

Implementing the updated energy objectives

AEMC

Harmonising the rules with the updated objectives

AEMC guide to applying the updated objectives

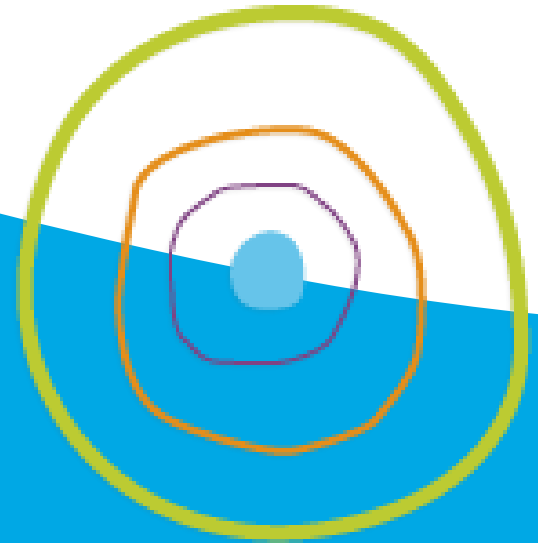
Virtual public forum

7 August 2023



ACKNOWLEDGEMENT OF COUNTRY

The AEMC acknowledges and shows respect for the traditional custodians of the many different lands across Australia on which we all live and work. We pay respect to all Elders past and present and the continuing connection of Aboriginal and Torres Strait Islander peoples to Country. The AEMC office is located on the land traditionally owned by the Gadigal people of the Eora nation.



Danielle Beinart - EGM

AEMC

Introduction and welcome

COMPETITION PROTOCOL

KEY PRINCIPLES



The AEMC is committed to complying with all applicable laws, including the ***Competition and Consumer Act 2010*** (CCA), during this forum. Breaching the CCA can lead to serious penalties for individuals involved in any breach (including large financial penalties and imprisonment for key individuals involved). This protocol governs the way in which discussions will proceed at this forum, and each attendee agrees to adhere to this protocol in order to comply with the CCA.

Each attendee must make an independent and unilateral decision about their commercial positions and approach in relation to the matters under discussion in this forum.

Attendees must not discuss, or reach or give effect to any agreement or understanding which relates to:

- **pricing** for the products and/or services that any attendee supplies or will supply, or the terms on which those products and/or services will be supplied (including discounts, rebates, price methodologies etc)
- **targeting (or not targeting) customers** of a particular kind, or in particular areas
- **tender processes** and whether (or how) they will participate
- any decision by attendees:
 - about the purchase or supply of any products or services that other attendees also buy or sell
 - to not engage with persons or the terms upon which they will engage with such persons (i.e. boycotting); or
 - to deny any person's access to any products, services or inputs they require
- **sharing competitively sensitive information** such as non-publicly available pricing or strategic information including details of customers, suppliers (or the terms on which they do business), volumes, future capacity etc
- **breaching confidentiality obligations** that each attendee owes to third parties.

COMPETITION PROTOCOL

COMMUNICATION AND
MEETING GUIDELINES



Attendees must ensure that all communications (including emails and verbal discussions) adhere to the ***Key Principles***.

This forum will be conducted in accordance with the following rules:

- The agenda for this forum does not include anything that could contravene the Key Principles set out in this protocol.
- We will read and minute the below *competition health warning*:
 - Attendees at this forum must not enter into any discussion, activity or conduct that may infringe, on their part or on the part of other attendees, any applicable competition laws. For example, attendees must not discuss, communicate or exchange any commercially sensitive information, including information relating to prices, marketing and advertising strategy, costs and revenues, terms and conditions with third parties, terms of supply or access.
 - Participating in this forum is subject to you having read and understood the protocol including the Key Principles.
- We will keep accurate minutes of the forum, including details of attendees.
- If something comes up during the forum that could risk contravening any competition laws, attendees should:
 - Object immediately and ask for the discussion to be stopped.
 - Ensure the minutes record that the discussion was objected to and stopped.
 - Raise concerns about anything that occurred in the forum with their respective legal counsel immediately afterwards.
- All attendees understand that any competitively sensitive matters must be subject to legal review before any commitment/agreement can be given.
- Any decision about whether, and on what terms, to engage with customers and suppliers is an independent and unilateral decision of each attendee.

Purpose of today's public forum



AEMC staff will provide an overview of the harmonisation rule change requests and issues raised in our consultation paper



Stakeholders who provided input into the harmonisation rule change requests will provide their perspectives



AEMC staff will provide an overview of our draft guide on how we will apply the emissions component of the energy objectives in our work, and issues raised in our consultation paper



Forum participants will be invited to ask questions in dedicated Q&A sessions

Housekeeping

- All participants are currently in 'listen-only' mode
 - Moderators can switch your mic/video on if you request it.
- Asking questions
 - Use the Q&A button on the bottom of your screen.
 - If your name and/or organisation are not clear from your login details please include them in your question.
 - Questions will be answered at dedicated Q&A sessions.
 - We will try to answer all questions, but will prioritise questions with most 'upvotes' first.
 - You may be asked to speak to the questions you have submitted via the Q&A button in the dedicated Q&A sessions.

