Pty Limited</i></b></p> <p>The ESCOSA issued an electricity generation licence to Vinpac International Pty Limited for the operation of a solar PV generating plant with a maximum capacity of 0.75 megavolt amperes (MVA) and total export capacity of 0.15 megawatts (MW), located at Angaston.</p> <p>The ESCOSA assessed this application against the relevant provisions within the Electricity Act and the ESC Act and determined that all relevant criteria under those Acts have been satisfied. It has therefore approved the application.</p>	24.03.21	<a href="#">Media Release</a>
<p><b><i>Electricity generation licence application – The Barossa Council</i></b></p> <p>The ESCOSA has received an application from The Barossa Council for an electricity generation licence in accordance with the Electricity Act. The applicant is seeking to operate a 197.5 kilowatt (generating capacity) solar generating plant with a 65 kilowatt (export limit), located at Barossa Aquatic and Fitness Centre, 75 Magnolia Road, Tanunda.</p> <p>The application is subject to a public consultation period closing on 19 April 2021. The ESCOSA welcomes submissions on any matters relevant to the application.</p>	24.03.21	<a href="#">Media Release</a>

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**Submission received to SA Water's application to vary its electricity generation licence**

19.03.21

[Media Release](#)

SA Water's current generation licence authorises the operation of generating plant at various sites. SA Water is seeking to vary its licence to authorise the operation of the following:

- a ground mounted solar array and battery energy storage system generating plant with a 1.24MVA nameplate capacity, and a 657kW maximum export capacity, at the Myponga Water Filtration Plant;
- a ground mounted solar array generating plant with a 16.5MW generating capacity, and a 13.4MW maximum export capacity, located at the Mannum Adelaide No.2 Pumping Station; and
- a ground mounted solar array generating plant with a 16.5MW generating capacity, and a 12.4MW maximum export capacity, located at the Mannum Adelaide No.3 Pumping Station.

The application was subject to a public consultation period which closed on 1 March 2021. The ESCOSA received one submission in relation to the variation request.

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**Prepayment meter system code review issues paper**

17.03.21

[Media Release](#)

The ESCOSA is undertaking a review of the Prepayment Meter System Code (Code). The Code regulates the operation of prepayment systems by retailers in small-scale and off-grid networks not captured by the National Energy Customer Framework. The purpose of the Issues Paper is to initiate discussion with, and gain feedback from, stakeholders to identify possible consumer protection issues and opportunities to improve the current requirements. Prepayment systems have not been offered by energy retailers in SA in almost 10 years. However, the ESCOSA expects this to change with recent technological advances in metering and telecommunications making prepayment systems a more viable and cost-effective option.

The ESCOSA welcomes feedback, discussions and meetings with stakeholders on any topic relevant to the Code, along with key areas for consultation identified in the Issues Paper, by 30 April 2021. The ESCOSA intends to publish a Draft Decision on the Code Review in July and a Final Decision in October.

[Prepayment Meter System Code Review](#)

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**Electricity generation licence application – Symbion Pty Ltd**

01.03.21

[Media Release](#)

The ESCOSA has received an application from Symbion Pty Ltd for an electricity generation licence in accordance with the Electricity Act. The applicant is seeking to operate a solar generating plant with a maximum capacity of 324 kilovolt-ampere (kVA) and a total export capacity of 199 kilowatt (kW) located at 75-83 Hardys Road, Underdale.

The application is subject to a public consultation period closing on 26 March 2021. The ESCOSA welcomes submissions on any matters relevant to the application.

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**Economic Regulation Authority Western Australia (ERA)****BHP Billiton Nickel West - Invitation for public submissions - Application to amend electricity retail licence ERL2**

29.03.21

[Media Release](#)

The ERA is seeking public comment on BHP Billiton Nickel West Pty Ltd's application to amend the licence area of electricity retail licence ERL2. Nickel West is seeking to amend the Southern Goldfields licence area. The amendment would extend the licence area from Redross Substation, south of Kambalda, by four kilometres to the south. The extension to the licence area would enable Nickel West to supply electricity to the Cassini nickel mine from a new point of supply using Southern Cross Energy's network infrastructure. The network and metering services for the new point of supply will be managed by Southern Cross Energy on Nickel West's behalf.

