

Our ref: CRP0177
3 September 2024

██████████
Centre for Independent Studies
████████████████████
██████████

By email: ██████████

Dear ██████

Freedom of Information Act application - Determination

I refer to your application to the AEMC under section 13 of the *Freedom of Information Act 1991* (FOI Act) received on 12 March 2024, and your email dated 16 April 2024 confirming the modified scope of your application (collectively, your Application).

Determination

We conducted a search for documents within the scope of your Application, and identified the documents listed in the document schedule attached to this letter.

The reasons I have made these access decisions are summarised in the document schedule and are explained in more detail below.

The below sets out a summary of those documents that we have provided full access, partial access and refused access to.

Please note, details of your FOI application, and the documents to which you are given access, will be **published in the AEMC's disclosure log**.

Consistent with your application, we have arranged electronic access to the documents. Once we receive payment of the fees outlined below, we will provide you with a link which will be accessible for two weeks.

Access granted

For documents 22, 23, 46, 48, 61, 62, 66, 69, 79, 80, 91, 98, 99, 110, 126, 146, 147, 149, 192, 199, 204, 205, 211, 212, 213, 217, 228, 229, 233, 234, 239, 240, 241 and 245, access will be granted in full.

Partial access granted

Section 20(4) of the FOI Act provides that if it is practicable to give access to a copy of a document with exempt matter deleted, and it appears that the applicant would wish to be given such a copy, the agency must give access to a copy of the document to this limited extent. Therefore, I have determined to grant you partial access to these documents and to refuse you access to specific parts of the documents I consider to be exempt.

The reasons I have refused access to parts of the documents are summarised in the enclosed document schedule. Those reasons are:

TABLE A			
	Information	Documents	Reasons
1.	Names and contact details	1 to 5; 7 to 21; 24 to 37; 39 to 45; 47; 49 to 55; 57 to 60; 63 to 65; 67; 68; 70 to 75; 77; 78; 81 to 90; 92 to 97; 100 to 109; 111; 112; 117; 119 to 125; 127 to 138; 140; 141; 143; 145; 148; 150 to 155; 157; 159 to 163; 165 to 167; 169 to 172; 178 to 184; 188; 190; 191; 193 to 195; 197; 198; 200 to 203; 206 to 210; 214 to 216; 218 to 227; 230 to 232; 235 to 238; 242 to 244; 246 and 247.	<p>I have determined that the names and contact details of certain individuals referred to in these documents are exempt under Schedule 1, clause 6(1) of the FOI Act on the basis that disclosing them would involve the unreasonable disclosure of information concerning their personal affairs.</p> <p>The disclosure of this information would be an unreasonable disclosure of personal information because it relates to persons in their personal capacity, includes personal opinions of such persons, contains information that concerns or affects such persons as individuals and/or otherwise includes private contact information.</p> <p>As such, this information has been redacted.</p>
2.	Confidential communications	37, 55, 57, 64, 105 and 236.	<p>I have determined that certain information referred to in documents 37, 55, 57 and 64 is exempt under Schedule 1, clause 13(1)(a) on the basis that the information was provided to the AEMC in confidence by the discloser and the disclosure of such information could found an action for breach of confidence.</p> <p>Despite the above, the information is otherwise not liable to disclosure under the FOI Act by operation of section 24(9) of the <i>Australian Energy Market Commission Establishment Act 2004</i> (SA) as it is information classified as confidential by the AEMC under the National Electricity Law.</p> <p>As such, this information has been redacted.</p> <p>I have determined that certain information referred to in documents 105 and 236 is exempt under Schedule 1, clause 13(1)(b) on the basis that: the information was obtained in confidence; the disclosure might reasonably be expected to prejudice the</p>

			<p>future supply of such information to the AEMC; and the disclosure would, on balance, be contrary to the public interest.</p> <p>In determining the above, I have weighed the competing public interests in favour and against disclosing the information, and determined the exemption applied to the information because: the communications were initiated with the expectation that they were confidential; the willingness to disclose such expert information in the future would likely be impacted by its disclosure given the expectation that the communications would remain confidential; and an inability to obtain such expert information from the discloser again would undermine the efficient and effective policy and regulatory decision-making capacity of the AEMC.</p> <p>As such, this information has been redacted.</p>
3.	Intergovernmental policy development	2, 5, 8, 17, 25, 33, 34, 51, 73, 74, 75, 87, 88, 95, 96, 108, 111, 112, 113, 117, 122, 123, 125; 132, 133, 134, 135, 136, 138, 141, 143, 151, 152, 153, 155, 157, 159, 162, 163, 165, 166, 167, 169, 170, 171, 172, 183, 179, 183, 184, 190, 195, 207, 209, 216, 218, 224 and 243.	<p>I have determined that certain information referred to in these documents is exempt under clause 5 of Schedule 1 of the FOI Act on the basis that the disclosure of the information:</p> <ul style="list-style-type: none"> (a) could reasonably be expected to cause damage to intergovernmental relations; and (b) would, on balance, be contrary to the public interest. <p>In relation to (a), I have determined that the disclosure of the information could reasonably be expected to cause damage to intergovernmental relations because the documents were provided for the purpose of, and used for, intergovernmental policy development and relate to matters that are currently being deliberated on by Energy Ministers through the Energy and Climate Change Ministerial Council (ECCMC) or otherwise inform jurisdictional decision-making. The information contains opinions of jurisdictions or otherwise relates to matters on which governments have requested additional advice from other agencies or third parties in order to facilitate further consideration by, and dialogue between, jurisdictions and disclosing the information could reasonably be expected to impact that dialogue and the future free supply of such advice and opinion between jurisdictions.</p>

			<p>In relation to paragraph (b), having weighed the competing public interests in favour and against disclosing the information, I have determined that the disclosure of the information would, on balance, be contrary to the public interest because it could reasonably be expected to:</p> <ul style="list-style-type: none"> • restrict and inhibit future free and frank expression of opinions and advice among jurisdictions, market bodies and/or the ECMC; • prejudice the decision-making of governments and their supporting agencies given that the documents contain information about matters on which governments are still deliberating; • create confusion given the documents contain information, options and opinions that may be draft or preliminary and do not accurately represent finalised information, options and opinions of governments or parties advising such parties; and • impact the efficient and effective conduct of government functions given it may prejudice the ongoing deliberations of the ECMC and government agencies and the provision of free and frank advice. <p>Based on the above, I am satisfied that disclosure of the information could reasonably be expected to cause damage to intergovernmental relations, and would, on balance, be contrary to the public interest. As such, this information has been redacted.</p>
4.	Matters that relate to advice, consultation or deliberation in the course of decision-making functions	3, 58, 59, 67, 94, 102, 104, 124, 130, 150, 188, 197, 220, 221, 222, 230 and 231.	<p>I have determined that certain information referred to in these documents is exempt under clause 9(1) of Schedule 1 of the FOI Act on the basis that:</p> <p>(a) the information relates to an opinion, advice or recommendation obtained by the AEMC or otherwise relates to consultation and deliberation that has taken place in the course, and for the</p>

			<p>purposes, of the decision-making functions of the AEMC; and (b) the disclosure of which would, on balance, be contrary to the public interest.</p> <p>In relation to paragraph (b) above, having weighed the competing public interests in favour and against disclosing the information, I have determined that the disclosure of the information would, on balance, be contrary to the public interest because it could reasonably be expected to:</p> <ul style="list-style-type: none"> • restrict and inhibit future free and frank expression of opinions, advice and recommendations between the AEMC and market bodies, government agencies and other stakeholders; • create confusion given the information contains opinions and advice that may be draft or preliminary and does not accurately represent finalised information, advice or opinions of market bodies or other parties; and • impact the efficient and effective conduct of AEMC's decision-making functions given it may prejudice the ongoing consultations and deliberations of the AEMC and market bodies, government agencies and other stakeholders for the purposes of policy and regulatory-making processes. <p>As such, this information has been redacted.</p>
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Access refused

Section 20(1)(a) of the FOI Act provides that an agency may refuse access to a document if it is an exempt document. I have determined to refuse access to the documents identified as such in the document schedule. The reasons I have refused access are summarised in the document schedule and are explained in more detail below.

TABLE B		
	Documents	Reason
1.	6, 76, 114, 115, 116, 139, 142, 144, 156, 158, 164, 168, 173, 174, 175, 176, 177, 185, 186, 187 and 189.	The reasons for not disclosing these documents are the same as set out in Item 3 "Intergovernmental policy development" of Table A above, with the exception that the entirety of the document is exempt on that basis (rather than just parts).
2.	38, 56 and 118.	<p>The reasons for not disclosing documents 38 and 56 are the same as set out for documents 37, 55, 57 and 64 in Item 2 "Confidential communication" of Table A above, with the exception that the entirety of the document is exempt on that basis (rather than just parts).</p> <p>The reasons for not disclosing document 118 are the same as set out for documents 105 and 236 in Item 2 "Confidential communication" of Table A above, with the exception that the entirety of the document is exempt on that basis (rather than just parts).</p>
3.	196 and 248.	The reasons for not disclosing these documents are the same as set out in Item 4 "Matters that relate to advice, consultation or deliberation in the course of decision-making functions" of Table A above, with the exception that the entirety of the document is exempt on that basis (rather than just parts).

Matters we have considered

In forming the views outlined above, I have considered:

- the objects of the FOI Act, particularly promoting openness and accountability;
- consultation responses received by this agency from market bodies, jurisdictions and other interested parties;
- the contents of the documents; and
- the role of the AEMC and its role in reporting to, and supporting the policy development of, the ECDC and related working groups.

We are deferring giving you access to some documents

In addition, we consulted with interested persons in relation to documents 3, 31, 35, 37 39, 52, 58, 59, 63, 65, 83, 92, 94, 95, 97, 102, 104, 111, 122, 123, 124, 127, 130, 131, 132, 133, 134, 135, 136, 140, 150, 152, 153, 155, 171, 172, 178, 179, 181, 182, 183, 188, 190, 195, 197, 202, 209, 220, 222, 224, 230, 231, 235 and 243 as required by sections 25 and 27 of the FOI Act, and those parties are of the

view that certain information (in addition to the information we have determined to redact as outlined above) in the documents are exempt by virtue of clause 5 and 7 of Schedule 1 to the FOI Act. I am therefore required by section 25(3)(d) and 27(3)(d) of the FOI Act to defer giving you access to those documents until after the expiration of the period within which the interested parties may apply for review under the FOI Act (namely thirty days after the date of this determination) or, if any such party lodges an application for review, until after that application has been finally determined.

I will be in contact with you further at the expiration of the above period, to inform you as to whether any application for review has been lodged, or otherwise if partial access to the documents is permitted.

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

You can seek review

If you are unhappy with my determination, you are entitled to exercise your rights of review under the FOI Act. As this determination is made by the principal officer of the AEMC you may apply for an external review with the Ombudsman SA. Alternatively, you can apply for a review with the South Australian Civil and Administrative Tribunal. If you wish to seek a review, you must do so within 30 calendar days after you receive this letter.

For more information about seeking a review, please contact the Ombudsman SA on (08) 7322 7020 or SACAT on 1800 723 767.

If you require any further information please contact me on [REDACTED] or at [REDACTED].

Yours sincerely



Benn Barr
Chief Executive
Australian Energy Market Commission

FREEDOM OF INFORMATION

DOCUMENT SCHEDULE

Agency: Australian Energy Market Commission

Title/Date: Application from [REDACTED], CIS, received on 12 March 2024, regarding documents relating to certain rule change requests in response to the AEMC's Transmission Planning and Investment Review, official updates to the Integrated System Plan and feedback loop notices for VNI West and Humelink.

No.	Document ID	Date	Description	AEMC comments
1	AEM.001.001.315 2	9/29/2022	RE TPIR Jurisdictional Reference Group meeting - 23 Sept 22.MSG	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
2	AEM.001.001.315 4	9/29/2022	TPIR JRG actions and outcomes - 23 September 2022.pdf	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
3	AEM.001.001.354 5	10/14/2022	RE_ Timeframe for AER assessment on financeability_request for varying depreciation _SEC_OFFICIAL__ACCC-ACCCANDAER_FID2898996_.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
4	AEM.001.001.364 3	10/24/2022	RE_ For review_ Draft Concessional Finance paper - EMM6 _SEC_OFFICIAL_ Sensitive_.msg	Full access refused

				Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
5	AEM.001.001.372 6	10/25/2022	Updated EMM6 Agenda papers for Items 8_ 11 and 16 _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
6	AEM.001.001.373 2	10/25/2022	EMM6 - Item 11 - AEMC paper transmission planning and investment.docx	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
7	AEM.001.001.390 2	11/02/2022	Slides for AEMC TPIR Jurisdictional Reference Group meeting.msg	Full access refused. Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
8	AEM.001.001.391 8	11/02/2022	TPIR JRG actions and outcomes - 23092022.pdf	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
9	AEM.001.001.393 6	11/07/2022	TPIR Stage 3 _ AEMC & Transgrid- information on project (Humelink) timeframes.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs

				Partial access granted
10	AEM.001.001.403 9	11/16/2022	Workability of the feedback loop rule change.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
11	AEM.001.001.422 5	11/28/2022	RE_ Update on AEMC's Transmission Review Contestability worksteam _Public_.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
12	AEM.001.001.425 5	11/28/2022	RE_ TPIR rule change requests _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
13	AEM.001.001.426 1	11/28/2022	RE_ TPIR - Feedback loop rule change proponent _Official_.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
14	AEM.001.001.431 6	12/01/2022	Follow-up on feedback loop discussion.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
15	AEM.001.001.432 3	12/01/2022	RE_ OFFICIAL_ Catch up on social licence _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted

16	AEM.001.001.4409	12/06/2022	RE_ Follow up meeting AEMC TPIR financeability rule change _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
17	AEM.001.001.4418	12/06/2022	RE_ Monthly AEMC-DCCEEW catch up Tuesday 6 December draft agenda.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
18	AEM.001.001.4433	12/07/2022	RE_ Emissions in the NEO _ financeability rule change start _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
19	AEM.001.001.4442	12/07/2022	RE_ TPIR stage two rule changes _SEC_OFFICIAL_ (18).msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
20	AEM.001.001.4450	12/07/2022	RE_ TPIR stage two rule changes _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
21	AEM.001.001.4715	1/06/2023	For comment_ financeability and social licence rule change requests _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs

				Partial access granted
22	AEM.001.001.471 6	1/06/2023	Financeability rule change request - DCCEEW (for comment).docx	Full access granted
23	AEM.001.001.472 6	1/06/2023	Social licence rule change request - DCCEEW (for comment).docx	Full access granted
24	AEM.001.001.473 2	1/09/2023	RE_ For comment_ financeability and social licence rule change requests _SEC_OFFICIAL_ (14).msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
25	AEM.001.001.473 6	1/09/2023	Monthly AEMC-DCCEEW catch up (23).msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
26	AEM.001.001.473 8	1/11/2023	RE_ For comment_ financeability and social licence rule change requests _SEC_OFFICIAL_ (12).msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
27	AEM.001.001.474 0	1/11/2023	Financeability rule change request - DCCEEW AEMC comments.docx	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
28	AEM.001.001.480 3	1/11/2023	RE_ For comment_ financeability and social licence rule change requests _SEC_OFFICIAL_ (11).msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs

				Partial access granted
29	AEM.001.001.480 6	1/11/2023	Social licence rule change request - DCCEEW AEMC comments.docx	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
30	AEM.001.001.487 2	1/17/2023	Re_ Happy new year and check-in on rule changes _Official_.msg	Full access refused Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
31	AEM.001.001.510 9	1/25/2023	RE_ TPIR Stage 2 contact _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
32	AEM.001.001.521 1	2/02/2023	RE_ For comment_ financeability and social licence rule change requests _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
33	AEM.001.001.526 5	2/07/2023	Monthly AEMC-DCCEEW catch up (18).msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs Partial access granted
34	AEM.001.001.526 6	2/07/2023	RE_ Monthly AEMC-DCCEEW catch up _SEC_OFFICIAL_(17).msg	Full access refused

				<p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs</p> <p>Partial access granted</p>
35	AEM.001.001.534 0	2/14/2023	RE_ Catch up re financeability - deprecation - application to construction _SEC_OFFICIAL_.msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>
36	AEM.001.001.537 4	2/15/2023	RE_ Financeability and Social Licence Rule Change Requests _SEC_OFFICIAL_.msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>
37	AEM.001.001.583 5	2/23/2023	Financeability meeting _Sensitive_.msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Clause 13(1)(a) of Schedule 1 – Documents containing confidential information</p> <p>Partial access granted.</p>
38	AEM.001.001.583 7	2/23/2023	Summary.docx	<p>Access Refused</p> <p>Clause 13(1)(a) of Schedule 1 – Documents containing confidential information.</p>

39	AEM.001.001.584 3	2/23/2023	RE_ Proposed financeability meeting _SEC_OFFICIAL_ _Public_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
40	AEM.001.001.584 7	2/23/2023	RE_ Social licence rule change request _SEC_OFFICIAL_ (4).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
41	AEM.001.001.585 0	2/23/2023	DCCEEW - Social licence rule change request - for comment - February 2023 AEMC comments.docx	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
42	AEM.001.001.591 9	2/24/2023	RE_ Financeability and Social Licence Rule Change Requests _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
43	AEM.001.001.592 1	2/24/2023	DCCEEW - Financeability rule change request - AEMC comments 24 February 2023.docx	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
44	AEM.001.001.607 1	2/28/2023	RE_ FOR COMMENT_ Feedback loop rule change request _SEC_OFFICIAL_ (16).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

45	AEM.001.001.610 4	3/03/2023	AEMO_AEMC TPIR Economic Assessment process and Vic experience- draft agenda and slides.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
46	AEM.001.001.610 9	3/03/2023	AEMC - AEMO - Transmission Planning and Investment Review - 7 March 2023.pdf	Full access granted
47	AEM.001.001.615 3	3/03/2023	RE_ Social licence rule change request _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
48	AEM.001.001.615 6	3/03/2023	Pages from stage_2_proposed_rule_changes - social licence.docx	Full access granted
49	AEM.001.001.619 0	3/03/2023	RE_FOR COMMENT_ Feedback loop rule change request _SEC_OFFICIAL_ (15).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
50	AEM.001.001.619 2	3/03/2023	Rule change request - DCCEEW - feedback loop rule AEMC comments.docx	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
51	AEM.001.001.623 9	3/07/2023	Monthly AEMC-DCCEEW catch up (16).msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

52	AEM.001.001.625 8	3/08/2023	RE_ Propose another DCCEEW_ AER & AEMC meeting to discuss Transgrid rule change proposals _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
53	AEM.001.001.626 1	3/08/2023	Status of financeability rule change and Transgrid's concerns.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
54	AEM.001.001.627 1	3/08/2023	RE_ Social licence rule change request _SEC_OFFICIAL_(11).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
55	AEM.001.001.653 2	3/10/2023	[REDACTED] .msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 13(1)(a) of Schedule 1 – Documents containing confidential information. Partial access granted
56	AEM.001.001.653 4	3/10/2023	AEMC-AER-Department - Financeability rule change 2.01.pptx	Access Refused. Clause 13(1)(a) of Schedule 1 – Documents containing confidential information.
57	AEM.001.001.660 7	3/10/2023	[REDACTED] .msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.

