

8 December 2022



EnergyAustralia

LIGHT THE WAY

General Manager - Compliance and Enforcement
Australian Energy Regulator
GPO Box 3131, Canberra ACT 2601

Lodged electronically: RRO@aer.gov.au

Reliability Compliance Procedures and Guidelines – Issues Paper – 3 November 2022

EnergyAustralia is one of Australia's largest energy companies with around 2.4 million electricity and gas accounts across eastern Australia.

We also own, operate, and contract a diversified energy generation portfolio across Australia, including coal, gas, battery storage, demand response, wind and solar assets, with control of over 4,500MW of generation capacity.

We appreciate the opportunity to provide feedback on the AER's development of compliance procedures and guidelines. Our comments below relate to the AER's assessment processes for reliability obligations. We generally agree with the AER's proposed approaches to data provision, compliance audits and adoption of ISO 37301.

We question whether the AER requires up to 50 business days to give notice to liable entities under clause 4A.F.7(c)(1) after receiving AEMO's compliance report. Any unnecessary time taken in this process exposes retailers to risk associated with customer switching. We expect the AER could inform liable entities much faster once it has established data collection and validation processes. The AER also proposes to take up to 50 business days to provide its Procurer of Last Resort report to AEMO once non-compliant entities have responded to AER notifications. Again this seems excessive given the scope of the AER's task.

Allowing up to 20 business days for liable entities to respond to notices from the AER under clause 4A.F.7(c)(2) seems reasonable given the likely scope for disputes or errors to arise from AEMO's calculations.

As we have raised separately with AER staff, we consider that the requirement to treat individual participants separately within a corporate group adds unnecessary administrative burden and without any corresponding benefits to customers. The AER should provide guidance around whether there is any means to alleviate this burden in the administration of its compliance functions.

If you would like to discuss this submission, please contact me on 03 9060 0612 or Lawrence.irlam@energyaustralia.com.au.

Regards

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