The ERA invites interested parties to make submissions on the licence amendment application. Submissions close 4:00 pm (WST) 21 April 2021.

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<b>Goldfields Power Pty Ltd - Decision to renew electricity retail licence ERL4</b> <p>The ERA has renewed Goldfields Power Pty Ltd's electricity retail licence ERL4. Goldfields Power applied to the ERA on 15 January 2021 to renew ERL4. ERL4 has been renewed from 18 March 2021 for 15 years.</p>	18.03.21	<a href="#">Media Release</a> <a href="#">Decision</a>
<b>Addendum to Issues Paper - Margin Values and Cost LR parameters for 2021/22</b> <p>The Wholesale Electricity Market Rules require the Economic Regulation Authority to determine the parameters used to compensate Synergy for providing three ancillary services that are used to maintain system security and to restore the electricity system when there is a blackout. The ERA must make its determination on the values to apply in 2021/22 by 31 March 2021.</p> <p>On 9 February 2021, the ERA published an issues paper including AEMO's proposed values for the three ancillary services along with the ERA's preliminary forecast costs for two of the ancillary services, spinning reserve and load rejection reserve, and invited public submissions. Since publishing the issues paper, the ERA has received additional information indicating that the market is changing more quickly and more markedly than the ERA had expected. These changes have significantly increased the forecast spinning reserve costs from the level indicated in the issues paper. The ERA is publishing this addendum to share its latest observations on changes in the market and their effects on cost forecasts for spinning reserve and load rejection reserve.</p> <p>The ERA encourages stakeholders to consider the information in the addendum to the issues paper when making submissions.</p>	12.03.21	<a href="#">Media Release</a> <a href="#">Addendum to Issues Paper</a>
<b>Shell Energy Retail Pty Ltd - Minor amendment to electricity retail licence ERL15</b> <p>The ERA has approved a minor amendment to ERL15 to change the licensee's registered name from ERM Power Retail Pty Ltd to Shell Energy Retail Pty Ltd. ERM Power Retail informed the ERA on 5 February 2021 of its name change. The ERA considers the change to the licence to be a minor amendment that does not call for public consultation.</p>	12.03.21	<a href="#">Media Release</a>
<b>Synergy - Decision to renew electricity retail licence ERL1 and approve amended standard form contract</b> <p>The ERA has renewed Synergy's electricity retail licence ERL1 and approved its amended standard form contract. Synergy applied to the ERA on 23 November 2020 to renew ERL1 and to approve its amended standard form contract. ERL1 has been renewed from 13 March 2021 for 15 years.</p>	12.03.21	<a href="#">Media Release</a> <a href="#">Decision</a> <a href="#">Amended Standard Form Contract</a>
<b>Southern Cross Energy Partnership - Decision to renew electricity retail licence ERL7</b> <p>The ERA has renewed TEC Desert Pty Ltd &amp; TEC Desert No. 2 Pty Ltd's (trading as Southern Cross Energy Partnership) electricity retail licence ERL7. Southern Cross Energy is a vertically integrated electricity business that supplies electricity to BHP's Nickel West operations in Kambalda, Kalgoorlie, Leinster and Mt Keith. Southern Cross Energy applied to the ERA on 15 January 2021 to renew ERL7. ERL7 has been renewed from 9 March 2021 for 15 years.</p>	08.03.21	<a href="#">Media Release</a> <a href="#">Decision</a>
<b>Esperance Power Station Pty Ltd - 2020 asset management system review</b> <p>The ERA has published the 2020 asset management system review report for Esperance Power Station Pty Ltd's gas distribution licence GDL10. The ERA considers that Esperance Power Station has an effective asset management system. The ERA has decided to maintain the review period at 24 months. The next review will cover the period 1 September 2020 to 31 August 2022, with the report due to be provided by 30 November 2022.</p>	05.03.21	<a href="#">Media Release</a>
<b>Newmont Power Pty Ltd - Licence renewal application</b> <p>Newmont Power Pty Ltd has applied to the Economic Regulation Authority to renew its electricity retail licence ERL9 and electricity distribution licence EDL4, which both expire on 29 June 2021. Newmont Power owns approximately 20 kilometres of distribution lines that connect the Parkeston Power Station to the Kalgoorlie Consolidated Gold Mines' Firiston Operations and Kaltails project. Kalgoorlie Consolidated Gold Mines is Newmont Power's only customer.</p> <p>The ERA invites interested parties to make submissions on Newmont Power's request to renew ERL9 and EDL4 by 4.00pm (WST) 26 March 2021.</p>	05.03.21	<a href="#">Media Release</a>