				Clause 13(1)(a) of Schedule 1 – Documents containing confidential information. Partial access granted
58	AEM.001.001.668 7	3/16/2023	RE_ Feedback loop rule change request - AEMO's feedback _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
59	AEM.001.001.672 8	3/21/2023	RE_ TPIR indicative rules _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
60	AEM.001.001.673 2	3/21/2023	FW_ Rule change requests _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
61	AEM.001.001.674 6	3/21/2023	For Ministerial Approval - Social licence rule change request (final).docx	Full access granted
62	AEM.001.001.675 7	3/21/2023	For Ministerial Approval - Financeability rule change request (final).docx	Full access granted
63	AEM.001.001.677 9	3/22/2023	AEMC_AER Discussion - Financeability rule change .msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

64	AEM.001.001.678 5	3/23/2023	Potential Transgrid rule change on return on debt - 23 March 2023.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 13(1)(a) of Schedule 1 – Documents containing confidential information. Partial access granted
65	AEM.001.001.687 0	3/23/2023	RE_ AEMC _ TPIR Market Body Advisory Group meeting.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
66	AEM.001.001.687 1	3/23/2023	TPIR-MBAG-27 March 2023.pdf	Full access granted
67	AEM.001.001.692 1	3/29/2023	[REDACTED] msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
68	AEM.001.001.695 6	3/29/2023	AEMC _ TPIR Jurisdictional Reference Group meeting - slides for 4 April 2023.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
69	AEM.001.001.695 8	3/29/2023	TPIR-JRG- 4 April 2023.pdf	Full access granted
70	AEM.001.001.697 0	3/29/2023	FW_ AEMC _ TPIR Jurisdictional Reference Group meeting - slides for 4 April 2023.msg	Full access refused

				Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
71	AEM.001.001.7009	3/30/2023	Financeability rule change- status update_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
72	AEM.001.001.7010	3/30/2023	RE_ Catch up to discuss financeability and concessional finance rule changes _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
73	AEM.001.001.7066	4/03/2023	Monthly AEMC-DCCEEW catch up (13).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
74	AEM.001.001.7068	4/03/2023	Monthly AEMC-DCCEEW catch up (12).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
75	AEM.001.001.7106	4/06/2023	DCCEEW_AEMC discussion - TPIR Stage 3 [REDACTED] [REDACTED] - comments from AEMC.msg	Full access refused

				<p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Partial access granted</p>
76	AEM.001.001.7107	4/06/2023	████████████████████ Consultation Paper - March 2023.docx	<p>Access Refused</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p>
77	AEM.001.001.7136	4/07/2023	Re_Quick check in re transmission _SEC_UNOFFICIAL_.msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>
78	AEM.001.001.7138	4/11/2023	Letters from the Minister for Climate Change and Energy - rule change requests _SEC_OFFICIAL_.msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>
79	AEM.001.001.7139	4/11/2023	Consultation expectations signed.pdf	Full access granted
80	AEM.001.001.7150	4/11/2023	Financeability signed.pdf	Full access granted
81	AEM.001.001.7302	4/12/2023	AEMC & AEIC _ TPIR social licence & the Western Renewables case study.msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>
82	AEM.001.001.7368	4/20/2023	RE_ Rules changes public _SEC_OFFICIAL_.msg	Full access refused

				<p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>
83	AEM.001.001.747 3	4/27/2023	Financeability - depreciation of different asset classes .msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>
84	AEM.001.001.747 6	4/27/2023	RE_ Financeability - Biodiversity _SEC_OFFICIAL_ (1).msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>
85	AEM.001.001.748 0	4/28/2023	RE_ TPIR 3 _SEC_OFFICIAL_.msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>
86	AEM.001.001.748 6	5/01/2023	RE_ DCCEEW rule changes - update _SEC_UNOFFICIAL_.msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>
87	AEM.001.001.750 3	5/01/2023	Monthly AEMC-DCCEEW catch up (14).msg	<p>Full access refused</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted</p>

88	AEM.001.001.750 7	5/01/2023	Monthly AEMC-DCCEEW catch up (10).msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
89	AEM.001.001.752 0	5/02/2023	RE_ Financeability - Biodiversity _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
90	AEM.001.001.752 6	5/02/2023	FW_ EMBARGOED Final report - TPIR Stage 3- under embargo until 8am Thursday 4 May 2023.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
91	AEM.001.001.752 8	5/02/2023	EMBARGOED EPR008 - Final Report - TPIR Stage 3.pdf	Full access granted.
92	AEM.001.001.759 4	5/02/2023	Embargoed Final report- TPIR Stage 3- under embargo until 8am Thursday 4 May.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
93	AEM.001.001.765 6	5/02/2023	Embargoed TPIR Stage 3 final report- under embargo until 8am Thursday 4 May.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

94	AEM.001.001.773 5	5/03/2023	RE_ Embargoed Final report- TPIR Stage 3- under embargo until 8am Thursday 4 May _SEC_OFFICIAL_ (1).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
95	AEM.001.001.776 7	5/10/2023	Feedback loop [REDACTED]	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
96	AEM.001.001.776 9	5/11/2023	RE_ Financeability rule change.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
97	AEM.001.001.777 5	5/12/2023	HPE CM_ CONFIDENTIAL - For your red flag review - Financeability and Concessional finance consultation papers.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
98	AEM.001.001.777 6	5/12/2023	CONFIDENTIAL For review by the AER - AEMC Financeability consultation paper - ERC0348.pdf	Full access granted.

99	AEM.001.001.782 5	5/12/2023	CONFIDENTIAL For review by the AER - AEMC Concessional Finance consultation paper - ERC0349.pdf	Full access granted.
100	AEM.001.001.786 1	5/15/2023	Financeability rule change request - consultation paper discussion _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
101	AEM.001.001.787 5	5/16/2023	RE_ Concessional finance rule change request - consultation paper _SEC_OFFICIAL_ (3).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
102	AEM.001.001.790 3	5/17/2023	RE_ CONFIDENTIAL - For your red flag review - Financeability and Concessional finance consultation papers _SEC_OFFICIAL_Sensitive_ (11).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
103	AEM.001.001.791 3	5/18/2023	RE_ Concessional finance rule change request - consultation paper _SEC_OFFICIAL_ (1).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
104	AEM.001.001.795 8	5/24/2023	RE_ CONFIDENTIAL - For your red flag review - Financeability and Concessional finance consultation papers _SEC_OFFICIAL_Sensitive_ (1).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted

105	AEM.001.001.796 9	5/25/2023	RE_CONFIDENTIAL - For your red flag review - Financeability and Concessional finance 112consultation papers _SEC_OFFICIAL_Sensitive_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 13(1)(b) of Schedule 1 – Documents containing confidential information Partial access granted
106	AEM.001.001.803 8	5/30/2023	AEMC-DCCEEW catch up - and update on social licence rule change _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
107	AEM.001.001.804 2	5/30/2023	RE_Social licence rule change _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
108	AEM.001.001.805 6	6/01/2023	Monthly AEMC-DCCEEW catch up- draft agenda.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
109	AEM.001.001.811 6	6/02/2023	AER EMBARGO_ Transgrid's Humelink stage 1 part 2 contingent project application consultation _SEC_OFFICIAL_ _ACCC- ACCCANDAER_FID.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

110	AEM.001.001.811 8	6/02/2023	A.1 - Transgrid-HumeLink Stage 1 Part 2_Principal Application-23052023-Public.pdf	Full access granted
111	AEM.001.001.815 7	6/05/2023	Monthly AEMC-DCCEEW catch up (9).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
112	AEM.001.001.815 9	6/05/2023	For action_ Transmission Working Group Meeting 3 Papers - Thu 8 June 3pm AEST _SEC_OFFICIAL_ (3).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
113	AEM.001.001.816 2	6/05/2023	Final Agenda - Meeting 3 - TWG - June 2023.docx	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
114	AEM.001.001.816 3	6/05/2023	Meeting 2 Minutes - TWG - 30 March 2023.docx	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
115	AEM.001.001.818 1	6/05/2023	████████████████████ Discussion Paper - TWG - June 2023.docx	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.

116	AEM.001.001.820 2	6/05/2023	[REDACTED] TWG - June 2023.docx	Access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
117	AEM.001.001.820 9	6/05/2023	For action_ Transmission Working Group Meeting 3 Papers - Thu 8 June 3pm AEST _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
118	AEM.001.001.827 9	6/07/2023	[REDACTED].msg	Access refused Clause 13(1)(b) of Schedule 1 – Documents containing confidential information
119	AEM.001.001.828 8	6/08/2023	RE_ Financeability rule change _Official_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
120	AEM.001.001.830 3	6/15/2023	RE_ Financeability rule change request - consultation paper & ENA's request _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
121	AEM.001.001.856 6	6/29/2023	RE_ https___www_aemc_gov_au_rule-changes_enhancing- community-engagement-transmission-building.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

122	AEM.001.001.863 2	7/05/2023	Monthly AEMC-DCCEEW catch up (8).msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Partial access granted</p>
123	AEM.001.001.863 4	7/05/2023	Monthly AEMC-DCCEEW catch up (7).msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Partial access granted</p>
124	AEM.001.001.868 3	7/10/2023	RE_ Community engagement rule change _SEC_OFFICIAL_(2).msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Clause 9(1) of Schedule 1 – Internal working documents.</p> <p>Partial access granted</p>
125	AEM.001.001.871 2	7/10/2023	RE_ TPIR Stage 3 rule changes - Ex-post review and early works _SEC_OFFICIAL_ (9).msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Partial access granted</p>
126	AEM.001.001.872 7	7/10/2023	DCCEEW - Early works rule change request - AEMC comments.docx	<p>Full access granted</p>

127	AEM.001.001.892 9	7/14/2023	RE_ Feedback loop rule change request up on our website _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
128	AEM.001.001.893 5	7/14/2023	RE_ Feedback loop and emissions rule changes now on our website _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
129	AEM.001.001.902 9	7/18/2023	RE_ Feedback loop rule change request up on our website.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
130	AEM.001.001.905 2	7/20/2023	RE_ Community engagement rule change _SEC_OFFICIAL_ (6).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
131	AEM.001.001.906 2	7/24/2023	RE_ Update on TPIR rule change timings _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
132	AEM.001.001.958 9	7/28/2023	Monthly AEMC-DCCEEW catch up- Tuesday 1 August at 1pm- draft agenda.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.

				<p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Partial access granted</p>
133	AEM.001.001.959 1	7/28/2023	Monthly AEMC-DCCEEW catch up (6).msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Partial access granted</p>
134	AEM.001.001.960 2	8/01/2023	Monthly AEMC-DCCEEW catch up.msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Partial access granted</p>
135	AEM.001.001.960 4	8/01/2023	Monthly AEMC-DCCEEW catch up (5).msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Partial access granted</p>
136	AEM.001.001.960 6	8/01/2023	Canceled_ Monthly AEMC-DCCEEW catch up.msg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p>

				Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
137	AEM.001.002.012 7	8/14/2023	Transmission Working Group Meeting 4 _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
138	AEM.001.002.012 9	8/14/2023	Agenda - Meeting 4 - Transmission Working Group - August 2023.docx	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
139	AEM.001.002.013 2	8/14/2023	Meeting 3 Minutes - Transmission Working Group - 8 June 2023.docx	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
140	AEM.001.002.013 8	8/15/2023	For Information_ Transmission Working Group Meeting 4 details _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
141	AEM.001.002.016 5	8/16/2023	For Information_ Papers for Transmission Working Group Meeting 4 _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.

				Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
142	AEM.001.002.016 7	8/16/2023	Transmission Working Group.docx	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
143	AEM.001.002.030 1	8/22/2023	System Planning Working Group (29 August) - meeting agenda and papers _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
144	AEM.001.002.031 3	8/22/2023	Attachment D - .docx	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
145	AEM.001.002.034 0	8/23/2023	EMBARGO_ AER Determination - HumeLink Stage 1 part 2 contingent project application - August 2023 _SEC_OFFICIAL_ _ACCC-ACCCANDAE.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
146	AEM.001.002.034 2	8/23/2023	EMBARGO - AER Determination - HumeLink Stage 1 (part 2) - August 2023.pdf	Full access granted
147	AEM.001.002.036 4	8/23/2023	EMBARGO - Communications notice - Humelink stage 1 part 2 determination 25 August 2023.pdf	Full access granted

148	AEM.001.002.1157	8/25/2023	RE_ FOR COMMENT_ Draft 'early works' and draft 'ISP ex post review' rule change requests _SEC_OFFICIAL_ (5).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
149	AEM.001.002.1160	8/25/2023	DCCEEW - Early works rule change request draft - August 2023 (AEMC comments) .docx	Full access granted
150	AEM.001.002.1183	8/25/2023	FW_ Feedback loop rule change request - AEMO's feedback _SEC_OFFICIAL_ (1).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
151	AEM.001.002.1191	8/25/2023	RE_ System Planning Working Group (29 August) - meeting agenda and papers _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
152	AEM.001.002.1694	9/04/2023	Monthly AEMC-DCCEEW catch up (4).msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

153	AEM.001.002.1708	9/05/2023	RE_ Monthly AEMC-DCCEEW catch up _SEC_OFFICIAL_(2).msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
154	AEM.001.002.1717	9/05/2023	RE_ Feedback loop rule change request.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
155	AEM.001.002.1723	9/06/2023	RE_ For Information_ Papers for Transmission Working Group Meeting 4 - comments on [REDACTED].msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
156	AEM.001.002.1728	9/06/2023	[REDACTED] Transmission Working Group August 2023 AEMC comments.docx	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
157	AEM.001.002.1770	9/07/2023	SPWG [REDACTED] Sub-working Group meeting 2 - Gas integration deep dive _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.

				Partial access granted
158	AEM.001.002.177 3	9/07/2023	Attachment A - [REDACTED].docx	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
159	AEM.001.002.179 8	9/07/2023	System Planning Working Group - 29 August 2023 meeting minutes and action items _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
160	AEM.001.002.183 5	9/11/2023	AEMC - AER_ feedback loop rule change.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
161	AEM.001.002.183 6	9/11/2023	RE_ Meeting request - feedback loop rule change request _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
162	AEM.001.002.192 4	9/15/2023	FW_ For Information_ Papers for Transmission Working Group Meeting 4 - comments on [REDACTED].msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

163	AEM.001.002.200 6	9/21/2023	RE_ For Information Papers for Transmission Working Group Meeting 4- [REDACTED].msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
164	AEM.001.002.201 2	9/21/2023	[REDACTED] AEMO comments.docx	Access Refused Section 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
165	AEM.001.002.204 5	9/21/2023	System Planning Working Group - Meeting 4 (26 September) agenda and papers _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
166	AEM.001.002.210 4	9/22/2023	RE_ System Planning Working Group - Meeting 4 (26 September) agenda and papers _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

167	AEM.001.002.219 9	9/29/2023	FW_ For action_ Transmission Working Group Meeting 5 Papers - Tue 3 October 3pm AEST _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
168	AEM.001.002.220 3	9/29/2023	Transmission Working Group - Meeting 4 Minutes - 3pm 17 August 2023 .docx	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
169	AEM.001.002.226 8	9/29/2023	FW_ For action_ Transmission Working Group Meeting 5 Papers - Tue 3 October 3pm AEST _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
170	AEM.001.002.233 7	9/29/2023	Transmission Working Group Meeting 5 - Tuesday 3 October 2023 3-4_30pm _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
171	AEM.001.002.247 4	10/03/2023	RE_ For action_ Transmission Working Group Meeting 5 Papers - Tue 3 October 3pm AEST _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.

				Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
172	AEM.001.002.254 6	10/03/2023	RE_ For action_ Transmission Working Group Meeting 5 Papers - Tue 3 October 3pm AEST _SEC_OFFICIAL_.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
173	AEM.001.002.344 1	10/16/2023	FOR ACTION_COB 20 October [REDACTED] [REDACTED].msg	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
174	AEM.001.002.344 3	10/16/2023	[REDACTED] TWG - October 2023.docx	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
175	AEM.001.002.363 2	10/20/2023	RE FOR ACTION_COB 20 October [REDACTED] [REDACTED].sg	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
176	AEM.001.002.363 5	10/20/2023	[REDACTED] - AEMC feedback 20-10-23.pdf	Access Refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
177	AEM.001.002.406 6	10/31/2023	RE Seeking AEMC [REDACTED] [REDACTED].msg	Access Refused

				Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
178	AEM.001.002.421 3	10/31/2023	RE_ Update on timing of TPIR rule change processes _SEC_OFFICIAL_ (2).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
179	AEM.001.002.421 7	10/31/2023	Monthly AEMC-DCCEEW catch up (3).msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
180	AEM.001.002.422 4	11/01/2023	RE_ Update on timing of TPIR rule change processes _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
181	AEM.001.002.423 1	11/01/2023	RE_ Follow up - feedback loop.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
182	AEM.001.002.427 7	11/03/2023	RE_ Feedback loop meeting - week of 13 Nov.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

183	AEM.001.002.427 9	11/06/2023	Monthly AEMC-DCCEEW catch up (1).msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
184	AEM.001.002.428 1	11/06/2023	Monthly AEMC-DCCEEW catch up (2).msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
185	AEM.001.002.443 8	11/10/2023	RE FOR ACTION COB 20 October [REDACTED] [REDACTED].msg	Access Refused. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
186	AEM.001.002.454 9	11/15/2023	AER [REDACTED] [REDACTED].msg	Access Refused. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
187	AEM.001.002.455 0	11/15/2023	AER Update - [REDACTED].pdf	Access Refused. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
188	AEM.001.002.459 1	11/15/2023	ERC0369_ Feeack Loop - AEMO meeting.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.

				Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
189	AEM.001.002.475 8	11/16/2023	RE_FOR COMMENT ██████████ ██████████.msg	Access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.
190	AEM.001.002.493 1	12/05/2023	Monthly AEMC-DCCEEW catch up (1).msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
191	AEM.001.002.519 6	12/18/2023	EMBARGO – AER releases Marinus Link Stage 1_ Part 1 revenue determination _SEC_OFFICIAL_Sensitive__ACCC-ACCCANDAER_FID2689891_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
192	AEM.001.002.519 8	12/18/2023	AER - EMBARGO - Revenue Determination - Marinus Link - Stage 1, Part A (Early works).pdf	Full access granted
193	AEM.001.002.523 3	12/22/2023	AER Notice -Transgrid contingent project applications received for VNI West early works and HumeLink _SEC_OFFICIAL_.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
194	AEM.001.002.591 1	1/31/2024	RE_ AEMO_ AEMC feedback loop update.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

195	AEM.001.002.663 2	2/29/2024	Monthly AEMC-DCCEEW catch up.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted
196	AEM.001.002.700 5	4/12/2024	DCCEEW_AEMC workshop _SEC_OFFICIAL_.msg	Access refused Clause 9(1) of Schedule 1 – Internal working documents.
197	AEM.001.002.701 0	4/16/2024	Fw_ Notes from AEMO _ AEMC executive meeting on 19 October 2023.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
198	AEM.001.002.706 8	23/09/2022	20240410_114507.jpg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
199	AEM.001.002.709 0	NA	20240410_115536.jpg	Full access granted
200	AEM.001.002.709 1	NA	20240410_115548.jpg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

201	AEM.001.002.709 2	27/09/2022	20240410_120047.jpg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
202	AEM.001.002.709 3	NA	20240410_120057.jpg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
203	AEM.001.002.710 0	14/11/2022	20240410_190151.jpg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
204	AEM.001.002.710 1	NA	20240410_190159.jpg	Full access granted
205	AEM.001.002.710 2	14/11/2022	20240410_190209.jpg	Full access granted
206	AEM.001.002.711 1	NA	20240410_190552.jpg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
207	AEM.001.002.711 3	NA	20240410_190632.jpg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

208	AEM.001.002.711 4	NA	20240410_190626.jpg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
209	AEM.001.002.711 7	10/01/2023	20240410_190935.jpg	Full access refused. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Partial access granted.
210	AEM.001.002.711 8	7/02/2023	20240410_191415.jpg	Full access refused. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted.
211	AEM.001.002.712 0	16/02/2023	20240410_191610.jpg	Full access granted
212	AEM.001.002.712 1	28/02/2023	20240410_191654.jpg	Full access granted
213	AEM.001.002.712 2	NA	20240410_191616.jpg	Full access granted
214	AEM.001.002.712 6	NA	20240410_191935.jpg	Full access refused. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted.
215	AEM.001.002.712 7	2/05/2023	20240410_192357.jpg	Full access refused.