Tim Jordan - Commissioner

AEMC

Introductory remarks

Lily Mitchell – Project leader

AEMC

Part 2: AEMC guide on applying the updated objectives in our work

Our draft guide addresses these issues



- It is the role of governments to set strategic policy for energy and to set emission reduction targets
- How our approach to emissions will change with the new objective: internalising what used to be considered as part of the external context



- The new emissions component of the energy objectives is one of several considerations the Commission will take into account, alongside the existing components such as price and reliability



- For each project, we will consider the impact of the proposed reform on the ability to meet emissions reduction targets – a new assessment criterion



- There are a number of ways we could assess the impacts of a reform on the ability to meet emission reduction targets – we may use quantitative or qualitative methods



- When government guidance on emissions value becomes available, we will use that guidance in our quantitative assessments



- We will provide further guidance later this year on how we will estimate the volume of emission reductions associated with our rule changes



- We will apply the new objectives to existing projects, and will consult where impacts may be material

We are seeking stakeholder feedback on the draft guide

- Do stakeholders have any feedback on the approach we're proposing to take in applying the updated objectives?
- Does the guide clearly explain how the Commission will consider the new emissions reduction component in its work?
- Would further guidance on any aspects of the Commission's approach to the updated objectives be helpful?



Next steps for the draft guide

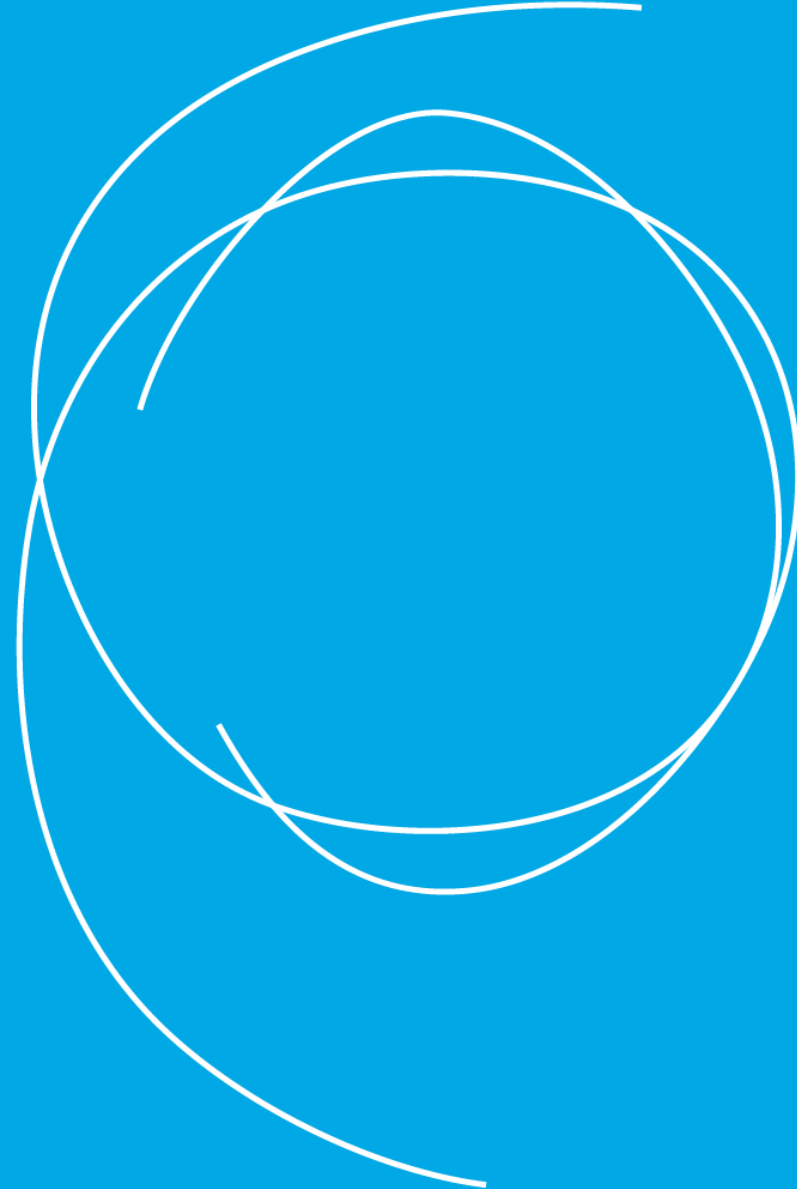


Q&A

Lily Mitchell – Project leader

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AEMC Guide



Tim Jordan - Commissioner

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Closing remarks

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