<p><b><i>Review of minimum STEM price 2021 - Call for public consultation</i></b></p> <p>The ERA has released an issues paper with preliminary findings as part of its review into the minimum Short Term Energy Market (STEM) price. The ERA is interested in feedback from stakeholders on its analysis and preliminary findings presented in the issues paper and invites public submissions on the review. Submissions must be made by 4.00pm (WST) 1 April 2021.</p>	04.03.21	<a href="#">Media Release</a>
<p><b><i>Western Power's application for network control service costs in the Eastern Goldfields - Draft determination</i></b></p> <p>The ERA has published a draft determination to approve \$9.8 million for network control service costs in the Eastern Goldfields. The costs are for Western Power's contract with Synergy to provide back-up electricity from the West Kalgoorlie generators when there is a planned or unplanned outage on the 220 kV transmission line supplying the Eastern Goldfields. The ERA invites interested parties to make submissions on the draft determination by 4.00pm (WST) 26 March 2021.</p>	04.03.21	<a href="#">Media Release</a>
<b>Queensland Competition Authority (QCA)</b>		
<p><b><i>Draft determination of 2021–22 regulated retail electricity prices for regional Queensland</i></b></p> <p>The Queensland Competition Authority (QCA) has released its draft determination of regulated retail electricity prices for regional Queensland to apply in 2021–22. QCA Chair Professor Flavio Menezes said that this year's draft determination forecasts lower prices for most tariffs, including all the main residential and small business tariffs.</p> <p>Professor Menezes said it is important to note prices are set in accordance with the Queensland Government's uniform tariff policy, which means most regional customers pay less for electricity than it costs to supply them. He also noted it is likely there will be changes in the final determination. The price estimates in the draft determination are indicative only, as they are based on information at the time. They will be updated for the final determination, based on updated data and feedback from stakeholders.</p> <p>QCA is currently seeking submissions on the draft determination by 23 April 2021.</p>	24.03.21	<a href="#">Media Release</a>  <a href="#">Draft Determination</a>
<b>Office of the Tasmanian Economic Regulator (OTTER)</b>		
[no updates]		
<b>Utilities Commission of Northern Territory</b>		
<p><b><i>Progress Report – Alice Springs System Black recommendation implementation</i></b></p> <p>The Commission has published the third Progress Report on the implementation of recommendations from the independent investigation of the Alice Springs System Black incident on 13 October 2019.</p> <p>Following the Commission's independent investigation, the Territory Government published its response. The Northern Territory Government Response accepted 14 of the Commission's recommendations in whole and one in-principle. Consistent with the Government response, on 8 December 2019, the former Treasurer wrote to the Commission requesting that the Commission compile and publish a report on the implementation of the recommendations of the independent review and other major incident reports. The former Treasurer requested that the first report on progress be published by the end of February 2020, with further reports every six months for a period of two years.</p>	01.03.21	<a href="#">Media Release</a>  <a href="#">Progress Report</a>  <a href="#">Northern Territory Government Response</a>

# Energy market transformation – status of current long-term projects

Note: updates since last update shaded in green.