				<p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Partial access granted.</p>
216	AEM.001.002.712 8	NA	20240410_191943.jpg	<p>Full access refused</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs</p> <p>Partial access granted</p>
217	AEM.001.002.712 9	7/09/2023	20240416_122519.jpg	<p>Full access granted</p>
218	AEM.001.002.713 0	5/09/2023	20240416_122433.jpg	<p>Full access refused</p> <p>Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations.</p> <p>Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs</p> <p>Partial access granted</p>
219	AEM.001.002.713 1	NA	20240416_122534.jpg	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – Unreasonable disclosure of information concerning personal affairs</p> <p>Partial access granted</p>
220	AEM.001.002.765 4	4/26/2024	MBAG meeting actions and outcomes #11 - 27 September 2022.docx	<p>Full access refused</p> <p>Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.</p> <p>Clause 9(1) of Schedule 1 – Internal working documents.</p>

				Partial access granted
221	AEM.001.002.912 7	4/26/2024	AEMC TPIR Review - MBWG meeting 24# minutes - 18 August.docx	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
222	AEM.001.003.060 3	4/26/2024	230329_AEMC AEMO Exec Meeting-MEETING NOTES.pdf	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
223	AEM.001.003.303 7	4/26/2024	22092023 Feedback loop teams message.PNG	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
224	AEM.001.003.303 8	4/26/2024	November AEMC DCCEEW meeting.docx	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted

225	AEM.001.003.305 2	4/26/2024	Notes from meeting with Transgrid 24.docx	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
226	AEM.001.003.306 6	4/26/2024	Meeting notes ██████████ - 29 August 2023.pdf	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
227	AEM.001.004.000 3	2/14/2023	Financeability and Social Licence Rule Change Requests SECOFFICIAL.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
228	AEM.001.004.000 4	2/14/2023	DCCEEW - Financeability rule change request - for comment - February 2023.docx	Full access granted
229	AEM.001.004.001 5	2/14/2023	DCCEEW - Social licence rule change request - for comment - February 2023.docx	Full access granted
230	AEM.001.004.009 5	3/16/2023	RE Feedback loop rule change request - AEMO's feedback SECOFFICIAL.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted

231	AEM.001.004.009 9	3/20/2023	Transmission rule changes- concessional finance financeability and social licence update from DCCEEW.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 9(1) of Schedule 1 – Internal working documents. Partial access granted
232	AEM.001.004.010 1	3/21/2023	Rule change requests SECOFFICIAL.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
233	AEM.001.004.011 3	3/21/2023	For Ministerial Approval - Social licence rule change request (final).docx	Full access granted.
234	AEM.001.004.012 3	3/21/2023	For Ministerial Approval - Financeability rule change request (final).docx	Full access granted.
235	AEM.001.004.014 5	5/04/2023	RE Financeability rule change.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
236	AEM.001.004.014 8	5/25/2023	RE CONFIDENTIAL - For your red flag review - Financeability and Concessional finance consultation papers SECOFFICIALSensitive.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Clause 13(1)(b) of Schedule 1 – Documents containing confidential information. Partial access granted
237	AEM.001.004.015 6	5/30/2023	AEMC updates this week and next.msg	Full access refused

				Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
238	AEM.001.004.0158	6/06/2023	EMBARGOED - Consultation papers - Concessional finance Financeability.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
239	AEM.001.004.0159	6/06/2023	EMBARGOED - ERC0348 Info sheet - Accommodating financeability in the regulatory framework.pdf	Full access granted
240	AEM.001.004.0161	6/06/2023	EMBARGOED - ERC0348 Consultation paper - Accommodating financeability in the regulatory framework.pdf	Full access granted
241	AEM.001.004.0219	6/06/2023	EMBARGOED - ERC0349 Consultation paper - Concessional finance for TNSPs.pdf	Full access granted
242	AEM.001.004.0247	7/24/2023	RE Update on TPIR rule change timings.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
243	AEM.001.004.0273	11/10/2023	Notes from DCCEEW AEMC monthly catch up 9 November 2023- Transmission work.msg	Full access refused Clause 5(1) of Schedule 1 - Could reasonably be expected to cause damage to intergovernmental relations. Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
244	AEM.001.004.0275	2/24/2023	FOR COMMENT Feedback loop rule change request SECOFFICIAL.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs.

				Partial access granted
245	AEM.001.004.027 7	2/24/2023	Rule change request - DCCEEW - feedback loop rule.docx	Full access granted.
246	AEM.001.004.028 3	6/28/2023	RE Community engagement rule change SECOFFICIAL.msg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
247	AEM.001.004.029 7	7/09/2024	note.jpg	Full access refused Clause 6(1) of Schedule 1 – unreasonable disclosure of information concerning personal affairs. Partial access granted
248	AEM.001.004.029 8	7/09/2024	text messages.docx	Access Refused Clause 9(1) of Schedule 1 – Internal working documents.

From: Danielle Beinart

Sent: Thursday, September 29, 2022 2:27 PM

To: [REDACTED]@act.gov.au; [REDACTED]@industry.gov.au;
[REDACTED]@nt.gov.au; [REDACTED]@epw.qld.gov.au; [REDACTED]@sa.gov.au;
[REDACTED]@treasury.tas.gov.au; [REDACTED]@delwp.vic.gov.au;
[REDACTED]@energy.wa.gov.au

CC: [REDACTED]@treasury.tas.gov.au; [REDACTED]
[REDACTED]@planning.nsw.gov.au; [REDACTED]@epw.qld.gov.au;
[REDACTED]@epw.qld.gov.au; [REDACTED] (DEM); [REDACTED]@delwp.vic.gov.au; [REDACTED]
[REDACTED] (DELWP); [REDACTED]; [REDACTED]@sa.gov.au; [REDACTED]@planning.nsw.gov.au;

Subject: RE: TPIR Jurisdictional Reference Group meeting - 23 Sept 22

Attachments: TPIR JRG actions and outcomes - 23 September 2022.pdf

Hi All

Thank you for your time and input at our JRG meeting last week.

I have attached the actions and outcomes for your reference. If you have any additional feedback on anything discussed please reach out and let us know.

We look forward to our next meeting on the 28th of October.

Kind Regards

Danielle

From: Danielle Beinart

Sent: Monday, 19 September 2022 1:56 PM

To: [REDACTED]@act.gov.au; [REDACTED] <[REDACTED]@planning.nsw.gov.au>;
[REDACTED]@industry.gov.au; [REDACTED]@nt.gov.au; [REDACTED]@epw.qld.gov.au;
[REDACTED]@sa.gov.au; [REDACTED]@treasury.tas.gov.au; [REDACTED]@delwp.vic.gov.au;
[REDACTED]@energy.wa.gov.au

Cc: [REDACTED]@treasury.tas.gov.au; [REDACTED] <[REDACTED]@treasury.tas.gov.au>;
[REDACTED]@planning.nsw.gov.au; [REDACTED]@epw.qld.gov.au;
[REDACTED]@epw.qld.gov.au; [REDACTED] (DEM) <[REDACTED]@sa.gov.au>;
[REDACTED]@delwp.vic.gov.au; [REDACTED] (DELWP) <[REDACTED]@delwp.vic.gov.au>;
[REDACTED]@delwp.vic.gov.au; [REDACTED]@sa.gov.au; [REDACTED]@planning.nsw.gov.au;
[REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED]
[REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>

Subject: TPIR Jurisdictional Reference Group meeting - 23 Sept 22

Hi TPIR Jurisdictional Reference Group Members,

I have attached the slide pack that we will run through at our TPIR JRG meeting on Friday, as well as the actions and outcomes from the last meeting. Thank you to those that provided further feedback after the last meeting.

The focus of Friday's meeting will be on the stage 2 policy positions for the final report. We will also provide a verbal update on the stage 3 draft report which will be published on Wednesday, 21 September.

We note there is a Public Holiday in Victoria on Friday - [REDACTED] will be in touch to set up a bilateral meeting with Victoria to cover the content being discussed in the JRG.

We look forward to our discussion on Friday. If you have any questions before then please reach out to me.

Kind Regards
Danielle

Danielle Beinart | Acting Executive General Manager
Australian Energy Market Commission

T [REDACTED]
[REDACTED]

danielle.beinart@aemc.gov.au | www.aemc.gov.au

Assistant: [REDACTED] | [REDACTED] | [REDACTED] [@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)

Level 15, 60 Castlereagh St, Sydney NSW 2000

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AEMC Transmission Planning and Investment Review

Jurisdictional reference group (JRG) meeting – 23 September 2022

Meeting actions and outcomes

1. Attendees

- [REDACTED] (Cth)
- [REDACTED] (NSW)
- [REDACTED] (NT Gov)
- [REDACTED] (QLD Gov)
- [REDACTED] (SA Gov)
- [REDACTED] (SA Gov)
- [REDACTED] (TAS Gov)
- AEMC – Danielle Beinart, [REDACTED], [REDACTED], [REDACTED], [REDACTED] (KPMG)

Apologies

- [REDACTED] (NSW)
- [REDACTED] (Vic Gov)
- [REDACTED] (Vic Gov)
- [REDACTED] (Vic Gov)
- [REDACTED] (Vic Gov)

2. Agenda

1. Acknowledgment of Country and welcome
2. Purpose of discussion
3. Discussion on final policy positions for stage 2 workstreams
4. Update on the stage 3 draft report
5. Next steps

3. Meeting actions

No	Action	Action Owner	Due date	Status
1.	Organise a briefing on the stage 3 draft report for OECC and NSW EnergyCo staff members.	[REDACTED]	30/09/2022	In progress
2.	The AEMC project team to further consider the timeframes for decisions on varied depreciation with respect of investor and AER requirements.	[REDACTED]	7/10/2022	Complete – development of process in coordination with CEFC and AER

No	Action	Action Owner	Due date	Status
3.	[REDACTED]	[REDACTED]	7/10/2022	Complete – approach will be operationalised in line with requirements on AER to undertake CPA

2. Key outcomes

Stage 2: Financeability workstream

- A JRG member questioned how long it would take the AER to complete the depreciation assessment.
 - The AEMC project team outlined that the AER would need to provide further guidance on this, but it is expected that the assessment would take less than 6 months. This would ensure the assessment is completed prior to the beginning of the CPA process.
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
- The AEMC project team outlined that the AER may begin making decisions on varied depreciation with reference to the NER principles after a fast-tracked Rule change process has been completed, prior to their guidance being fully developed.
 - The fast-tracked rule change process requires a proponent to request the Rule change, the draft Rules will then be released for consultation as a draft decision before a final decision.

Stage 2: Social licence workstream

- The project team provided an update on the policy positions for the social licence workstream.
- JRG members did not have any comments or questions.

Stage 2: Planning activities

- Discussion around implementation considerations for the updated definition of early works, including whether the reference to ‘most recent ISP’ includes projects identified in draft ISPs as well as final ISP.

Stage 2: Feedback loop



Stage 3: Concessional finance

- Discussion around the concessional finance chapter being targeted towards the electricity regulatory framework and the need to test the additional use cases of how concessional finance could be applied in the framework (such as adjustments to MAR) with stakeholders in the draft report.
 - Brief discussion on the approach to concessional finance in the 'Review into extending the regulatory frameworks to hydrogen and renewable gases', including outlining how capital contributions would be treated in the gas framework.
- Discussion around the consideration of a national power to direct and the various requirements that would need to be addressed to enable the direction, including who would administer the direction, the various licensing obligations required to meet reliability standards, and the law changes required.

Stage 3: Economic Assessment Process

- JRG members noted that the specific design of the strawperson option, especially option 3, would depend on how social licence building is incorporated under each option.
- JRG members are interested in an updated on any stakeholder feedback we will receive on the three strawperson options.

JRG members did not have any questions or comments on the other stage 3 chapters.

5. Next steps

Milestone	Date
Public forum on stage 3 draft report	4 October 2022
Publish TPIR stage 2 final report	27 October 2022
Jurisdictional Reference Group meeting	28 October 2022
Public forum on stage 2 final report	3 November 2022
Jurisdictional Reference Group meeting	25 November 2022

From: [REDACTED]
Sent: Friday, October 14, 2022 9:48 AM
To: [REDACTED]; [REDACTED]; [REDACTED]
CC: [REDACTED]; [REDACTED]; [REDACTED]; Funston, Kris; Danielle Beinart;
[REDACTED]
Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation
[SEC=OFFICIAL] [ACCC-ACCCANDAER.FID2898996]

Hi [REDACTED]

Thanks – appreciate the heads up and agree that any potential arrangements for concessional financing are something we'll need to continue to factor in.

Have a great weekend.

Cheers

[REDACTED]
[REDACTED]
Senior Adviser
Australian Energy Market Commission
D [REDACTED] T [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

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From: [REDACTED] <[REDACTED]@aer.gov.au>
Sent: Thursday, 13 October 2022 7:39 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>; Funston, Kris <Kris.Funston@aer.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation
[SEC=OFFICIAL] [ACCC-ACCCANDAER.FID2898996]

OFFICIAL

Hi [REDACTED]

Thank you for your very considered response. It's much appreciated and I can understand the balancing act you set out.

[Redacted]

We consider this detail can be further worked through in the rule change process that follows the Stage 2 final report to implement the AEMC's financeability recommendation. [Redacted]

Please don't hesitate to reach out if you'd prefer to chat about this one.

Kind regards

[Redacted]

Assistant Director | Network Strategic Policy | Strategic Policy & Energy Systems Innovation

Australian Energy Regulator

King William Street Adelaide SA | GPO Box 3131 Canberra ACT 2601

T: [Redacted]

www.energymadeeasy.gov.au | www.aer.gov.au



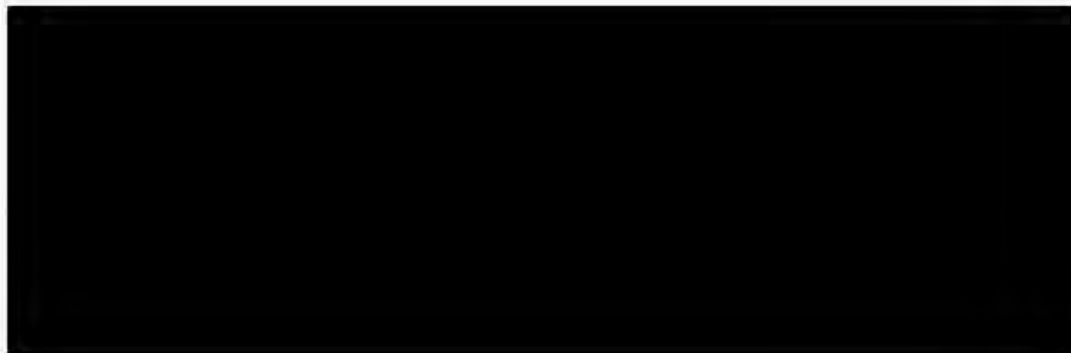
The AER acknowledges the traditional owners and custodians of Country throughout Australia and recognises their continuing connection to the land, sea and community. We pay our respects to them and their cultures; and to their Elders past, present and future.

From: [Redacted] <[Redacted]@aemc.gov.au>
Sent: Wednesday, 12 October 2022 1:06 PM
To: [Redacted] <[Redacted]@aer.gov.au>; [Redacted] <[Redacted]@aemc.gov.au>; [Redacted] <[Redacted]@aemc.gov.au>
Cc: [Redacted] <[Redacted]@aer.gov.au>; [Redacted] <[Redacted]@aer.gov.au>; [Redacted] <[Redacted]@aer.gov.au>; Funston, Kris <Kris.Funston@aer.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [Redacted] <[Redacted]@aer.gov.au>
Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation [SEC=OFFICIAL] [ACCC-ACCCANDAER.FID2898996]

Hi [Redacted] and team,

[Redacted]

[Redacted]



The proposed rule gives broad discretion to the AER regarding the information to be included in the initial request and the form/timing of the AER's consultation approach

The proposed rule, to publish alongside the final report, gives broad discretion to the AER regarding the information to be included in the initial request the need/form of consultation to be undertaken by the AER at the first stage of the process. We anticipate that this detail is developed by the AER in supplementary guidelines. The proposed rules however set a number of timing requirements for TNSP's and the AER, which include:

- An initial request must be made no earlier than 6 months, and no later than 4 months, prior to TNSPs submitting a request for a CPA assessment
- The AER developing and publishing an issue paper within 2 months of receiving the initial request
- If any additional information is requested from the AER then the period of time for publishing the issues paper is automatically extended for the period of time it takes for TNSPs to provide the additional information

It's important to note that following the publication of the final report we will be seeking rule proponents to submit a rule change request to give it effect. As part of this process, there will be further consultation on the proposed rule and approach.

Happy to discuss any of the above.

Cheers



Senior Adviser
Australian Energy Market Commission
D [REDACTED] T [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

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From: [REDACTED] <[REDACTED]@aer.gov.au>
Sent: Tuesday, 11 October 2022 10:52 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED]
<[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED]
<[REDACTED]@aer.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>; Funston, Kris
<Kris.Funston@aer.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED]
<[REDACTED]@aer.gov.au>
Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation
[SEC=OFFICIAL] [ACCC-ACCCANDAER.FID2898996]
Importance: High

OFFICIAL

Hi [REDACTED] and team,

[REDACTED]

[REDACTED]

[REDACTED]

[Redacted]

[Redacted]

Kind regards

[Redacted]

Assistant Director | Network Strategic Policy | Strategic Policy & Energy Systems Innovation

Australian Energy Regulator

King William Street Adelaide SA | GPO Box 3131 Canberra ACT 2601

T: [Redacted]

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From: [Redacted] <[Redacted]@aer.gov.au>

Sent: Thursday, 29 September 2022 11:35 AM

To: [Redacted] <[Redacted]@aemc.gov.au>; [Redacted] <[Redacted]@aer.gov.au>; [Redacted] <[Redacted]@aemc.gov.au>

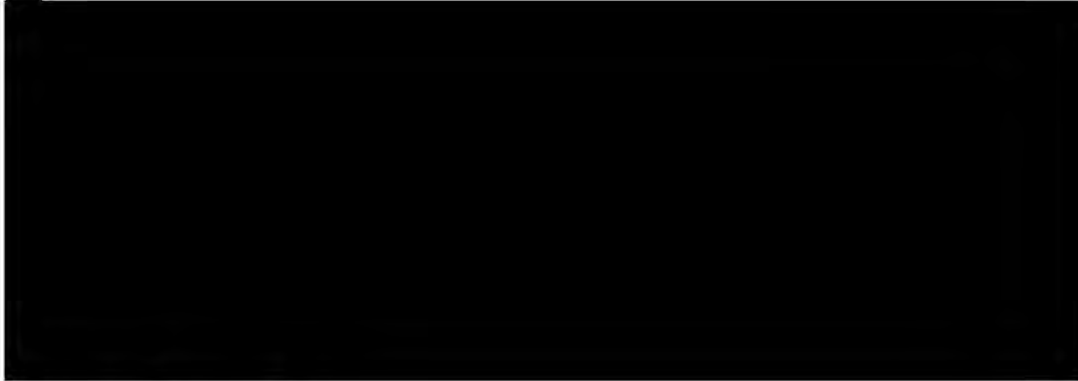
Cc: [Redacted] <[Redacted]@aemc.gov.au>; [Redacted] <[Redacted]@aer.gov.au>; [Redacted] <[Redacted]@aer.gov.au>; [Redacted] <[Redacted]@aer.gov.au>; [Redacted] <[Redacted]@aer.gov.au>; [Redacted] <[Redacted]@aer.gov.au>

Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation [SEC=OFFICIAL]

OFFICIAL

Hi [Redacted]

[Redacted]



Kind regards, [REDACTED]

[REDACTED]

Senior Financial Advisor
Australian Energy Regulator
[REDACTED]@aer.gov.au
[REDACTED]

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Thursday, 29 September 2022 8:18 AM
To: [REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>;
[REDACTED] <[REDACTED]@aer.gov.au>
Cc: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>;
[REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation
[SEC=OFFICIAL] [ACCC-ACCANDAER.FID2898996]

Hi again [REDACTED] and AER team,

In giving thought to the approach to timing/process we've been discussing, it occurred that it would be helpful to know in more detail (even if indicative) what information the AER believe they will need for the assessment. Would you be able to provide any thoughts on:

- what type of assessment the AER envisages doing?
- the type of evidence that could demonstrate impacts on financial metrics and credit ratings?

Regarding timing for a discussion post-Commission, we'd be available Wednesday 5th between 2-4pm or Thursday 6th between 11am - 2pm. Let me know when suits and we can set up a placeholder.

Thanks

[Redacted]

Senior Adviser
Australian Energy Market Commission
[Redacted] T [Redacted]
[Redacted] @aemc.gov.au | www.aemc.gov.au

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From: [Redacted] <[Redacted]@aer.gov.au>
Sent: Wednesday, 28 September 2022 4:59 PM
To: [Redacted] <[Redacted]@aemc.gov.au>; [Redacted] <[Redacted]@aemc.gov.au>; [Redacted] <[Redacted]@aer.gov.au>
Cc: [Redacted] <[Redacted]@aemc.gov.au>; [Redacted] <[Redacted]@aer.gov.au>; [Redacted] <[Redacted]@aer.gov.au>
Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation [SEC=OFFICIAL] [ACCC-ACCCANDAER.FID2898996]
Importance: High

OFFICIAL

Hi [Redacted] and team,

Thanks again for the chat this morning on the financeability assessment process.

