

## **Purpose**

The Commission is required under s. 108A of the National Electricity Law (NEL) to publicly report on rules not made within 12 months of the publication of the notice of the commencement of the rule change process

## **Background**

On 19 August 2021, the Commission initiated a rule change request from The Energy Users Association of Australia, Major Energy Users Inc., AGL Energy Limited, Delta Electricity, and ERM Power Limited as joint proponents.

The rule change request sought to ensure that for large network infrastructure projects when a significant increase in project costs occurs following application of the Regulated Investment Test (RIT) for Distribution or Transmission that the Australian Energy Regulator (the AER) is the final determining authority for the need for the project proponent to reapply the RIT.

A consultation paper was published on the 19 August 2021, as part of the Transmission Planning and Investment Review (TPIR) consultation paper. The Commission granted an extension of time under an s 107 notice on 2 December 2021 to allow for greater consideration of complex issues.

The Commission granted another extension on 14 April 2022 to better align the draft determination with the TPIR stage 3 report, which considered similar issues including the economic assessment framework.

The draft determination and more preferable draft rule were published on 7 July 2022.

## **Reasons for the final rule determination not being made in 12 months**

On 2 December 2021, the Commission extended the period of time for making the draft determination to 28 April 2022. This allows the AEMC to consider the complex issues in parallel with the TPIR.

On 14 April 2022, the Commission further extended the period of time for making the draft determination to 7 July 2022 under section 107 of the NEL. The Commission made this decision because there was overlap between the issues being explored in the rule change and in the TPIR stage three report, such as the overall economic assessment framework for major transmission projects. The extension allowed for further exploration of these linkages.

## **Expected time for making a final rule determination**

The final rule determination is expected to be made by **13 October 2022**.