Process	Description	Key links <sup>1</sup>
<b>COAG Energy Council / Energy Security Board (ESB)</b>		
<b>2020 Health of the NEM</b>	<p>On 5 January 2021 the ESB published the 2020 Health of the NEM Report. In this Health of the NEM report, the ESB assessed progress against the Strategic Energy Plan objectives and considered the future outlook. Overall the report states:</p> <ul style="list-style-type: none"> <li>• Progress is being made and the outlook is improved on previous years;</li> <li>• Consumer satisfaction has improved from a low level but still remains below that in most other essential services industries;</li> <li>• System reliability and low emissions is rated as moderate, an improvement on 2019's rating of critical;</li> <li>• By the end of 2020 emissions in the NEM will be 25% below 2005 levels and by 2030 this reduction is expected to be well over 50%;</li> <li>• The criterion of effective development of open and competitive markets has improved from moderate in 2019 to good in 2020;</li> <li>• The current rating for network investment is good-moderate marking an improvement on 2019; and</li> <li>• The current position and outlook for governance is moderate.</li> </ul>	<a href="#">Health of the NEM Report – Vol 1</a> <a href="#">Health of the NEM Report – Vol 2</a>
<b>Post-2025 Market Design Directions Paper</b>	<p>On 5 January 2021, the ESB published the Post-2025 Market Design Directions Paper, following a consultation paper released in September 2020. The Market Design Directions Paper sets out the consolidated reform direction the ESB proposes to pursue as part of the Post-2025 project, in the following areas:</p> <ul style="list-style-type: none"> <li>• Resource adequacy mechanisms and ageing thermal transmission;</li> <li>• Essential system services and scheduling and ahead mechanisms;</li> <li>• Demand side participation; and</li> <li>• Transmission and access.</li> </ul> <p>In March 2021 the ESB will consult on potential market designs that are being developed in accordance with the directions in this paper.</p>	<a href="#">Post-2025 Market Design Directions Paper</a>
<b>Interim Reliability Measures</b>	<p>In November 2020, the ESB published changes to the NER to amend the triggering of the Retailer Reliability Obligation (<b>RRO</b>). The changes establish an out of market capacity service (the Interim Reliability Measure) and are intended to reduce the risk of load shedding, among other things, and apply to all regions in the NEM.</p> <p>The Reliability Instrument Guidelines, Market Liquidity Obligation (<b>MLO</b>) Guidelines, and Contracts &amp; Firmness Guidelines - and the new AER Reliability Compliance Procedures &amp; Guidelines, were previously scheduled by the AER for consultation and release by June 2021. However, on 24 February the AER announced it is deferring stakeholder consultation. This means that the interim Reliability Instrument Guidelines, MLO Guidelines and</p>	<a href="#">ESB Decision Paper</a> <a href="#">Rule</a>