As promised, attached is an updated version of Option 4 with the tweaks/caveats that AER staff seek.

Please reach out if you have any further questions.

Kind regards

[Redacted]
Assistant Director | Network Strategic Policy | Strategic Policy & Energy Systems Innovation
Australian Energy Regulator
King William Street Adelaide SA | GPO Box 3131 Canberra ACT 2601
T: [Redacted]
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From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Monday, 26 September 2022 5:44 PM
To: [REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>
Cc: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation [SEC=OFFICIAL]

Hi [REDACTED] and [REDACTED]

Thanks for the discussion today.

Keen to put a placeholder in diaries to discuss the materials we'll aim to send across tomorrow. Are you available at some stage after 12pm this Wednesday?

Thanks

[REDACTED]
[REDACTED]
Senior Adviser
Australian Energy Market Commission
D [REDACTED] | T [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

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From: [REDACTED] <[REDACTED]@aer.gov.au>
Sent: Monday, 26 September 2022 2:05 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>
Cc: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation [SEC=OFFICIAL]

OFFICIAL

Hi [REDACTED]

Just a follow up to the below – I've forwarded the meeting invite to Kris and he will try and leave his other meeting early to join our discussion. I've also invited the relevant GM, [REDACTED] – not sure if he's available yet.

Thanks

[REDACTED]
Assistant Director | Network Strategic Policy | Strategic Policy & Energy Systems Innovation

Australian Energy Regulator

King William Street Adelaide SA | GPO Box 3131 Canberra ACT 2601

T: [REDACTED]

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From: [REDACTED]

Sent: Monday, 26 September 2022 10:43 AM

To: [REDACTED] <[REDACTED]@aemc.gov.au> [REDACTED]
<[REDACTED]@aer.gov.au>

Cc: [REDACTED] <[REDACTED]@aemc.gov.au> [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED]
[REDACTED] <[REDACTED]@aer.gov.au>

Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation
[SEC=OFFICIAL] [ACCC-ACCANDAER.FID2898996]

OFFICIAL

Thanks [REDACTED]

[REDACTED] and I are available from 4-4:30pm. [REDACTED] isn't available at such short notice but he will be attending the MBAG meeting tomorrow as far as I understand.

[REDACTED]
Assistant Director | Network Strategic Policy | Strategic Policy & Energy Systems Innovation

Australian Energy Regulator

King William Street Adelaide SA | GPO Box 3131 Canberra ACT 2601

T: [REDACTED]

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From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Monday, 26 September 2022 10:18 AM
To: [REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>
Cc: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation [SEC=OFFICIAL] [ACCC-ACCCANDAER.FID2898996]

Hi [REDACTED]

Thanks for getting back to me so promptly.

Would you and [REDACTED] be free this afternoon to discuss?

If it would be between 4-5pm Danielle could also join, and maybe [REDACTED] is also available?

Thanks,
[REDACTED]

From: [REDACTED] <[REDACTED]@aer.gov.au>
Sent: Friday, 23 September 2022 3:57 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: Timeframe for AER assessment on financeability/request for varying depreciation [SEC=OFFICIAL] [ACCC-ACCCANDAER.FID2898996]

OFFICIAL

Hi [REDACTED]



Thanks

Assistant Director | Network Strategic Policy | Strategic Policy & Energy Systems Innovation

Australian Energy Regulator

King William Street Adelaide SA | GPO Box 3131 Canberra ACT 2601

T: [REDACTED]

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From: [REDACTED] <[REDACTED]@aemc.gov.au>

Sent: Friday, 23 September 2022 2:19 PM

To: [REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>

Cc: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>

Subject: Timeframe for AER assessment on financeability/request for varying depreciation

Hi [REDACTED]

I hope you are well.

This is just a quick follow up email re the discussion you had with [REDACTED] earlier today.

Re the financeability issue, we are keen to discuss with you how long would it take the AER to make a decision on a request for varying the depreciation profile of a project (assuming the TNSP has submitted all the relevant information the AER needs)?

Happy to discuss further at a quick meeting on Monday if you free.

Thank you,

[REDACTED]

Dr [REDACTED] Senior Adviser
Australian Energy Market Commission

T: [REDACTED]

[REDACTED] <[REDACTED]@aemc.gov.au> | www.aemc.gov.au

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From: [REDACTED]
Sent: Monday, October 24, 2022 2:36 PM
To: [REDACTED]
CC: [REDACTED]
Danielle Beinart; [REDACTED]
Subject: RE: For review: Draft Concessional Finance paper - EMM6
[SEC=OFFICIAL:Sensitive]

Hi [REDACTED]

Great, I will liaise with [REDACTED] to set a time for early next week following the EMM to discuss process next steps for drafting the concessional finance rule change request and draft rule.

I will also co-ordinate with the AER a suitable time for a regular catch up, which we will aim to also begin next week.

Kind regards,
[REDACTED]

From: [REDACTED]@aemc.gov.au]
Sent: Monday, 24 October 2022 11:24 AM
To: [REDACTED]@industry.gov.au>
Cc: [REDACTED]@industry.gov.au>; [REDACTED]
<[REDACTED]@industry.gov.au>; [REDACTED]@industry.gov.au>; [REDACTED]
<[REDACTED]@aemc.gov.au>; [REDACTED]@aemc.gov.au>; Danielle Beinart
<Danielle.Beinart@aemc.gov.au>; [REDACTED]@aemc.gov.au>
Subject: RE: For review: Draft Concessional Finance paper - EMM6 [SEC=OFFICIAL:Sensitive]

Hi [REDACTED]

Thank you for sending the final paper for the EMM, and incorporating our comments.

We are also eager to engage closely with the Commonwealth. I have copied in [REDACTED] who will be able to find times in our respective diaries for a meeting to discuss the rule change. Should she liaise with you directly to work out a time that suits for the Commonwealth?

The recurring meeting is a great idea that we are keen to be a part of as well.

Kind regards,
[REDACTED]

From: [REDACTED]@industry.gov.au>
Sent: Friday, 21 October 2022 4:24 PM
To: [REDACTED]@aemc.gov.au>; [REDACTED]@aemc.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED]@industry.gov.au>; [REDACTED]

<[REDACTED]@industry.gov.au>; [REDACTED]@industry.gov.au>

Subject: RE: For review: Draft Concessional Finance paper - EMM6 [SEC=OFFICIAL:Sensitive]

Hi [REDACTED]

As discussed last week, thank you for your comments and edits in the below attached paper.

Please find attached the final paper submitted for the EMM which incorporates the AEMC's comments as well as two minor comments from the AER.

The Commonwealth is eager to engage closely with the AEMC and the AER through the process of developing the rule change request and draft rule.

Noting you will be busy with publication of the TPIR Stage 2 final report, would there be a time next week that suits the AEMC to meet with the Commonwealth? We would like to discuss the logistics of preparing the rule change request and draft rule, in particular regarding procurement.

We are also intending to organise a recurring monthly meeting between the AER, the AEMC and the Commonwealth to discuss the content of the rule change. I will be in touch next week to circulate the meeting details.

If you would like to discuss any of the above or have questions please feel free to get in touch.

Kind regards,

[REDACTED]

[REDACTED]

A/g Senior Policy Officer

Electricity Division | Networks Reforms and Projects |

Gadigal Nation, L18 201 Sussex Street, Sydney 2000

Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

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From: [REDACTED]@aemc.gov.au]

Sent: Thursday, 13 October 2022 11:53 AM

To: [REDACTED]@industry.gov.au>; [REDACTED]@aemc.gov.au>;

Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED]@aemc.gov.au>

Cc: [REDACTED]@industry.gov.au>; [REDACTED]

<[REDACTED]@industry.gov.au>; [REDACTED]@industry.gov.au>; [REDACTED]

<[REDACTED]@industry.gov.au>

Subject: RE: For review: Draft Concessional Finance paper - EMM6 [SEC=OFFICIAL]

Good morning [REDACTED]

Thank you for the opportunity to provide comments on the concessional finance paper.

We had a few comments that go to timing of the standard rule change process- and our statutory consultation requirements- based on a February commencement date the earliest completion date would be July rather than June, even with our other timeframes compressed. There were a few other comments re the interaction with TPIR- we understand that the rule change request would include consideration of the benefits of concessional financing and any benefits on the economic assessment process would flow through – we do not consider they need to be explicitly considered- we have therefore suggested the deletion of two paragraphs.

The other thing we wanted to flag is that our paper on the transmission review is recommending that the Commonwealth submits rule change requests for both concessional finance and financeability at the same time to enable them to be progressed in parallel. This would have no impact on timing as our final report on Stage 2, which includes financeability will be publishing on 27 October.

Please don't hesitate to reach out if you have any questions or would like to discuss any of our comments.

Kind regards
[REDACTED]

[REDACTED]
Acting Director
Australian Energy Market Commission
D [REDACTED] | T [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

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From: [REDACTED]@industry.gov.au>
Sent: Wednesday, 12 October 2022 2:55 PM
To: [REDACTED]@aemc.gov.au>; [REDACTED]@aemc.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED]@aemc.gov.au>

Cc: [REDACTED]@industry.gov.au; [REDACTED]
<[REDACTED]@industry.gov.au>; [REDACTED]@industry.gov.au; [REDACTED]
<[REDACTED]@industry.gov.au>

Subject: For review: Draft Concessional Finance paper - EMM6 [SEC=OFFICIAL]

Hi all,

Please find attached the draft paper on concessional finance for the October Energy Minister's meeting.

Apologies for the tight turn around, though if any comments could please be provided by lunchtime Thursday 13 October that would be much appreciated.

Also please find attached our DCCEEW org chart as well as our Electricity division phone list.

Kind regards,

[REDACTED]

[REDACTED]

A/g Senior Policy Officer

Electricity Division | Networks Reforms and Projects |

Gadigal Nation, L18 201 Sussex Street, Sydney 2000

Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

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OFFICIAL

From: [REDACTED]@industry.gov.au
Sent: Tuesday, October 25, 2022 2:19 PM
To: anthea.harris; Anna Collyer; Benn Barr; [REDACTED]; Clare.Savage@aer.gov.au; [REDACTED]; [REDACTED]@aer.gov.au; [REDACTED]@acc.gov.au; drew.clarke@aemo.com.au; Daniel.westerman@aemo.com.au; [REDACTED]@energyconsumersaustralia.com.au; lynne.gallagher@energyconsumersaustralia.com.au; [REDACTED]@alga.asn.au; [REDACTED]@alga.asn.au
CC: [REDACTED]@esb.org.au; [REDACTED]@esb.org.au; [REDACTED]@esb.org.au; [REDACTED]@esb.org.au; [REDACTED]@aer.gov.au; [REDACTED]@aer.gov.au; [REDACTED]@aer.gov.au; [REDACTED]@aer.gov.au; [REDACTED]@aer.gov.au; [REDACTED]@aer.gov.au; [REDACTED]@aer.gov.au; [REDACTED]@aer.gov.au; [REDACTED]@aer.gov.au; stephanie.jolly@aer.gov.au; [REDACTED]@aemo.com.au; nevenka.codevelle@aemo.com.au; [REDACTED]@aemo.com.au; [REDACTED]@aemo.com.au; [REDACTED]@aemo.com.au; [REDACTED]@aemo.com.au; [REDACTED]@energyconsumersaustralia.com.au; [REDACTED]@industry.gov.au; [REDACTED] Simon.duggan@dcceew.gov.au; Sarah.Proudfoot@acc.gov.au; [REDACTED]@acc.gov.au; [REDACTED]@acc.gov.au; gina.cass-gottlieb@acc.gov.au; anna.brakey@acc.gov.au; [REDACTED]@alga.asn.au
Subject: Updated EMM6 Agenda papers for Items 8, 11 and 16 [SEC=OFFICIAL]
Attachments: [REDACTED] EMM6 - Item 11 - AEMC paper transmission planning and investment.docx; [REDACTED]
[REDACTED]

Follow Up Flag: Follow up
Flag Status: Flagged

Good afternoon

Please find updated EMM6 agenda papers for the following items:

Item 11 - AEMC update on the Transmission Planning and Investment Review

Updates:

- Removed second recommendation for Agenda item 16.
- Corrected cross referencing inconsistencies for Agenda items 8 & 11.

Although we do not expect changes to papers; the agenda and all papers circulated are drafts at this time, to be cleared by the EMM Chair.

Kind regards, [REDACTED]

Secretariat

Department of Climate Change, Energy, the Environment and Water

Energy Division | GPO Box 2013 Canberra ACT 2601
Secretariat Hotline 02 6243 7844
Email EnergyMinisters@industry.gov.au

<https://energyministers.gov.au>

OFFICIAL

From: [REDACTED]
Sent: Wednesday, November 2, 2022 9:54 AM
To: Danielle Beinart; [REDACTED]@epw.qld.gov.au; [REDACTED]@act.gov.au; [REDACTED]
[REDACTED]@industry.gov.au; [REDACTED]@nt.gov.au;
[REDACTED]@epw.qld.gov.au; [REDACTED]@sa.gov.au; [REDACTED]@treasury.tas.gov.au;
[REDACTED]@delwp.vic.gov.au; [REDACTED]@energy.wa.gov.au; [REDACTED]; [REDACTED]
CC: [REDACTED]@treasury.tas.gov.au; [REDACTED]
[REDACTED]@planning.nsw.gov.au; [REDACTED]@epw.qld.gov.au; [REDACTED]
(DEM); [REDACTED]@delwp.vic.gov.au; [REDACTED] (DELWP);
[REDACTED]@delwp.vic.gov.au; [REDACTED]@sa.gov.au;
[REDACTED]@planning.nsw.gov.au; [REDACTED] [REDACTED]
Subject: Slides for AEMC TPIR Jurisdictional Reference Group meeting
Attachments: AEMC TPIR JRG 2 November 2022.pdf; TPIR JRG actions and outcomes - 23092022.pdf

Good morning all

Looking forward to seeing you at the Transmission planning and investment review JRG this morning.

I have attached the slides that we will be going through today. We will be focusing on contestability as well as the final report on Stage 2 we published last Thursday.

I have also attached the actions and outcomes from the September meeting.

Kind regards,

[REDACTED]

[REDACTED]

Acting Director

Australian Energy Market Commission

D [REDACTED] T [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

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AEMC Transmission Planning and Investment Review

Jurisdictional reference group (JRG) meeting – 23 September 2022

Meeting actions and outcomes

1. Attendees

- [REDACTED] (Cth)
- [REDACTED] (NSW)
- [REDACTED] (NT Gov)
- [REDACTED] (QLD Gov)
- [REDACTED] (SA Gov)
- [REDACTED] (SA Gov)
- [REDACTED] (TAS Gov)
- AEMC – Danielle Beinart, [REDACTED], [REDACTED], [REDACTED], [REDACTED] (KPMG)

Apologies

- [REDACTED] (NSW)
- [REDACTED] (Vic Gov)
- [REDACTED] (Vic Gov)
- [REDACTED] (Vic Gov)
- [REDACTED] (Vic Gov)

2. Agenda

1. Acknowledgment of Country and welcome
2. Purpose of discussion
3. Discussion on final policy positions for stage 2 workstreams
4. Update on the stage 3 draft report
5. Next steps

3. Meeting actions

No	Action	Action Owner	Due date	Status
1.	Organise a briefing on the stage 3 draft report for OECC and NSW EnergyCo staff members.	[REDACTED]	30/09/2022	Complete
2.	The AEMC project team to further consider the timeframes for decisions on varied depreciation with respect of investor and AER requirements.	[REDACTED]	7/10/2022	Complete – development of process in coordination with CEFC and AER

No	Action	Action Owner	Due date	Status
3.	[REDACTED]	[REDACTED]	7/10/2022	Complete – approach will be operationalised in line with requirements on AER to undertake CPA

2. Key outcomes

Stage 2: Financeability workstream

- A JRG member questioned how long it would take the AER to complete the depreciation assessment.
 - The AEMC project team outlined that the AER would need to provide further guidance on this, but it is expected that the assessment would take less than 6 months. This would ensure the assessment is completed prior to the beginning of the CPA process.
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
- The AEMC project team outlined that the AER may begin making decisions on varied depreciation with reference to the NER principles after a fast-tracked Rule change process has been completed, prior to their guidance being fully developed.
 - The fast-tracked rule change process requires a proponent to request the Rule change, the draft Rules will then be released for consultation as a draft decision before a final decision.

Stage 2: Social licence workstream

- The project team provided an update on the policy positions for the social licence workstream.
- JRG members did not have any comments or questions.

Stage 2: Planning activities

- Discussion around implementation considerations for the updated definition of early works, including whether the reference to ‘most recent ISP’ includes projects identified in draft ISPs as well as final ISP.

Stage 2: Feedback loop

- Discussion around how long it currently takes AEMO to complete the feedback loop. [REDACTED]
- [REDACTED]
- [REDACTED]

Stage 3: Concessional finance

- Discussion around the concessional finance chapter being targeted towards the electricity regulatory framework and the need to test the additional use cases of how concessional finance could be applied in the framework (such as adjustments to MAR) with stakeholders in the draft report.
 - Brief discussion on the approach to concessional finance in the ‘Review into extending the regulatory frameworks to hydrogen and renewable gases’, including outlining how capital contributions would be treated in the gas framework.
- Discussion around the consideration of a national power to direct and the various requirements that would need to be addressed to enable the direction, including who would administer the direction, the various licensing obligations required to meet reliability standards, and the law changes required.

Stage 3: Economic Assessment Process

- JRG members noted that the specific design of the strawperson option, especially option 3, would depend on how social licence building is incorporated under each option.
- JRG members are interested in an updated on any stakeholder feedback we will receive on the three strawperson options.

JRG members did not have any questions or comments on the other stage 3 chapters.

5. Next steps

Milestone	Date
Public forum on stage 3 draft report	4 October 2022
Publish TPIR stage 2 final report	27 October 2022
Jurisdictional Reference Group meeting	28 October 2022
Public forum on stage 2 final report	3 November 2022
Jurisdictional Reference Group meeting	25 November 2022

From: [REDACTED]
Sent: Monday, November 7, 2022 6:50 PM
To: [REDACTED]; [REDACTED]; [REDACTED]@transgrid.com.au
CC: Danielle Beinart; [REDACTED]
Subject: TPIR Stage 3 | AEMC & Transgrid- information on project (Humelink) timeframes

Hi [REDACTED] and [REDACTED]

I hope you are both well, we are looking forward to our catch-up next Tuesday.

We are currently looking at timing for potential rule changes coming in from Stage 2 of the Transmission Review and considering resourcing.

Humelink would be the first project that the timing of rule changes for financeability and workability of the feedback loop would be important for when we look at the stages that each actionable ISP project is at. Would you be able to talk to your colleagues at Transgrid prior to our catch-up to be able to provide us with information about when rule changes would need to be completed to apply to Humelink at our meeting? Taking into consideration the likely time for the feedback loop and the CPA for stage 2?

Kind regards,

[REDACTED]

[REDACTED]
Acting Director
Australian Energy Market Commission
D [REDACTED] | T [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

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From: [REDACTED]
Sent: Wednesday, November 16, 2022 5:54 PM
To: [REDACTED]@transgrid.com.au; [REDACTED]
Subject: Workability of the feedback loop rule change

Hi [REDACTED] and [REDACTED]

It was nice to see you in person on Monday.

I wanted to follow up in relation to the potential for Transgrid to submit a rule change request on workability of the feedback loop. I'm not sure if you have had any time to think over this more.

Given the timeframes we discussed on Monday, we would ideally need a rule change request in January to complete the rule change by the required time, building in time for additional consultation if required.

Would it be useful to arrange a chat to go over the process more and your thoughts on the rule change request?

Kind regards,

[REDACTED]

[REDACTED]

Acting Director

Australian Energy Market Commission

D [REDACTED] | T [REDACTED]

www.aemc.gov.au

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From: [REDACTED]
Sent: Monday, November 28, 2022 1:07 PM
To: [REDACTED]
Subject: RE: Update on AEMC's Transmission Review Contestability worksteam [Public]

Hi [REDACTED]

Here is a Direct link to the [Directions paper](#). The candidate model is very similar to the NSW model, with a couple of changes aimed to allow for innovation.

On the feedback loop rule change request- we will reach out to the other potential proponent. If Transgrid has a specific time the rule change needs to be in putting it in gives more control on that. I will let you know whether the other potential proponent does indicate they will be putting it in.

