

Project Team
Australian Energy Market Commission
GPO Box 2603
Sydney NSW 2000

Submitted online.

15 September 2022

RRC0046 – Delaying Implementation of the AER Billing Guideline

The Australian Energy Council ('AEC') welcomes the opportunity to make a submission to the Australian Energy Market Commission's ('AEMC') *Delaying Implementation of the AER Billing Guideline Consultation Paper* ('Consultation Paper').

The Australian Energy Council is the peak industry body for electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. AEC members generate and sell energy to over 10 million homes and businesses and are major investors in renewable energy generation. The AEC supports reaching net-zero by 2050 as well as a 55 per cent emissions reduction target by 2035 and is committed to delivering the energy transition for the benefit of consumers.

As the proponents of this rule change, the AEC's case for deferring commencement of the AER billing guideline is laid out in the rule change request. This submission is to reaffirm that the concerns raised remain outstanding and may have been exacerbated by recent market events. While the rule change request was dated 30 June, the AEC prepared the rule change without regard to the significant market disturbances occurring at the time. These challenges are particularly relevant for tier 1 retailers, who have been required to manage multiple Retailer of Last Resort events, at the same time they are preparing to implement the Consumer Data Right by 15 November. This has flow on impacts for all retailers as it adds further pressures to the already scarce labour market and finite pool of resources for regulatory projects. Seed Advisory similarly prepared its estimation of implementation costs on retailers prior to the market suspension.

The AEC welcomes the AER's letter of support for the rule change and notes its acknowledgement that 'given the significant upheaval in wholesale markets and resulting costs and uncertainty for retailers, we understand that implementation may now be even more challenging'. The AEC anticipates retailers will be able to provide greater information in their individual submissions about these challenges, and the associated impacts.

While it might be difficult to provide quantitative information on avoided costs as a result of this rule change, this should not be seen as an argument against its consideration. In addition to the concerns raised in the rule change request, we encourage the AEMC to engage directly with retailers, and keep recent market events in mind when deciding whether deferring the AER billing guideline is appropriate.

Any questions about this submission should be addressed to Rhys Thomas, by email Rhys.Thomas@energycouncil.com.au or mobile on 0450 150 794.

Yours sincerely,

Rhys Thomas
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