<sup>1</sup> Highlighted entries have changed since previous bulletin

	Contracts & Firmness Guidelines will remain in place to support the current rules in the intervening period, and likely at least until January 2022.	
<b>Independent Review of the Energy Security Board</b>	<p>In April 2020, the COAG Energy Council engaged an independent consultant to review the effectiveness and performance of the ESB. In June 2020 the result of this review were provided to Energy Ministers for consideration. The review:</p> <ul style="list-style-type: none"> <li>• found that the ESB has done well in its core function of coordinating the implementation of the Finkel Review in a timely manner;</li> <li>• did not recommend the permanent continuation of the ESB, but recommended that the ESB remains in place until December 2021; and</li> <li>• presented a ranged of recommendations to enhance the governance and operations of the ESB.</li> </ul> <p>Energy Ministers considered the recommendations of the review in August 2020 and published a response to the recommendations of the review.</p>	<a href="#">Review – June 2020</a> <a href="#">Response – August 2020</a>
<b>AEMO</b>		
<b>Future Power System Security program</b>	General work identifying international and Australian best practice in managing system security given increased intermittency.	<a href="#">Power System Requirements Paper - July 2020 Update</a>
<b>Market Ancillary Service Specification</b>	<p>The AEMO is conducting a consultation on the Market Ancillary Service Specification (MASS) with regards to measurements requirements for DERs to participate in the Contingency Frequency Control Ancillary Services (FCAS) markets. AEMO is also taking this opportunity to consult on other important issues in a 'General MASS Review' and to undertake a simplification and clarification of the MASS document. AEMO has set out an indicative consultation timeline:</p> <ul style="list-style-type: none"> <li>• <i>Issues Paper and Notice of First Stage of Consultation:</i> 19 January 2021.</li> <li>• <i>Submissions Close:</i> 11 March 2021.</li> <li>• <i>Draft MASS and Notice of Second Stage of Consultation:</i> 12 April 2021.</li> <li>• <i>Submissions close:</i> 27 April 2021.</li> <li>• <i>Final MASS determination published:</i> 8 June 2021.</li> </ul>	<a href="#">Market Ancillary Service Specification Final Report - 4 June 2020</a> <a href="#">Amendment of the MASS - General consultation</a>
<b>AER</b>		
<b>State of the Energy Market 2020</b>	The AER's annual report covering Australia's wholesale electricity and gas markets, the transmission and distribution networks, and energy retail markets.	<a href="#">State of the energy market 2020 – 1 July 2020</a>
<b>International regulatory approaches to rate of return - Pathway to Rate of Return 2022</b>	<p>In December 2020, the AER published a final working paper as part of a series of working papers as part of the AER's pathway to the 2022 rate of return instrument. The outcomes from these working papers will feed into the active phase of the AER's 2022 rate of return instrument review.</p> <p>The active phase of the 2022 review is expected to commence in mid-2021</p>	<a href="#">International regulatory approaches to rate of return - Pathway to Rate of Return 2022 project page</a> <a href="#">Rate of Return Instrument 2020 project page</a>

## AEMC

### Reserve services in the National Electricity Market

On 5 January 2021 the AEMC published a directions paper relating to its ongoing work relating to reserve services in the NEM. The paper considers issues related to the ability of current energy and frequency control market frameworks to address variability and uncertainty in power system conditions. The paper accompanies the ESB's post-2025 market design project directions paper.

This paper forms part of the AEMC's consideration of rule change requests received from Infigen Energy and Delta Electricity, as well as a range of options to address the issues they raise. Infigen Energy proposes introducing a dynamic operating reserve market to operate alongside the existing energy and frequency control ancillary services (FCAS) markets. Delta Electricity proposes introducing 30-minute raise and lower "ramping" FCAS services using the existing framework for FCAS market design.

Written submissions were due by 11 February 2021.

[Rule change project page \(ERC0295\)](#)

### Coordination of generation and transmission investment

In September 2020 the AEMC published three papers on transmission access reform. Following responses to the ESB's separate consultation paper on post-2025 market design, the AEMC decided to not publish a final report in this process and is now focussing as a priority on progressing the work on renewable energy zones, as we see REZs as a key interim step, that will build towards the long-term solution of LMPs/FTRs.

[Rule change project page \(EPR0073\)](#)

### Retail Energy Competition Review

On 30 June 2020, the AEMC completed the seventh annual review of retail energy competition in the national electricity market (NEM).

[Final Report - 30 June 2020](#)

## ACCC

### Gas market monitoring and transparency 2017-2025

The ACCC is undertaking a review of the LNG netback price series as part of the ongoing inquiry into the east coast gas market.

On 18 March 2021, the ACCC released an issues paper as part of its review of the LNG netback price series. The ACCC welcomes submissions from interested parties in relation to the review by 12 April 2021.

[Overview](#)

[LNG netback price series](#)

[Media Release](#)

[Issues Paper](#)

### Electricity market monitoring 2018-2025

The most recent report published by the ACCC in this ongoing inquiry was its September 2020 report (published on 19 October), including its supplementary report focussing on the impact of COVID-19 and ACCC monitoring and enforcement activities.

The ACCC will provide its next report to the Treasurer by 31 May 2021.

[Overview](#)

[Report - 21 September 2020](#)

[Supplementary report – 21 September 2020](#)