Thanks
[REDACTED]

From: [REDACTED] <[REDACTED]@transgrid.com.au>
Sent: Monday, 28 November 2022 12:20 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: Update on AEMC's Transmission Review Contestability worksteam [Public]

Hi [REDACTED]

Thanks for your note, and no problems on the response. Danielle and I have been playing phone tag too, so hopefully we can chat later today.

On the contestability pause, I saw that last week, and can see why you would pause when the State's are all pulling in different directions. I am struggling to find the Directions paper on the project page – would you be able to zap through the link? I'm curious what the candidate model turned out to be, even though it's the NSW framework for us.

Cheers
[REDACTED]

Data Classification: *Public*

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Monday, 28 November 2022 10:50 AM
To: [REDACTED] <[REDACTED]@transgrid.com.au>
Subject: Update on AEMC's Transmission Review Contestability worksteam

Good morning [REDACTED]

Thanks for your message back last week on the feedback loop. Apologies I just realised I did not respond back. I will send a separate response on that one.

I wanted to give you an update on the Contestability workstream, which you may have seen in Thursday's newsletter.

The Commission released its Directions paper on this workstream on Thursday 24 November and has outlined that it is pausing further work on exploring a national framework for contestability in the National Electricity Rules.

To provide material benefits to consumers any contestability regime in the National Electricity Rules would need to be applied on a national basis. Following the announcement of recent initiatives in some states and territories, it is unlikely an agreed consistent approach to contestability will be implemented across the national electricity market in the near future. On this basis, it would not be prudent to continue to focus on this workstream at this time.

We will continue to focus on delivering Stage 3 of its Transmission planning investment review and progressing recommendations from Stages 2 and Stage 3 of the review via any rule changes received.

The Directions paper can be found on the [project page](#). It includes feedback from stakeholders and a candidate model of contestability based on that feedback which could be used as a starting point for more detailed work that would be necessary to agree on a preferred model and determine its benefits, including carrying out a full cost-benefit assessment.

Please let me know if you would like to talk to us about the Directions paper and the Commission's decision to pause the contestability workstream and I can arrange a meeting at a time that suits you.

Kind regards

[Redacted]

[Redacted]

Acting Director

Australian Energy Market Commission

D [Redacted] | T [Redacted]
[Redacted]@aemc.gov.au | www.aemc.gov.au

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From: [REDACTED]
Sent: Monday, November 28, 2022 3:51 PM
To: Danielle Beinart
Subject: RE: TPIR rule change requests [SEC=OFFICIAL]

Thanks Danielle!!

From: Danielle Beinart [mailto:Danielle.Beinart@aemc.gov.au]
Sent: Monday, 28 November 2022 3:47 PM
To: [REDACTED] <[REDACTED]@industry.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; Gowans, Kirsty <Kirsty.Gowans@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>
Subject: RE: TPIR rule change requests [SEC=OFFICIAL]

Hi [REDACTED]

Thank you for your email and my apologies for the delay in responding – I was waiting to touch base with Transgrid on Feedback loop.

Thank you for the update on both financeability – we'll bed this timing into our resource planning now.

On social licence we understand re: proponent. We will likely have resources for this particular rule change in Q3 of next year.

On feedback loop we are planning to have resources available in Feb which would allow the rule change to be in place by approx. July next year which would satisfy the Humelink timing requirements. I have spoken with Transgrid who are keen to discuss with you who is better placed to be the proponent. [REDACTED] is the best contact there. I will separately link the two of you by email so you can discuss.

Cheers
Danielle

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Thursday, 24 November 2022 12:00 PM
To: Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; Gowans, Kirsty <Kirsty.Gowans@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>
Subject: FW: TPIR rule change requests [SEC=OFFICIAL]

Hi Danielle

Re rule changes:

Financeability

- The Commonwealth is happy to progress the Financeability rule change request.

- We aim to submit the concessional finance request next week as soon as this is submitted we will move on to financeability and again aim to work closely with you in developing the request.
- Mid to late January is a very serviceable timeframe from my perspective on this request.

Social licence

- I think it would be preferable if we, as in the RTNO, were the proponents of this rule change request over [REDACTED] as his office is independent. Obviously we will work closely with [REDACTED] and his office in prosecuting the rule change request.
- Do you have an indication of when you may have resources free for this rule change?

Feedback loop

- Would it be possible to give me your contact at Transgrid so that we can determine between us who is best placed to submit the request.
- Do you have an indication of when you may have resources free for this rule change?

Cheers

[REDACTED] (he/him)

A/g Manager

Electricity | Transmission Branch | Networks Reform Section
Ngunnawal Country, 51 Allara St, Canberra ACT 2601 Australia
Department of Climate Change, Energy, the Environment and Water
P [REDACTED] | E [REDACTED]@industry.gov.au



Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging.

From: Danielle Beinart [<mailto:Danielle.Beinart@aemc.gov.au>]

Sent: Wednesday, 23 November 2022 8:51 PM

To: [REDACTED] <[REDACTED]@industry.gov.au>

Subject: RE: TPIR rule change requests [SEC=OFFICIAL]

Hi [REDACTED]

Thank you for checking in on this.

Transgrid have demonstrated interest in submitting a feedback loop rule change but I think would be happy to take a back seat if the Cth were able to move reasonably quickly. We met with them last week to understand the timing of the Humelink CPA 2 better as they would like all of the concessional finance, financeability and feedback loop rule changes made by July-Aug next year to fit with their timing

We don't have any potential proponents we are actively discussing social licence with – although we are meeting with [REDACTED] next week so can test with him then.

I can follow up with Transgrid later this week to test their appetite on the feedback loop and can get back to you after that.

Are you able to give me an update on the financeability rule change and if the Cth are still comfortable being the proponent and likely timetable? At the moment we will have resources ready late Jan and ideally would start work on it then.

Kind Regards
Danielle

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Wednesday, 23 November 2022 2:38 PM
To: Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Subject: TPIR rule change requests [SEC=OFFICIAL]

Hi Danielle

The last time we were in a meeting together you indicated that the AEMC had potential industry partners to submit the social licence and feedback loop ruled changes, and [REDACTED] (or [REDACTED] I can't remember) indicated that the Cth would be a backup on these request.

I was wondering if you could provide an update as to whether we will need to submit these rule changes?

Cheers
[REDACTED] (he/him)
A/g Manager

Electricity | Transmission Branch | Networks Reform Section
Ngunnawal Country, 51 Allara St, Canberra ACT 2601 Australia
Department of Climate Change, Energy, the Environment and Water
P [REDACTED] | E [REDACTED]@industry.gov.au

| dcceew
gov.au



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OFFICIAL

From: [REDACTED]
Sent: Monday, November 28, 2022 5:16 PM
To: Danielle Beinart; [REDACTED]
Subject: RE: TPIR - Feedback loop rule change proponent [Official]

Danielle,

Thanks very much for connecting us.

[REDACTED] would you be free for a quick catch up this week?

Regards

[REDACTED]

Data Classification: *Official*

From: Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Sent: Monday, 28 November 2022 3:52 PM
To: [REDACTED]@industry.gov.au>; [REDACTED]@transgrid.com.au>
Subject: TPIR - Feedback loop rule change proponent

Hi [REDACTED] and [REDACTED]

This email is to connect the two of you to discuss who might be better placed to be the proponent for any rule change request on the feedback loop, given the timing imperative for Humelink. As discussed with you both we are aiming to have resources available to begin working on this in February so would want to receive by end of January, and preferably a draft before that for our review.

I've included both of your signatures below so you have full contact details for each other.

We'll wait to hear back from you on likely next steps.

Cheers
Danielle

[REDACTED]
Manager

Electricity | Transmission Branch | Networks Reform Section
Ngunnawal Country, 51 Allara St, Canberra ACT 2601 Australia
Department of Climate Change, Energy, the Environment and Water
P [REDACTED] | E [REDACTED]@industry.gov.au

[REDACTED]
General Manager of Policy and Energy Market Reform | Community and Policy

Transgrid | 180 Thomas St Sydney, NSW, 2000

T: [REDACTED]

E: [REDACTED]@transgrid.com.au W: www.transgrid.com.au



Danielle Beinart | Acting Executive General Manager
Australian Energy Market Commission

[REDACTED]

[REDACTED]

danielle.beinart@aemc.gov.au | www.aemc.gov.au

Assistant: [REDACTED] | [REDACTED] | [REDACTED]@aemc.gov.au

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From: [REDACTED]
Sent: Thursday, December 1, 2022 1:22 PM
To: [REDACTED]@transgrid.com.au; [REDACTED]@transgrid.com.au
CC: [REDACTED]
Subject: Follow-up on feedback loop discussion

Hi [REDACTED] and [REDACTED]

Thanks for your time earlier today to discuss the feedback loop recommendations as part of the Transmission Planning and Investment Review.

In terms of the rule change process, the fast tracking process is subject to the rule change requests for the proposed rule changes reflecting, or being consistent with, the relevant conclusions in the AEMC Rule review. The decision to apply the fast tracked process would therefore be dependent on a legal assessment of whether any changes in a proposed rule fail to meet this criteria. The standard rule change process would apply where a proposed rule does not meet this criteria.

On the matter of ISP updates, the relevant provisions are in clause 5.22.15 of the NER. There are only three circumstances where AEMO must publish an ISP update:

- a RIT-T proponent's preferred option for an actionable ISP project fails to satisfy the trigger event set out in clause 5.16A.5(b) (ie, the project does not pass the feedback loop);
- there is no credible option for an actionable ISP project that satisfies the regulatory investment test for transmission under rule 5.16A (ie, no credible option passes the RIT-T); or
- in the course of assessing a preferred option in respect of an actionable ISP project for the purposes of clauses 5.16A.5(b), AEMO considers that there is a material change to the need for, or characteristics of another actionable ISP project.

Clause 5.22.15(b) also requires AEMO to assess the impact of new information on the optimal development path as soon as practicable (if the impact is expected to be material), and this may trigger a subsequent consultation process. As discussed on our call, the issue of new government policies etc affecting the optimal development path is a broader ISP-level consideration and not directly related to the recommendations for the feedback loop.

Please don't hesitate to reach out if you have any questions, or would like to set up another call to discuss.

Kind regards

[REDACTED]

From: [REDACTED]
Sent: Thursday, December 1, 2022 2:45 PM
To: [REDACTED] (DELWP); [REDACTED]
(DELWP)
CC: [REDACTED] (DELWP)
Subject: RE: OFFICIAL: Catch up on social licence [SEC=OFFICIAL]

Excellent!

I will send out an invite for 9 am next Wednesday.

Does Teams work best for all (we also have Zoom)?

From: [REDACTED]@delwp.vic.gov.au>
Sent: Thursday, 1 December 2022 2:28 PM
To: [REDACTED]@industry.gov.au>; [REDACTED]
<[REDACTED]@planning.nsw.gov.au>; [REDACTED]@aemc.gov.au>; [REDACTED]
[REDACTED]@delwp.vic.gov.au>
Cc: [REDACTED]@delwp.vic.gov.au>
Subject: RE: OFFICIAL: Catch up on social licence [SEC=OFFICIAL]

I can also do 9am next Wednesday!

OFFICIAL

From: [REDACTED]@industry.gov.au>
Sent: Thursday, 1 December 2022 1:51 PM
To: [REDACTED]@planning.nsw.gov.au>; [REDACTED]
<[REDACTED]@aemc.gov.au>; [REDACTED]@delwp.vic.gov.au>
Cc: [REDACTED]@delwp.vic.gov.au>; [REDACTED]
<[REDACTED]@delwp.vic.gov.au>
Subject: RE: OFFICIAL: Catch up on social licence [SEC=OFFICIAL]

Thanks [REDACTED] and [REDACTED] I can do 9am next Wednesday.

From: [REDACTED]@planning.nsw.gov.au]
Sent: Thursday, 1 December 2022 1:12 PM
To: [REDACTED]@aemc.gov.au>; [REDACTED]
<[REDACTED]@delwp.vic.gov.au>; [REDACTED]@industry.gov.au>
Cc: [REDACTED]@delwp.vic.gov.au>; [REDACTED]
<[REDACTED]@delwp.vic.gov.au>
Subject: RE: OFFICIAL: RE: Catch up on social licence [SEC=OFFICIAL]

Hi Alisa,

Both of those timeslots are okay for me next Wednesday.

Thanks,

██████████

From: ██████████@aemc.gov.au
Sent: Thursday, 1 December 2022 12:39 PM
To: ██████████@planning.nsw.gov.au; ██████████
<██████████@delwp.vic.gov.au> ██████████@industry.gov.au>
Cc: ██████████@delwp.vic.gov.au; ██████████
<██████████@delwp.vic.gov.au>
Subject: RE: OFFICIAL: RE: Catch up on social licence [SEC=OFFICIAL]

Thanks ██████████

I can check with the AER that they are still available on Monday between 9-10am or Tuesday between 12noon and 1pm. Alternatively the times the AER and AEMC can do on Wednesday are from 9am-10am or 4-5pm if they work better?

Thanks

██████████

From: ██████████@planning.nsw.gov.au
Sent: Thursday, 1 December 2022 11:28 AM
To: ██████████@aemc.gov.au; ██████████
<██████████@delwp.vic.gov.au>; ██████████@industry.gov.au>
Cc: ██████████@delwp.vic.gov.au; ██████████
<██████████@delwp.vic.gov.au>
Subject: RE: OFFICIAL: RE: Catch up on social licence [SEC=OFFICIAL]

H ██████████

If we can't find times when all of us can attend, which I expect will get increasingly difficult as we move into December – I suggest just finding a time which works for you, AER and ██████████ and whoever else from the JWG can join if they are available.

It is expected that ██████████ will be leading the scoping and delivery of the Social Licence projects under the National Energy Transformation Partnership. As such, establishing that connection and understanding with the AER and AEMC would, in my opinion, be the highest priority.

If we can't make the meeting we can catch up for a briefing on the discussion at a later date.

Best Regards,

██████████

From: [REDACTED]@aemc.gov.au
Sent: Tuesday, 29 November 2022 1:01 PM
To: [REDACTED]@delwp.vic.gov.au; [REDACTED]
<[REDACTED]@planning.nsw.gov.au>; [REDACTED]@industry.gov.au>
Cc: [REDACTED]@delwp.vic.gov.au; [REDACTED]
<[REDACTED]@delwp.vic.gov.au>
Subject: RE: OFFICIAL: RE: Catch up on social licence [SEC=OFFICIAL]

Hi All

I just realised I wrote the wrong end time for the Tuesday. We actually only have availability until 1pm on the Tuesday. My apologies.

It looks like we don't have a time that will work for all on Monday or Tuesday. I have asked the AER for some times on the Wednesday or Friday.

Kind regards
[REDACTED]

From: [REDACTED]@delwp.vic.gov.au
Sent: Tuesday, 29 November 2022 12:01 PM
To: [REDACTED]@planning.nsw.gov.au; [REDACTED]
[REDACTED]@industry.gov.au; [REDACTED]@aemc.gov.au
Cc: [REDACTED]@delwp.vic.gov.au; [REDACTED]
<[REDACTED]@delwp.vic.gov.au>
Subject: OFFICIAL: RE: Catch up on social licence [SEC=OFFICIAL]

Hi [REDACTED] and all,

We ([REDACTED] and/or I) could do between 1 – 2pm on Tuesday 6 December, or otherwise 11am-2pm, 2.30-4pm Wednesday 7 December.

Thanks for setting this up
[REDACTED]

OFFICIAL

From: [REDACTED]@planning.nsw.gov.au
Sent: Monday, 28 November 2022 5:06 PM
To: [REDACTED]@industry.gov.au; [REDACTED]
<[REDACTED]@aemc.gov.au>; [REDACTED]@delwp.vic.gov.au>
Cc: [REDACTED]@delwp.vic.gov.au; [REDACTED]
<[REDACTED]@delwp.vic.gov.au>
Subject: RE: Catch up on social licence [SEC=OFFICIAL]

Hi [REDACTED]

I can do between 9 and 10am next Monday or between 12 and 2 next Tuesday.

@ [REDACTED] (DELWP) how's your availability at those times?

Thanks,

[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Monday, 28 November 2022 4:49 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@planning.nsw.gov.au>
Cc: [REDACTED] <[REDACTED]@delwp.vic.gov.au>; [REDACTED] <[REDACTED]@delwp.vic.gov.au>; [REDACTED] <[REDACTED]@delwp.vic.gov.au>
Subject: RE: Catch up on social licence [SEC=OFFICIAL]

I can make those times work on Monday and Tuesday. Thanks [REDACTED] and [REDACTED]

OFFICIAL

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Monday, 28 November 2022 4:44 PM
To: [REDACTED] <[REDACTED]@planning.nsw.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@delwp.vic.gov.au>; [REDACTED] <[REDACTED]@delwp.vic.gov.au>; [REDACTED] <[REDACTED]@delwp.vic.gov.au>
Subject: Catch up on social licence

Hi [REDACTED]

A key person from the AER is not available on Thursday or Friday of this week.

Would any of these times work early next week?

- Monday 5 December between 9am and 1pm
- Tuesday 6 December between 11am-2pm?

Otherwise we can look further ahead or see what can be moved.

Thanks

[REDACTED]

From: [REDACTED] <[REDACTED]@planning.nsw.gov.au>
Sent: Monday, 28 November 2022 11:14 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] (DELWP) <[REDACTED]@delwp.vic.gov.au>; [REDACTED] <[REDACTED]@delwp.vic.gov.au>; [REDACTED] <[REDACTED]@delwp.vic.gov.au>
Subject: RE: Slides for AEMC TPIR Jurisdictional Reference Group meeting

Hi [REDACTED]

Would a meeting during one of these timeslots work for you and AER...

Thursday 1 Dec: 11am – 2pm; 4-5pm.

Friday 2 Dec: 9:30-11am; or 1-3pm?

If not perhaps let me know some good times and days for early next week, and I'll try to coordinate diaries.

Thanks,

[REDACTED]

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Monday, 28 November 2022 10:35 AM
To: [REDACTED] <[REDACTED]@planning.nsw.gov.au>
Subject: RE: Slides for AEMC TPIR Jurisdictional Reference Group meeting

Thanks [REDACTED] that would be great.

[REDACTED]

From: [REDACTED] <[REDACTED]@planning.nsw.gov.au>
Sent: Monday, 28 November 2022 10:15 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: Slides for AEMC TPIR Jurisdictional Reference Group meeting

Hi [REDACTED]

Thanks for following up on this.

The JWG work is in the process of being incorporated in the National Energy Transformation Partnership framework, I'll will loop in the Cmth rep to join the conversation and come back to you with some times.

Best Regards,

[REDACTED]

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Monday, 28 November 2022 9:27 AM
To: [REDACTED] <[REDACTED]@planning.nsw.gov.au>
Subject: RE: Slides for AEMC TPIR Jurisdictional Reference Group meeting

Hi [REDACTED]

I followed up with the AER again, they have advised they are still in the early ages of working out how/ who will update the guidelines. They have said it would be good to have a meeting between us all to see where the Jurisdictional Working Group's work can enhance the AER's guidelines too.

Do you have some times the NSW Government is available and I can check with the AER and schedule a meeting? My key contact there is [REDACTED]

Kind regards,
[REDACTED]

From: [REDACTED] <[\[REDACTED\]@planning.nsw.gov.au](mailto:[REDACTED]@planning.nsw.gov.au)>
Sent: Wednesday, 16 November 2022 11:08 AM
To: [REDACTED] <[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>
Subject: RE: Slides for AEMC TPIR Jurisdictional Reference Group meeting

Hi [REDACTED]

Thanks for the below info.

At this point we're keen to know more about the guidance AER will develop. The purpose is to ensure what we produce through the social licence jurisdictional working group (now a priority workstream under the National Partnership) aligns with and enhances this guidance.

Could you advise who is leading that work at AER?

It might be useful to have a joint conversation (ie AEMC, AER and JWG) about the scoping and next steps for delivery of the work.

Thanks,
[REDACTED]

From: [REDACTED] <[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>
Sent: Thursday, 10 November 2022 6:31 PM
To: [REDACTED] <[\[REDACTED\]@planning.nsw.gov.au](mailto:[REDACTED]@planning.nsw.gov.au)>
Cc: [REDACTED] <[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>
Subject: RE: Slides for AEMC TPIR Jurisdictional Reference Group meeting

Hi [REDACTED]

Apologies I missed this somehow.

The next steps to progress the recommendations are:

- The AER to provide guidance around cost recovery of social licence activities and engagement with communities (I will follow up when I meet with them next timeframes for this)

- A rule change request to be submitted to the AEMC to progress the recommendations around clarifying expectations on engagement with communities:
 - expanding the definition of “preparatory activities” to include engagement and consultation with local councils, local community members and other relevant community stakeholders,
 - expanding the definition of “interested party” as it applies to the RIT-T consultation procedures for actionable ISP projects to include local councils, local community members and other relevant community stakeholders, and
 - extending the expectations currently in place on jurisdictional planning bodies (JPBs) in respect of engagement and consultation for REZs to also apply to engagement and consultation undertaken by TNSPs in respect of future and actionable ISP projects.

We need a rule change proponent to submit a rule change request and we can then commence the rule change. We are currently working through whether that rule change would follow the standard process or could be expedited if it could meet the definition of non-controversial in the NEL. We have a potential proponent for the social licence rule change, and are happy to talk through the process more if that would be useful.

Kind regards,

[REDACTED]

From: [REDACTED] <[\[REDACTED\]@planning.nsw.gov.au](mailto:[REDACTED]@planning.nsw.gov.au)>
Sent: Thursday, 10 November 2022 6:20 PM
To: [REDACTED] <[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>
Cc: [REDACTED] <[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>
Subject: RE: Slides for AEMC TPIR Jurisdictional Reference Group meeting

Hi [REDACTED]

Just following up on my below email.

Can you please advise what the next steps are to progress the recommendations for AER to provide additional guidance to TNSPs regarding social licence activities?

I ask to ensure we incorporate this work into our planning for the jurisdictional working group on social licence.

Best Regards,

[REDACTED]

From: [REDACTED]
Sent: Friday, 4 November 2022 11:31 AM
To: [REDACTED] <[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>

Cc: [REDACTED] <[REDACTED]@planning.nsw.gov.au>

Subject: RE: Slides for AEMC TPIR Jurisdictional Reference Group meeting

Hi [REDACTED]

Thank you for sending this through.

I just have a question. What are the next steps in terms of the recommendations for AER to provide additional guidance to TNSPs for social licence activities?

Best Regards,

[REDACTED]

From: [REDACTED] <[REDACTED]@aemc.gov.au>

Sent: Friday, 4 November 2022 9:04 AM

To: Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED] <[REDACTED]@epw.qld.gov.au>;

[REDACTED] <[REDACTED]@act.gov.au>; [REDACTED] <[REDACTED]@planning.nsw.gov.au>;

[REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@nt.gov.au>;

<[REDACTED] <[REDACTED]@epw.qld.gov.au>; [REDACTED] <[REDACTED]@sa.gov.au>; [REDACTED] <[REDACTED]@treasury.tas.gov.au>;

[REDACTED] <[REDACTED]@delwp.vic.gov.au>; [REDACTED] <[REDACTED]@energy.wa.gov.au>;

<[REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED]

<[REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>

Cc: [REDACTED] <[REDACTED]@treasury.tas.gov.au>; [REDACTED]

<[REDACTED] <[REDACTED]@treasury.tas.gov.au>; [REDACTED] <[REDACTED]@planning.nsw.gov.au>;

<[REDACTED] <[REDACTED]@epw.qld.gov.au>; [REDACTED] <[REDACTED]@sa.gov.au>;

[REDACTED] <[REDACTED]@delwp.vic.gov.au>; [REDACTED] <[REDACTED]@delwp.vic.gov.au>; [REDACTED]

[REDACTED] <[REDACTED]@delwp.vic.gov.au>; [REDACTED] <[REDACTED]@sa.gov.au>;

<[REDACTED] <[REDACTED]@planning.nsw.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED]

[REDACTED] <[REDACTED]@dmirs.wa.gov.au>; [REDACTED] <[REDACTED]@recfit.tas.gov.au>

Subject: RE: Slides for AEMC TPIR Jurisdictional Reference Group meeting

Good morning All

Thank you for your time and input at our JRG meeting on Wednesday.

I have attached the actions and outcomes for your reference. If you have any additional feedback on anything discussed please reach out and let us know.

We look forward to our next meeting on Wednesday 23 November which will focus on stakeholder submissions to the Stage 3 draft report.

Kind Regards

[REDACTED]

[REDACTED]

Acting Director

Australian Energy Market Commission

D [REDACTED] | T [REDACTED]
[REDACTED] [@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au) | www.aemc.gov.au

From: [REDACTED]

Sent: Wednesday, 2 November 2022 9:54 AM

To: Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED] <[\[REDACTED\]@epw.qld.gov.au](mailto:[REDACTED]@epw.qld.gov.au)>;

[REDACTED] <[\[REDACTED\]@act.gov.au](mailto:[REDACTED]@act.gov.au)>; [REDACTED] <[\[REDACTED\]@planning.nsw.gov.au](mailto:[REDACTED]@planning.nsw.gov.au)>;

[REDACTED] <[\[REDACTED\]@industry.gov.au](mailto:[REDACTED]@industry.gov.au)>; [REDACTED] <[\[REDACTED\]@nt.gov.au](mailto:[REDACTED]@nt.gov.au)>; [REDACTED] <[\[REDACTED\]@epw.qld.gov.au](mailto:[REDACTED]@epw.qld.gov.au)>;

[REDACTED] <[\[REDACTED\]@sa.gov.au](mailto:[REDACTED]@sa.gov.au)>; [REDACTED] <[\[REDACTED\]@treasury.tas.gov.au](mailto:[REDACTED]@treasury.tas.gov.au)>; [REDACTED] <[\[REDACTED\]@delwp.vic.gov.au](mailto:[REDACTED]@delwp.vic.gov.au)>;

[REDACTED] <[\[REDACTED\]@energy.wa.gov.au](mailto:[REDACTED]@energy.wa.gov.au)>; [REDACTED] <[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>; [REDACTED]

<[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>; [REDACTED] <[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>; [REDACTED]

<[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>

Cc: [REDACTED] <[\[REDACTED\]@treasury.tas.gov.au](mailto:[REDACTED]@treasury.tas.gov.au)>; [REDACTED] <[\[REDACTED\]@treasury.tas.gov.au](mailto:[REDACTED]@treasury.tas.gov.au)>;

[REDACTED] <[\[REDACTED\]@planning.nsw.gov.au](mailto:[REDACTED]@planning.nsw.gov.au)>; [REDACTED] <[\[REDACTED\]@epw.qld.gov.au](mailto:[REDACTED]@epw.qld.gov.au)>; [REDACTED]

[REDACTED] <[\[REDACTED\]@sa.gov.au](mailto:[REDACTED]@sa.gov.au)>; [REDACTED] <[\[REDACTED\]@delwp.vic.gov.au](mailto:[REDACTED]@delwp.vic.gov.au)>; [REDACTED]

<[\[REDACTED\]@delwp.vic.gov.au](mailto:[REDACTED]@delwp.vic.gov.au)>; [REDACTED] <[\[REDACTED\]@delwp.vic.gov.au](mailto:[REDACTED]@delwp.vic.gov.au)>; [REDACTED] <[\[REDACTED\]@sa.gov.au](mailto:[REDACTED]@sa.gov.au)>;

[REDACTED] <[\[REDACTED\]@planning.nsw.gov.au](mailto:[REDACTED]@planning.nsw.gov.au)>; [REDACTED] <[\[REDACTED\]@industry.gov.au](mailto:[REDACTED]@industry.gov.au)>; [REDACTED]

<[\[REDACTED\]@dmirs.wa.gov.au](mailto:[REDACTED]@dmirs.wa.gov.au)>; [REDACTED] <[\[REDACTED\]@recfit.tas.gov.au](mailto:[REDACTED]@recfit.tas.gov.au)>

Subject: Slides for AEMC TPIR Jurisdictional Reference Group meeting

Good morning all

Looking forward to seeing you at the Transmission planning and investment review JRG this morning.

I have attached the slides that we will be going through today. We will be focusing on contestability as well as the final report on Stage 2 we published last Thursday.

I have also attached the actions and outcomes from the September meeting.

Kind regards,

[REDACTED]

[REDACTED]
Acting Director

Australian Energy Market Commission

D [REDACTED] | T [REDACTED]
[REDACTED] [@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au) | www.aemc.gov.au

Level 15, 60 Castlereagh St, Sydney NSW 2000.

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From: [REDACTED]
Sent: Tuesday, December 6, 2022 11:52 AM
To: [REDACTED]
Subject: RE: Follow up meeting AEMC TPIR financeability rule change [SEC=OFFICIAL]

Thanks [REDACTED], that time is perfect. I'll forward an invite now.
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Tuesday, 6 December 2022 11:34 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: Follow up meeting AEMC TPIR financeability rule change [SEC=OFFICIAL]

Hi [REDACTED]

Apologies for the delay in getting back to you.

[REDACTED] and myself are available Thursday 8/12 at 9.30am if that still suits.

Thanks,
[REDACTED]

OFFICIAL

From: [REDACTED] [mailto:[REDACTED]@aemc.gov.au]
Sent: Monday, 5 December 2022 12:23 PM
To: [REDACTED] <[REDACTED]@industry.gov.au>
Subject: Follow up meeting AEMC TPIR financeability rule change

Hi [REDACTED] I hope you've been well.

Danielle has asked me to coordinate a follow-up meeting with yourself, [REDACTED] and [REDACTED] re financeability rule change.

Do any of these times work for you- I'm looking for 30 minutes:

Wednesday 7th between 10:30am-11:30am or between 4-5pm

Thursday 8th between 9-10am or 12-1pm

Friday 9th between 1-5pm

Thanks in advance, sorry about the short notice.
[REDACTED]

[REDACTED]
Team Administrator – Networks & Technical
Australian Energy Market Commission
D [REDACTED] T [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

Assistant to: Danielle Beinart | Acting Executive General Manager – Networks & Technical

Level 15, 60 Castlereagh St, Sydney NSW 2000

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From: [REDACTED]
Sent: Tuesday, December 6, 2022 12:53 PM
To: [REDACTED]; [REDACTED]; [REDACTED]; [REDACTED]; [REDACTED]; [REDACTED] <[REDACTED]@industry.gov.au>; Danielle Beinart; [REDACTED]; [REDACTED]; [REDACTED]
Subject: RE: Monthly AEMC-DCCEEW catch up Tuesday 6 December draft agenda

Hi All

Updated agenda for discussion at 1pm. I have added in [REDACTED] and I wanted to flag consequential rule changes to implement the new NEO objective as we will be identifying some changes in the Transmission review

- 1. Rule changes (DCCEEW and AEMC)
 - a. Concessional finance
 - b. Financeability
 - c. Social Licence
 - d. Feedback loop
 - e. Changes to the NEO to incorporate emissions abatement
- 2. TPIR Stage 3 update (AEMC)
- 4. Proposed rule change focusing on indirect costs and benefits in the RIT-T and ISP
- 5. Update on Rewiring the Nation and TETP (DCCEEW)

Kind regards,
[REDACTED]

From: [REDACTED]
Sent: Thursday, 1 December 2022 5:48 PM
To: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>

Subject: Monthly AEMC-DCCEEW catch up Tuesday 6 December draft agenda

Good afternoon all

We are looking forward to catching up on Tuesday next week.

Please find below the draft agenda. Let me know if there is anything else that you would like me to add.

- 1. Concessional Finance rule change request (DCCEEW)
- 2. Financeability rule change request (DCCEEW and AEMC)

3. Social Licence rule change request (DCCEWW and AEMC)
4. Feedback loop rule change request (AEMC)
5. TPIR stage 3 update (AEMC)
6. Proposed rule change from a proponent to include direct and indirect costs (environmental externalities) in the RIT-T and ISP (AEMC)
7. General business

Kind regards,

[REDACTED]

[REDACTED]

Acting Director

Australian Energy Market Commission

D [REDACTED]

| T [REDACTED]

[REDACTED]@aemc.gov.au | www.aemc.gov.au

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From: [REDACTED]
Sent: Wednesday, December 7, 2022 3:57 PM
To: [REDACTED]
CC: [REDACTED]
Subject: RE: Emissions in the NEO / financeability rule change start [SEC=OFFICIAL]

Hi [REDACTED]

Thank you for clarifying re timeframes.

On the NEO changes- would Friday work for a discussion? 10-10.30am, or 12noon to 2pm?

I have cc'ed [REDACTED] one of our Senior Lawyers who is leading the NEO work from our side.

Kind regards,
[REDACTED]

From: [REDACTED]<[REDACTED]@industry.gov.au>
Sent: Wednesday, 7 December 2022 1:25 PM
To: [REDACTED]<[REDACTED]@aemc.gov.au>
Cc: [REDACTED]<[REDACTED]@industry.gov.au>; [REDACTED]
<[REDACTED]@industry.gov.au>
Subject: Emissions in the NEO / financeability rule change start [SEC=OFFICIAL]

Hi [REDACTED]

Thank you for the below confirmation.

The department does not have an end date in mind at this point our negotiations just continue with transgrid and I needed confirmation.

I've just had a conversation with [REDACTED] (CC'ed) who is leading the emissions in the NEO work and was wondering what your availability is tomorrow or Friday for a half-hour to discuss the potential rule changes.

Cheers
[REDACTED]

From: [REDACTED]<[REDACTED]@aemc.gov.au>
Sent: Wednesday, 7 December 2022 10:29 AM
To: [REDACTED]<[REDACTED]@industry.gov.au>

Cc: Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Subject: RE: Urgent response: financeability rule change start [SEC=OFFICIAL]

Hi [REDACTED]

We can start detailed work in February and preparation of the documentation to initiate the rule change. We have some internal steps to do prior to a consultation paper going out so it will likely be March when we publicly initiate. Happy to discuss timeframes more and talk through options. Is there an end date the Commonwealth was thinking of for the rule change to be in place?

Thanks
[REDACTED]

From: [REDACTED] <[\[REDACTED\]@industry.gov.au](mailto:[REDACTED]@industry.gov.au)>
Sent: Wednesday, 7 December 2022 9:25 AM
To: [REDACTED] <[\[REDACTED\]@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au)>
Cc: Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Subject: Urgent response: financeability rule change start [SEC=OFFICIAL]

Hi [REDACTED]

Sorry can you please tell me when the AEMC could kick off the financeability work?

I think you said February.

Cheers
[REDACTED]

OFFICIAL

From: [REDACTED]
Sent: Wednesday, December 7, 2022 4:29 PM
To: [REDACTED]
CC: [REDACTED]
Subject: RE: TPIR stage two rule changes [SEC=OFFICIAL]

Hi [REDACTED]

I have send your questions to legal for their input to make sure I give you back the right information.

I will come back to you as soon as I have a response (e.g I am unsure if we can separate rule changes that come through as a package, I think not but there may be a way in which we can do that with one cover letter and three attached rule changes)

Thanks
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Wednesday, 7 December 2022 2:23 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>
Subject: TPIR stage two rule changes [SEC=OFFICIAL]

Hi [REDACTED]

Sorry about the spam today but have a couple more questions:

- Would a package of rule changes for TPIR stage 2 are be appropriate (i.e. could we have a single submission that included changes for financeability social licence and feedback loop)?
 - Or because these are disparate issues do they need to be submitted individually?
 - Would you separate them out if we submitted them as a package?
- Are there any benefits / negatives in submitting them as a package vs individually?
- If we submitted them individually but at the same time would the Minister be required to sign every rule change request or just a singular cover letter?
- Do we need to indicate if we would like expedited fast track of full?
 - Or is that the choice of the AEMC?

Cheers

[REDACTED] (he/him)

A/g Manager

Electricity | Transmission Branch | Networks Reform Section
Ngunnawal Country, 51 Allara St, Canberra ACT 2601 Australia
Department of Climate Change, Energy, the Environment and Water
P [REDACTED] | E [REDACTED]@industry.gov.au

dcceew
gov.au



Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging.

OFFICIAL

From: [REDACTED]
Sent: Wednesday, December 7, 2022 6:42 PM
To: [REDACTED]
CC: [REDACTED]
Subject: RE: TPIR stage two rule changes [SEC=OFFICIAL]

Hi [REDACTED]

I have some more information for you on your questions below.

If we want to keep the flexibility to use different processes (expedited/ fast-track/ standard) for different changes, they need to be in separate rule change requests. At the moment, if the issues are combined in one rule change we have no ability to separate them.

One possibility would be if the Minister signs a single cover letter for multiple rule change requests, as long as the letter specified each of the rule change requests it applies to we could then separate out the requests (we would then attach that letter to each of the rule change requests, when we publish them as pending.) It would be helpful to be able to see a draft of this letter, so we could be satisfied it would work if this approach was taking. This would still require separate rule change requests to be attached to the cover letter.

The AEMC makes the decision as to whether the rule change is expedited or fast-tracked as part of our processes. If we want to use the expedited process for a non-controversial rule (eg maybe social licence), it's probably helpful if the rule change request states that you consider it to be non-controversial.

Let me know if you have any further questions. I will send through some points on financeability now too

Thanks

[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Wednesday, 7 December 2022 2:23 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>
Subject: TPIR stage two rule changes [SEC=OFFICIAL]

Hi [REDACTED]

Sorry about the spam today but have a couple more questions:

- Would a package of rule changes for TPIR stage 2 be appropriate (i.e. could we have a single submission that included changes for financeability social licence and feedback loop)?
 - Or because these are disparate issues do they need to be submitted individually?
 - Would you separate them out if we submitted them as a package?

- Are there any benefits / negatives in submitting them as a package vs individually?
- If we submitted them individually but at the same time would the Minister be required to sign every rule change request or just a singular cover letter?
- Do we need to indicate if we would like expedited fast track of full?
 - Or is that the choice of the AEMC?

Cheers

██████████ (he/him)

A/g Manager

Electricity | Transmission Branch | Networks Reform Section
Ngunnawal Country, 51 Allara St, Canberra ACT 2601 Australia
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Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging.

OFFICIAL

From: [REDACTED]
Sent: Friday, January 6, 2023 11:38 AM
To: [REDACTED]; Danielle Beinart
CC: [REDACTED]
Subject: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]
Attachments: Financeability rule change request - DCCEEW (for comment).docx; Social licence rule change request - DCCEEW (for comment).docx

Hi [REDACTED] and Danielle,

Happy new year and I hope you both had a great holiday break.

Please find attached the first drafts of the financeability and social licence rule change requests for AEMC comment.

If you have any questions please feel free to get in touch.

Kind regards,

[REDACTED]

[REDACTED]

A/g Assistant Manager – Networks Reform

Electricity Division | Networks Reforms and Projects |

Gadigal Nation, L18 201 Sussex Street, Sydney 2000

Department of Climate Change, Energy, the Environment and Water

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Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging

OFFICIAL



Australian Government

Department of Climate Change, Energy,
the Environment and Water

Rule Change Proposal

Treatment of financeability for Transmission Network Service
Providers

January 2023

OFFICIAL

OFFICIAL

1. Request to make a Rule

1.1. Name and address of the person making the request

The Honourable Chris Bowen MP
Minister for Climate Change and Energy
Parliament House
Canberra ACT 2600

2. Relevant background

2.1. Energy Ministers Meeting

On 28 October 2022, Energy Ministers agreed that the Commonwealth submit a rule change request to the Australian Energy Market Commission (AEMC) seeking to mitigate the foreseeable risk that financeability concerns may arise for Integrated System Plan (ISP) projects.

2.2. AEMC Transmission Planning and Investment Review

The AEMC established the Transmission Planning and Investment Review (the Review) to ensure that the regulatory framework can support the timely and efficient delivery of major transmission projects, while ensuring investments in these projects are in the long-term interests of consumers.

On 27 October 2022, the AEMC published the Review's Stage 2 Final Report. This Report focused on developing recommendations to manage uncertainty in the near-term. A recommendation in the Stage 2 final report was to address foreseeable financeability issues.

The Commonwealth agrees with the AEMC's final position outlined in Stage 2 of the Review and considers that changing a TNSP's cash flow profile through a net present value (NPV) neutral adjustment to depreciation is an appropriate solution to address financeability issues, should they arise in the future.

3. Statement of Issue

3.1. There is a risk that financeability challenges could arise in relation to actionable ISP projects

This request seeks to introduce greater flexibility in the revenue-setting framework for ISP projects within the National Electricity Rules (NER), to address the risk of financeability issues that may occur for TNSPs challenges.

Financeability refers to the ability of TNSPs to efficiently raise capital to finance their activities. The AEMC in the Stage 2 Final Report of the Review noted that financeability concerns for a TNSP may arise from the way that cash flow is impacted by major investments.¹ Successive ISP iterations will likely see major transmission works moved forward or bunched in a way that creates a risk of financeability issues arising in the future. The Review states:²

¹ Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 8.

² Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 8.

“When a network business invests in a project, it starts receiving a return on the investment based on forecast capital expenditure. The business also starts receiving a return on the investment (depreciation) when the investment is commissioned. The overall allowed revenue from the building block for regulatory depreciation is determined both by the depreciation profile of assets, which typically occurs on a straight-line basis, and an adjustment for inflation indexation. Depending on the financing and capital structure adopted by the TNSP, the resulting cash flow profile may not match financing requirements. For example, in the absence of changes to the business’ capital structure there may be short-term negative impacts to some of the financial metrics that are used to assess the creditworthiness of a business, alongside other factors. The ratio of funds from operations (FFO) to net debt (or FFO/net debt) is one such metric.

Where new transmission projects are being developed with similar characteristics to the existing system, and the RAB has a diversity of assets with different lives, new transmission projects can be absorbed without a significant impact on these financial metrics. Accordingly, in the ordinary course of investing, there is little impact on the ability of a business to attract finance to support its activities. Even significant one-off investments may be absorbed, with appropriate changes to capital structure. Such changes may include shareholders (equity) supporting cash flow in earlier years, and receiving higher cash flow in later years.

Not all stakeholders shared the view that networks can adapt their capital structures to support cash flow in earlier years. Transgrid considered that networks cannot fund major new projects by reducing gearing below the benchmark efficient gearing level assumed in the rate of return instrument (currently 60 percent). Despite maintaining a net debt/RAB of around 90 percent as assessed by Moody’s, Transgrid proposed that financeability should only be assessed assuming the benchmark gearing of 60 percent. The Australian Energy Regulator (AER) has previously pointed to evidence that gearing of network service providers is relatively volatile, suggesting that TNSPs are able to adjust their gearing to meet their financial needs despite the use of a 60 percent benchmark in the rate of return instrument.

It is possible for network businesses to adapt their capital structures in order to be able to efficiently finance investment requirements. In periods of expansion it is likely that networks will need to rely more heavily on finance from equity investors, relative to less capital intensive periods. In practice network companies may be constrained from adapting their capital structures quickly. These constraints are more likely to be tested due to the size, scale and sequencing of ISP projects.”

The Review concluded that the existing revenue framework is not sufficiently flexible to address the financeability challenges that may arise in the future. In particular, while the AER has some flexibility under current arrangements to adjust the profile of regulatory allowances:

- Further clarity is required on how the AER should assess and, if necessary, adjust depreciation profiles for ISP projects to address cash flow concerns.
- Changing a TNSP’s cash flow profile through a net present value neutral adjustment to depreciation is an appropriate solution to address the issue.
- The AER should be given flexibility to address the risk of financeability challenges on a case-by-case basis, having regard to a set of principles specified in the NER.

4. Description of the proposed rule

The proposed financeability rule would amend the NER to implement the rule change recommendations contained in the Review's Stage 2 Final Report, dated 27 October 2022. The proposed amendments, which were prepared by the AEMC and accompanied the Stage 2 Final Report, are attached to this request.

The recommendations of this rule change request are that:

- The AER should have explicit discretion to vary the depreciation profile for an actionable ISP project on a case-by-case basis following a request for amendment from a TNSP.
 - This is to support the capacity of TNSPs to finance efficient capital expenditure associated with such major projects. It is proposed that a TNSP can make an application to amend the depreciation profile for a specific project no earlier than six months prior to the contingent project application (CPA) and no later than four months prior to CPA lodgement.
- The rules should include a set of principles to guide the AER's approach when determining to amend the depreciation profile for a specific actionable ISP project.

The proposed amendments would promote the timely and efficient delivery of ISP projects by introducing greater flexibility into the revenue-setting framework; to mitigate the foreseeable risk that financeability concerns may arise in the future.

4.1. AER explicit discretion to vary the depreciation profile

The AER should have more flexibility to vary depreciation for actionable ISP projects if financeability issues arise. The majority of stakeholders engaged in the Review that considered financeability issues may arise in the future supported varying depreciation as the appropriate solution to these challenges.

The review concluded:

"...it is important to ensure that the AER has sufficient flexibility to address the risk of financeability challenges on a case-by-case basis, including the ability to shape cash flows for specific projects in a manner that is appropriate to compensate a business for its efficient costs over time, as well as incentivise timely and efficient new transmission investment. Further, the Commission considers it is important that the overall regulatory framework is flexible enough to address financeability issues if they arise, regardless of whether concessional financing is available or not."³

This rule change request and draft rule seeks to:

- Allow the TNSP for an actionable ISP project to request the AER to vary the depreciation profile for the project. The request would be made when the TNSP submits the CPA (proposed cl 6A.6.3(d) and (e)).

³ Australian Energy Market Commission, *Transmission Planning and Investment Review Stage 2 final report*, Sydney, 27 October 2022, p. 10.

- Allow the TNSP to request the AER to develop and publish an issues paper that provides an indication of the AER's thinking on the proposed depreciation change. The request would be made between 6 to 4 months before submission of the CPA, and the issues paper would be published within 2 months of receiving the request (unless the AER requires additional information from the TNSP, in which case the time limit would be extended by the period of time it takes the TNSP to provide the additional information) (proposed cl 6A.6.3(h)-(l)).
- Require a revenue proposal to include the TNSP's nominated depreciation schedules and information about whether or not the relevant assets form part of an actionable ISP project (proposed amendments to cl S6A.1.3(7)).
- Insert relevant definitions into Ch 10 of the NER.

4.2. The AER's approach to assessing requests to vary depreciation should be based on a set of principles in the rules and supported by guidance

The AER should have regard to a set of guiding principles in developing its approach and assessing requests to amend depreciation, in relation to a specific actionable ISP project.

The rule change request and associated draft rule seek amendments to the NER to insert a set of principles to guide the AER's approach when considering such requests (proposed cl 6A.6.3(f)).

The three principles the AER should be required to have regard to are:

Principle 1: The relative consumer benefits from the provision of network services over time (the inter-generational equity principle).

Principle 2: The capacity of the TNSP to efficiently finance its overall regulatory asset base, including efficient capital expenditure (which focuses on the capacity to finance a project at the network business level, rather than at the project level).

Principle 3: Any other factors the AER considers relevant, having regard to Principles 1 and 2.

The proposed NER amendments also seek to empower the AER to prepare guidelines relating to the making and determination of such requests (proposed cl 6A.6.3(g)).

4.2.1 Principle 1

Principle 1 requires the AER to consider whether the impact of varying depreciation on the benefits/costs borne by present or future customers is appropriate. Accelerating depreciation in the early years of an investment, and slowing it down in later years, would have an intergenerational impact on customers.

The Review concluded:⁴

"...the appropriate way of assessing inter-generational equity trade-offs is from the perspective of overall consumer benefits. A shift in depreciation will be net present value neutral from the perspective of the TNSP. This means that consumers overall will pay the same over the life of the asset. Near-term consumers will pay a larger share than later consumers, but in this in turn allows the project to proceed. If shifting of the depreciation profile allows the project to proceed in a timely manner then these consumer benefits from

⁴ Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 10.

the delivery of the project can be unlocked. We expect the AER will have regard to this perspective when assessing requests to amend depreciation profiles.”

4.2.2 Principle 2

When setting the revenue TNSPs can recover from their customers, the AER has regard to the network business as a whole rather than individual projects.⁵

The Review notes that the core parts of the regulatory framework reflect this focus. For example, the allowed rate of return is set for regulated network service providers and not individual projects.⁶ The revenue and pricing principles also make it clear that it is the “regulated network service provider” that “should be provided with a reasonable opportunity to recover at least efficient costs”.⁷

As stated in the Review:⁸

“...some stakeholders have challenged the existing frameworks and questioned the appropriateness of assessing financeability at the network business level. Transgrid argued that ISP projects must on a stand-alone basis have cash-flows which support a BBB+ credit rating, assuming a 60:40 debt to equity ratio. Transgrid proposed that the likely credit rating should be assessed by testing forecast project cash-flows against Moody’s quantitative financial metrics and any project that fails this test would be considered to have a financeability problem.

The Commission considers that introducing a financeability or commercial viability test as suggested by Transgrid would be unlikely to promote the long-term interests of consumers in all cases. In particular, adopting specific metrics as the sole measure of businesses’ financeability may not be appropriate. Moody’s and other credit rating agencies combine an assessment of both qualitative and quantitative metrics to arrive at an overall rating. For example, while FFO/Net Debt is a key factor considered by Moody’s, it is not appropriate for an assessment of financeability to rely so strongly on a single metric. Such an approach would also present the key issue of how an appropriate threshold for this credit metric should be determined. Further, there are a range of company-specific factors that contribute to credit ratings and credit metric thresholds, such as how a company has structured their balance sheet and the risks associated with non-regulated revenues. These factors may lead to a narrowly defined approach to assessing financeability producing unintended consequences.

A more targeted approach to considering financeability, only where this is raised by a business with respect to a specific actionable ISP project, would be more appropriate given the issue is likely only to arise in limited circumstances.

The Commission considers it appropriate that the AER will consider the capacity to finance the ISP investment at the network business level and not at the project level. As part of this assessment, consideration should also be given to how an investment in a particular project

⁵ NER clause 6A.1.1

⁶ AER (2018), Rate of Return instrument

⁷ Clause 7A(2) of the NEL.

⁸ Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 13.

may impact the overall position of the business (including in relation to financial metrics) and where the TNSP will sit after the inclusion of the project.”

4.2.3 Principle 3

Principle 3 aids the intent to ensure the regulatory framework has a proportionate and flexible mechanism for addressing financeability concerns if they arise. Sufficient flexibility can be achieved by providing the AER with an appropriate level of discretion to incorporate other relevant factors into their assessment of a request to accelerate depreciation.

Principle 3 will enable the AER to factor in a broader range of factors that may impact its assessment or decision for a particular project. This is necessary, given that Principles 1 and 2 are not exhaustive.

5. How the proposed rule will address the issue

Including flexibility within the revenue setting framework to address the risk that financeability challenges may occur will assist in ensuring actionable ISP projects progress in a timely manner, as they will allow TNSPs to effectively finance the projects.

These recommendations will assist in alleviating financeability concerns in the near-term as:

- The AER will be able to make decisions to vary depreciation based on the depreciation principles in the NER as soon as the rule is made, which can then be supplemented with more detailed information in a guidance note.
- Under the new framework TNSPs will be able to submit a request for accelerated depreciation prior to the CPA stage to facilitate investment certainty.

The amendments outlined above will help to ensure that critical transmission infrastructure can be delivered on time.

6. How the proposed rule will or is likely to contribute to the achievement of the National Electricity Objective

The National Electricity Objective (NEO), as set out in section 7 of the National Electricity Law, is:

“to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:

- (a) price, quality, safety, reliability and security of supply of electricity; and
- (b) the reliability, safety and security of the national electricity system.”

The relevant aspect of the NEO, with respect to this rule change request, is the promotion of efficient investment in, and efficient operation and use of, electricity services for the long-term interests of consumers of electricity with respect to price, quality, safety, reliability and security of the supply of electricity.

The proposed amendments advance the NEO in the following ways:

- Empowering the AER to vary the depreciation profile for actionable ISP projects is a flexible solution that addresses financeability challenges that may arise in the future.
 - Making the power explicit provides certainty for TNSPs as to how future financeability issues will be addressed.

- Adjusting the rate of depreciation is more appropriate and proportionate for addressing short-term impacts for specific projects than changing the rate of return (which would affect all network businesses and is therefore more appropriate for addressing systemic changes in costs or risks for all businesses).
- Allowing the AER to exercise the power on a case-by-case basis enables the AER to shape cash flows for specific projects in a manner that is appropriate to compensate a business for its efficient costs over time, as well as incentivise timely and efficient new transmission investment.
- Inserting a set of principles that the AER must have regard to when exercising the power:
 - Provides certainty for TNSPs, by providing them with better information to develop their project plans and funding arrangements ahead of the AER's decision.
 - Enables the reform to be implemented more rapidly (than if the AER were first required to formulate guidance about how it will exercise the power).
- The proposed inter-generational principle protects consumers, by requiring the AER to consider the inter-generational equity of a depreciation change, including by balancing the increased costs borne by near-term consumers with the benefits of projects proceeding in a timely manner.
- The principle that capacity to finance the ISP project should be assessed at the network business level rather than the project level promotes economic efficiency by providing TNSPs with a reasonable opportunity to recover at least their efficient costs, and is consistent with the regulatory approach to setting revenues.
- The principle that the AER may also consider any other relevant factor promotes flexibility.
- Allowing a TNSP to submit an initial (pre-CPA) request to the AER to develop an issues paper dealing with the depreciation change promotes economic efficiency, by providing TNSPs with information to make efficient and timely investment decisions. It also provides transparency around the AER's decision-making.

7. Expected costs, benefits and impacts of the proposed rule

7.1. Expected benefits

The proposed financeability amendments provide a flexible solution to address potential future financeability issues that could threaten the timely delivery of major transmission projects.

These amendments assist in ensuring that through the timely delivery of transmission infrastructure consumers will experience minimised prices, preventing the delay of major transmission infrastructure is costly for consumers.

7.2. Expected costs

Accelerating depreciation will not increase the total costs borne by consumers over the life of an asset but can shift more of the burden to near-term consumers. This cost, however, will be balanced against the benefits of timely delivery of major projects.

Otherwise, there are not any material costs for TNSPs, consumers or NEM participants of the proposed amendments.

7.3. Impacts of the change on those likely to be affected.

The intent of this rule change request is to introduce greater flexibility in the revenue setting framework to address the risk of financeability challenges for ISP projects.

TNSPs will be impacted by:

- Being able to apply to receive a varied depreciation profile through the life of an asset to finance efficient capital expenditure associated with such major projects.
- Requesting the AER to develop and publish an issues paper that provides an indication of the AER's thinking on the proposed depreciation change.

Consumers will be impacted by:

- The total costs borne over the life of the asset shifting to burden near-term consumers, though as noted this will be balanced.
- Minimising costs by ensuring the timely delivery of transmission infrastructure.

The reform will also impact the AER through:

- Requirements to follow the principles for assessment outlined in the NER,
- Conducting analysis to vary the depreciation profile for an actionable ISP project on a case-by-case basis.



Australian Government

Department of Climate Change, Energy,
the Environment and Water

Rule Change Proposal

Social licence rule change request

January 2023

OFFICIAL

OFFICIAL

1. Request to make a Rule

1.1. Name and address of the person making the request

The Honourable Chris Bowen MP
Minister for Climate Change and Energy
Parliament House
Canberra ACT 2600

2. Relevant background

2.1. Energy Ministers Meeting

On 28 October 2022, Energy Ministers noted that the Australian Energy Market Commission (AEMC) was investigating options regarding a potential proponent for the social licence rule change request.

Following discussions between the Commonwealth and AEMC, it was determined that the Commonwealth would submit a rule change request and associated draft rule to implement the AEMC's recommended social license reforms.

2.2. AEMC Transmission Planning and Investment Review

On 27 October 2022, the AEMC published the Stage 2 Final Report of the Transmission Planning and Investment Review (the Review). Stage 2 of the Review focused on near term solutions and reducing uncertainty, including recommendations to provide greater clarity around social licence outcomes in the national framework.

The AEMC established the Review to consider how to ensure that the regulatory framework supports the timely and efficient delivery of major transmission projects, while ensuring investment in these projects are in the long-term interests of consumers.

2.3. Social licence jurisdictional working group

Jurisdictional governments and other key bodies, including the Australian Energy Infrastructure Commissioner (AEIC), have assisted in the work to identify key issues and promote best practice actions that will support Transmission Network Service Providers (TNSPs) and communities to work together to deliver critical major transmission projects for the benefit of all consumers in the National Electricity Market (NEM).

3. Statement of Issue

3.1. Transmission Network Service Providers, local communities and other stakeholders affected by major transmission projects are critical partners in the delivery of those projects

Social licence, for these purposes, refers to the activities undertaken by TNSPs to build and maintain broad community acceptance of major transmission projects. This rule change request seeks to improve social licence outcomes by expanding the definitions of 'preparatory activities' and 'interested party' in the National Electricity Rules (NER). It is also seeking to enshrine a set of community engagement expectations in the NER for which TNSPs must comply.

The NER provides for many opportunities for stakeholders to engage in the planning stages of transmission projects, though it is unclear where TNSP led engagement and consultation with local communities is most valuable.

Inconsistencies in engagement of TNSPs with the community often results in failure to obtain a 'social licence', risking timely and efficient delivery of transmission projects. Effective engagement ensures issues around transmission route selection are identified and managed early before key decisions are made, and that more accurate costs are reflected in the overall cost assessment of a project.

The Review, acknowledged that:

- TNSPs, local communities and other stakeholders affected by major transmission projects are critical partners in the delivery of those projects.
- Building and maintaining trust between stakeholders is critical if TNSPs are to deliver projects efficiently and on time.

"Local communities and other stakeholders affected by a major transmission project" include; local councils, local community members and other relevant community stakeholders wishing to express their views about the development of a major transmission project.

The Review also recognised that:

- The National Electricity Rules (NER) provides many opportunities for community stakeholders to engage in the planning and regulatory processes, but does not explicitly recognise the value of early engagement with these stakeholders in the national planning process for major projects, other than for Renewable Energy Zones (REZs).
- There is misalignment in and between the NER and the Australian Energy Regulator's (AER) various guidelines regarding whether and when TNSPs should engage with stakeholders.

The Review recommended that the NER be amended to ensure that expectations on TNSPs to engage and consult local communities and other affected stakeholders at key points in the planning process are consistent for all major transmission projects.

4. Description of the proposed rule

The proposed rule would amend the NER to implement the rule change recommendations contained in the Review's - Stage 2 Final Report. The proposed amendments, which were prepared by the AEMC and accompanied the Stage 2 Final Report, are attached to this request.

The proposed amendments will promote the timely and efficient delivery of Integrated System Plan (ISP) projects by ensuring expectations on TNSPs to engage and consult local communities and other affected stakeholders at key points in the planning process are consistent for all ISP projects.

The proposed amendments will:

- Expand the definition of 'preparatory activities' to include engagement and consultation with local councils, local community members, members of the public and any other relevant stakeholders wishing to express their views (proposed cl 5.10.2(e)).
- Expand the definition of 'interested party' as it applies to the existing RIT-T consultation procedures for actionable ISP projects to include local councils, local community members,

members of the public and any other relevant stakeholders wishing to express their views about the development of the project (proposed cl 5.15.1(b)).

- Require TNSPs to comply with a set of 'community engagement expectations' (that are comparable to the existing expectations placed on jurisdictional planning bodies for REZs) when preparing a RIT-T for an actionable ISP project and engaging with local communities and other stakeholders as part of preparatory activities for future and actionable ISP projects (proposed cl 5.10.2, cl 5.16A.4(r), 5.24.1(e)).

5. How the proposed rule will address the issue

The proposed rule amendments will clarify the expectations on TNSPs to engage with and consult local communities at key points in the planning process for major transmission projects preventing the previously noted issues from occurring.

The proposed rule aims to address issues where communities believe a major transmission project will cause disruption or other negative impacts, by ensuring the NER provides sufficient guidance and clarity on the engagement required to build and maintain social licence.

The proposed rule change will enable TNSP's to better articulate the benefits for major transmission project construction.

6. How the proposed rule will or is likely to contribute to the achievement of the National Electricity Objective

The National Electricity Objective (NEO), as set out in section 7 of the National Electricity Law, is:

"to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:

- (a) price, quality, safety, reliability and security of supply of electricity; and
- (b) the reliability, safety and security of the national electricity system."

The relevant aspect of the NEO for present purposes is the promotion of efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to price, quality, safety, reliability and security of the supply of electricity.

The proposed social licence amendments advance the NEO in the following ways:

- Providing clear guidance that increases transparency around when engagement with local communities should be occurring, and who should be consulted, supports efficient and robust decision-making by TNSPs, which in turn will support the efficient and timely delivery of major transmission projects. It also increases transparency and reduces uncertainty for local communities and other affected stakeholders around when they can first expect to be contacted by TNSPs.
- Making the requirements consistent for all major transmission projects removes confusion and thereby supports efficient decision-making by TNSPs.

7. Expected costs, benefits and impacts of the proposed rule

7.1. Expected benefits

The greater clarity around social licence activities is likely to assist TNSPs in earning the trust of communities putting them in a stronger position to deliver major transmission projects on time and within budget. This enhanced community trust also provides TNSPs with more flexibility to innovate, creating benefits for all stakeholders including both TNSPs and consumers.

As noted in the Review:

Meaningful, early, high quality engagement with local communities and other stakeholders has several benefits including:

- Improves stakeholder and community understanding of the costs and risks of a major transmission project.
- Facilitates understanding of any community concerns, including around route selection by affected stakeholders, which can inform the identification and management of risk.
- Provides opportunities to identify and assess whether project options (including credible options for assessment in the RIT-T) are likely to be able to be delivered in time to meet the need, particularly where there are community concerns.
- Provides opportunities for the preferred option to be designed with the benefit of local community input.
- Provides TNSPs with opportunities to address or manage concerns raised and demonstrate to communities how it has taken their concerns and feedback into account.

7.2. Expected costs

The proposed amendments are not expected to impose any significant new costs on TNSPs or consumers.

The costs associated with this rule change request mostly relate to the existing costs for TNSPs associated with engaging in social licence activities.

7.3. Impacts of the change on those likely to be affected.

TNSPs social licence activities will be impacted by the expanded definitions of 'preparatory activities' and 'interested party'. Additionally, TNSPs will be impacted by now needing to comply with a set of 'community engagement expectations' that will be enshrined in the NER.

Local communities and other stakeholders affected by a major transmission project will be impacted through the updated engagements they will partake in with TNSPs as part of the expanded definitions and expectations in the NER.

From: [REDACTED]
Sent: Monday, January 9, 2023 12:07 PM
To: [REDACTED] Danielle Beinart
CC: [REDACTED]
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED]

Happy New Year to you too.

Thanks for sending through the financeability and social licence rule change request through for comment. We are going through them now and I have sent them onto our legal team for their feedback.

We are aiming to get you our comments in the second half of this week. Let me know if there are any concerns with this timeframe.

Thanks
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Friday, 6 January 2023 11:38 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>
Subject: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED] and Danielle,

Happy new year and I hope you both had a great holiday break.

Please find attached the first drafts of the financeability and social licence rule change requests for AEMC comment.

If you have any questions please feel free to get in touch.

Kind regards,
[REDACTED]
[REDACTED]

A/g Assistant Manager – Networks Reform

Electricity Division | Networks Reforms and Projects |
Gadigal Nation, L18 201 Sussex Street, Sydney 2000
Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging

OFFICIAL

From: [REDACTED]
Sent: Wednesday, January 11, 2023 5:38 PM
To: [REDACTED] Danielle Beinart
CC: [REDACTED]
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]
Attachments: Financeability rule change request - DCCEEW AEMC comments.docx

Hi [REDACTED]

I hope you are well.

Attached is some feedback on the financeability rule change request. Thank you for sending it through to us for our feedback. I will send through the social licence one later tonight/tomorrow.

The suggested changes/comments mainly relate to providing additional context for those not familiar with the issue, and to clarify some of the key components of the proposed rule. E.g. applies to actionable ISP projects and that the rule change request would enable variations to the depreciation schedule (it may be accelerated depreciation, it may be something different). Please let me know if you have any questions.

I am going on leave until 23 January, if you have any questions about any of the comments please reach out to Danielle and [REDACTED] [REDACTED] has kindly offered to assist with the rule change request while I am on leave. Could you please also cc me on any emails.

Kind regards,
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Friday, 6 January 2023 11:38 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>
Subject: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED] and [REDACTED]

Happy new year and I hope you both had a great holiday break.

Please find attached the first drafts of the financeability and social licence rule change requests for AEMC comment.

If you have any questions please feel free to get in touch.

Kind regards,
[REDACTED]
[REDACTED]

A/g Assistant Manager – Networks Reform

Electricity Division | Networks Reforms and Projects |
Gadigal Nation, L18 201 Sussex Street, Sydney 2000
Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

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OFFICIAL



Australian Government
Department of Climate Change, Energy,
the Environment and Water

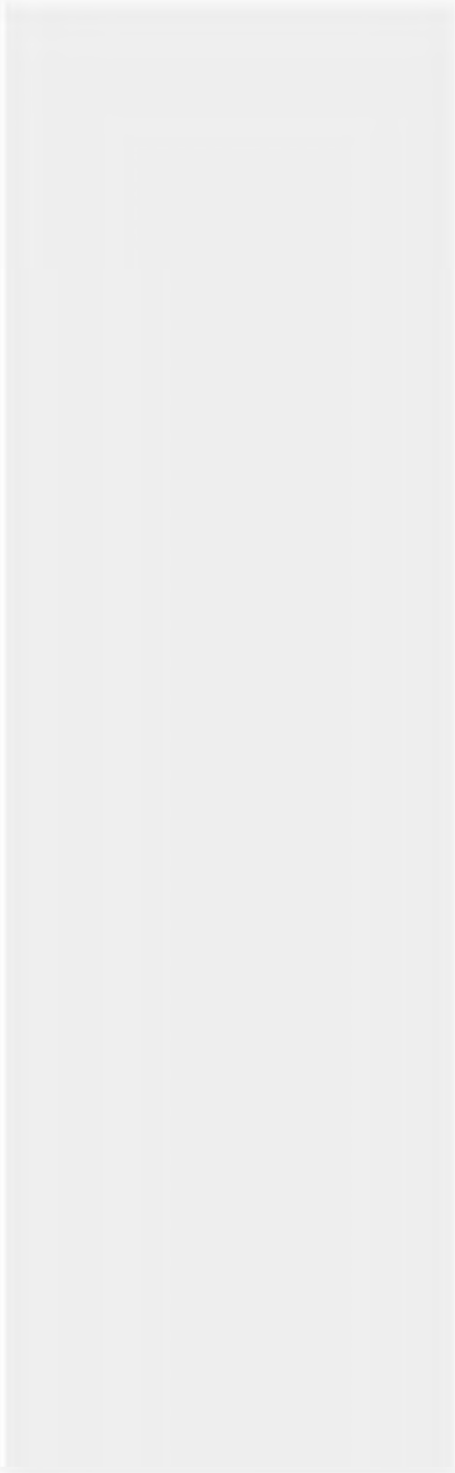
Rule Change Proposal

Treatment of financeability for Transmission Network Service
Providers

January 2023

DRAFT

OFFICIAL



OFFICIAL**1. Request to make a Rule****1.1. Name and address of the person making the request**

The Honourable Chris Bowen MP
Minister for Climate Change and Energy
Parliament House
Canberra ACT 2600

2. Relevant background**2.1. Energy Ministers Meeting**

On 28 October 2022, Energy Ministers agreed that the Commonwealth submit a rule change request to the Australian Energy Market Commission (AEMC) seeking to mitigate the foreseeable risk that financeability concerns may arise for Integrated System Plan (ISP) projects.

2.2. AEMC Transmission Planning and Investment Review

The AEMC established the Transmission Planning and Investment Review (the Review) to ensure that the regulatory framework can support the timely and efficient delivery of major transmission projects, while ensuring investments in these projects are in the long-term interests of consumers.

On 27 October 2022, the AEMC published the Review's Stage 2 Final Report. This Report focused on developing recommendations to manage uncertainty in the near-term. A recommendation in the Stage 2 final report was to address foreseeable financeability issues.

The Commonwealth agrees with the AEMC's final position outlined in Stage 2 of the Review and considers that changing a TNSP's cash flow profile through a net present value (NPV) neutral adjustment to depreciation is an appropriate solution to address financeability issues, should they arise in the future.

3. Statement of Issue**3.1. There is a risk that financeability challenges could arise in relation to actionable ISP projects**

This request seeks to introduce greater flexibility in the revenue-setting framework for actionable ISP projects within the National Electricity Rules (NER), to address the risk of financeability issues that may occur for TNSPs ~~challenges~~.

Financeability refers to the ability of TNSPs to efficiently raise capital to finance their activities. The AEMC in the Stage 2 Final Report of the Review noted that financeability concerns for a TNSP may arise from the way that cash flow is impacted by major investments.¹ Successive ISP iterations will likely see major transmission works moved forward or bunched in a way that creates a risk of financeability issues arising in the future. The Review states:²

¹ Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 8.

² Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 8.

Commented [REDACTED]
1/10/2023 10:32:00 AM
Suggest removing some of this and putting into own words/providing a bit more context for when it may become an issue

"When a network business invests in a project, it starts receiving a return on the investment based on forecast capital expenditure. The business also starts receiving a return on the investment (depreciation) when the investment is commissioned. The overall allowed revenue from the building block for regulatory depreciation is determined both by the depreciation profile of assets, which typically occurs on a straight-line basis, and an adjustment for inflation indexation. Depending on the financing and capital structure adopted by the TNSP, the resulting cash flow profile may not match financing requirements. For example, in the absence of changes to the business' capital structure there may be short-term negative impacts to some of the financial metrics that are used to assess the creditworthiness of a business, alongside other factors. The ratio of funds from operations (FFO) to net debt (or FFO/net debt) is one such metric."

Where new transmission projects are being developed with similar characteristics to the existing system, and the RAB has a diversity of assets with different lives, new transmission projects can be absorbed without a significant impact on these financial metrics. Accordingly, in the ordinary course of investing, there is little impact on the ability of a business to attract finance to support its activities. Even significant one-off investments may be absorbed, with appropriate changes to capital structure. Such changes may include shareholders (equity) supporting cash flow in earlier years, and receiving higher cash flow in later years.

~~Not all stakeholders shared the view that networks can adapt their capital structures to support cash flow in earlier years. Transgrid considered that networks cannot fund major new projects by reducing gearing below the benchmark efficient gearing level assumed in the rate of return instrument (currently 60 percent). Despite maintaining a net debt/RAB of around 90 percent as assessed by Moody's, Transgrid proposed that financeability should only be assessed assuming the benchmark gearing of 60 percent. The Australian Energy Regulator (AER) has previously pointed to evidence that gearing of network service providers is relatively volatile, suggesting that TNSPs are able to adjust their gearing to meet their financial needs despite the use of a 60 percent benchmark in the rate of return instrument.~~

It is possible for network businesses to adapt their capital structures in order to be able to efficiently finance investment requirements. In periods of expansion it is likely that networks will need to rely more heavily on finance from equity investors, relative to less capital intensive periods. In practice network companies may be constrained from adapting their capital structures quickly. These constraints are more likely to be tested due to the size, scale and sequencing of ISP projects."

~~The AEMC found that financeability issues could arise in the future where successive ISP projects could result in a large amount of new investment relative to the existing RAB~~

~~The Review concluded Commonwealth agrees that the existing revenue framework is not sufficiently flexible to address the financeability challenges that may arise in the future. In particular, while the AER has some flexibility under current arrangements to adjust the profile of regulatory allowances:~~

Commented [REDACTED]
1/10/2023 7:07:00 AM
Spell out RAB?

Commented [REDACTED]
1/10/2023 7:09:00 AM
Suggest removing this and inserting when financeability can become an issue

Commented [REDACTED]
1/10/2023 7:15:00 AM
successive ISP iterations could see major transmission works moved forward or bunched in a way that creates a risk of financeability issues arising in the future. If TNSPs are unable to adapt their capital structures sufficiently quickly this could place pressure on cash-flows and by extension credit metrics.

Commented [REDACTED]
1/10/2023 4:34:00 PM
Need to add a paragraph to explain where financeability may become an issue as the preceding paragraphs don't detail when it becomes a problem.

Commented [REDACTED]
1/10/2023 7:46:00 AM
Suggest rewording to remove the review.

- Further clarity is required on how the AER should assess and, if necessary, adjust depreciation profiles for ISP projects to address cash flow concerns.
- Changing a TNSP's cash flow profile through a net present value neutral adjustment to depreciation is an appropriate solution to address the issue.
- The AER should be given flexibility to address the risk of financeability challenges on a case-by-case basis, having regard to a set of principles specified in the NER.

4. Description of the proposed rule

The proposed financeability rule would amend the NER to implement the rule change recommendations contained in the Review's Stage 2 Final Report, dated 27 October 2022. The proposed amendments, which were prepared by the AEMC and accompanied the Stage 2 Final Report, are attached to this request.

The recommendations of this [review rule change request are, which the Commonwealth proposes are adopted](#) were that:

- The AER should have explicit discretion to vary the depreciation profile for an actionable ISP project on a case-by-case basis following a request for amendment from a TNSP.
 - This is to support the capacity of TNSPs to finance efficient capital expenditure associated with such major projects. It is proposed that a TNSP can make an application to amend the depreciation profile for a specific project no earlier than six months prior to the contingent project application (CPA) and no later than four months prior to CPA lodgement.
- The rules should include a set of principles to guide the AER's approach when determining to amend the depreciation profile for a specific actionable ISP project.

The proposed amendments would promote the timely and efficient delivery of ISP projects by introducing greater flexibility into the revenue-setting framework; to mitigate the foreseeable risk that financeability concerns may arise in the future.

This [rule change request seeks to implement these recommendations](#).

4.1.-AER explicit discretion to vary the depreciation profile

The AER should have more flexibility to vary depreciation for actionable ISP projects if financeability issues arise. The majority of stakeholders engaged in the Review that considered financeability issues may arise in the future supported varying depreciation as the appropriate solution to these challenges.

The review concluded:

"...it is important to ensure that the AER has sufficient flexibility to address the risk of financeability challenges on a case-by-case basis, including the ability to shape cash flows for specific projects in a manner that is appropriate to compensate a business for its efficient costs over time, as well as incentivise timely and efficient new transmission investment. Further, the Commission considers it is important that the overall regulatory framework is

flexible enough to address financeability issues if they arise, regardless of whether concessional financing is available or not.”³

This rule change request and proposed draft rule seeks to:

- Allow the TNSP for an actionable ISP project to request the AER to vary the depreciation profile for the project. The request for the AER to vary the depreciation profile for the project would be made when the TNSP submits the CPA (proposed cl 6A.6.3(d) and (e)).
- Allow the TNSP to request the AER to develop and publish an issues paper that provides an indication of the AER’s thinking on the proposed depreciation change. The request would be made between 6 to 4 months before submission of the CPA, and the issues paper would be published within 2 months of receiving the request (unless the AER requires additional information from the TNSP, in which case the time limit would be extended by the period of time it takes the TNSP to provide the additional information) (proposed cl 6A.6.3(h)-(l)).
- Require a revenue proposal to include the TNSP’s nominated depreciation schedules and information about whether ~~or not~~ the relevant assets form part of an actionable ISP project (proposed amendments to cl 6A.1.3(7)).
- Insert relevant definitions into Ch 10 of the NER.
-

4.2. The AER’s approach to assessing requests to vary depreciation should be guided by based on a set of principles in the rules and supported by guidance

The AER should have regard to a set of guiding principles in developing its approach and assessing requests to amend depreciation, in relation to a specific actionable ISP project.

The rule change request and associated proposed draft rule seek amendments to the NER to insert a set of principles to guide the AER’s in developing its approach and assessing requests to amended depreciation request in relation to specific actionable ISP projects when considering such requests (proposed cl 6A.6.3(f)). The three principles the AER should must be required to have regard to are:

Principle 1: The relative consumer benefits from the provision of network services over time (the inter-generational equity principle).

Principle 2: The capacity of the TNSP to efficiently finance its overall regulatory asset base, including efficient capital expenditure (which focuses on the capacity to finance a project at the network business level, rather than at the project level).

Principle 3: Any other factors the AER considers relevant, having regard to Principles 1 and 2.

The proposed NER amendments also seek to empower allow the AER to prepare develop guidelines relating to the making and determination of such requests including the approach the AER proposes to use, the information the AER requires for the purpose of that determination and the information the AER requires for developing and publishing the issues paper (proposed

Commented

1/9/2023 5:16:00 PM

Where varying the depreciation profile meets certain principles designed to ensure that varying depreciation profiles would meet the NEO

³ Australian Energy Market Commission, *Transmission Planning and Investment Review Stage 2 final report*, Sydney, 27 October 2022, p. 10.

cl 6A.6.3(g)) which the TNSP would have regard to when making a request for depreciation to be varied for an actionable ISP project.

4.2.1 Principle 1

Principle 1 requires the AER to consider whether the impact of varying depreciation on the benefits/costs borne by present ~~or~~ and future customers is appropriate. If variations are made to depreciation, for example by Accelerating depreciation in the early years of an investment, and slowing it down in later years, ~~the~~would have an intergenerational impact on customers should be considered.

It is The Review the AEMC concluded:⁴

“...the appropriate way of assessing inter-generational equity trade-offs is from the perspective of overall consumer benefits. A shift in depreciation will be net present value neutral from the perspective of the TNSP. This means that consumers overall will pay the same over the life of the asset. Near-term consumers will pay a larger share than later consumers, but in this in turn allows the project to proceed. If shifting of the depreciation profile allows the project to proceed in a timely manner then these consumer benefits from the delivery of the project can be unlocked. We expect the AER will have regard to this perspective when assessing requests to amend depreciation profiles.”

4.2.2 Principle 2

When setting the revenue TNSPs can recover from their customers, the AER should heaves regard to the network business as a whole (the regulated network service provider) rather than individual projects.⁵

The Review notes that the core parts of the regulatory framework reflect this focus. For example, the allowed rate of return is set for regulated network services providers and not individual projects.⁶ The revenue and pricing principles also make it clear that it is the “regulated network service provider” that “should be provided with a reasonable opportunity to recover at least efficient costs”.⁷

As stated in the Review:⁸

“...some stakeholders have challenged the existing frameworks and questioned the appropriateness of assessing financeability at the network business level. Transgrid argued that ISP projects must on a stand-alone basis have cash-flows which support a BBB+ credit rating, assuming a 60:40 debt to equity ratio. Transgrid proposed that the likely credit rating should be assessed by testing forecast project cash-flows against Moody’s quantitative financial metrics and any project that fails this test would be considered to have a financeability problem.

Commented

1/11/2023 12:57:00 PM

Consider whether the first two paragraphs are needed.

⁴ Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 10.

⁵ NER clause 6A.1.1

⁶ AER (2018), Rate of Return instrument

⁷ Clause 7A(2) of the NEL

⁸ Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 13.

The Commission considers that introducing a financeability or commercial viability test as suggested by Transgrid would be unlikely to promote the long-term interests of consumers in all cases. In particular, adopting specific metrics as the sole measure of businesses' financeability may not be appropriate. Moody's and other credit rating agencies combine an assessment of both qualitative and quantitative metrics to arrive at an overall rating. For example, while FFO/Net Debt is a key factor considered by Moody's, it is not appropriate for an assessment of financeability to rely so strongly on a single metric. Such an approach would also present the key issue of how an appropriate threshold for this credit metric should be determined. Further, there are a range of company-specific factors that contribute to credit ratings and credit metric thresholds, such as how a company has structured their balance sheet and the risks associated with non-regulated revenues. These factors may lead to a narrowly defined approach to assessing financeability producing unintended consequences.

A more targeted approach to considering financeability, only where this is raised by a business with respect to a specific actionable ISP project, would be more appropriate given the issue is likely only to arise in limited circumstances.

The Commission considers it appropriate that the AER will consider the capacity to finance the ISP investment at the network business level and not at the project level. As part of this assessment, consideration should also be given to how an investment in a particular project may impact the overall position of the business (including in relation to financial metrics) and where the TNSP will sit after the inclusion of the project."

4.2.3 Principle 3

Principle 3 aids the intent to ensure that the regulatory framework has a proportionate and flexible mechanism for addressing financeability concerns if they arise. Sufficient flexibility can be achieved by providing the AER with an appropriate level of discretion to incorporate other relevant factors into their assessment of a request to accelerate depreciation.

Principle 3 will enable the AER to factor in a broader range of factors that may impact its assessment or decision for a particular project. This is necessary, given that Principles 1 and 2 are not exhaustive.

5. How the proposed rule will address the issue

Including flexibility within the revenue setting framework to address the risk that financeability challenges may occur will assist in ensuring actionable ISP projects progressing in a timely manner, as they will aid in allowing TNSPs to effectively finance the projects.

These recommendations will assist in alleviating financeability concerns in the near-term as:

- The AER will be able to make decisions to vary depreciation based on the depreciation principles in the NER as soon as the rule is made, which can then be supplemented with more detailed information in a guidance note guidelines.
- Under the new framework TNSPs will be able to submit a request for accelerated depreciation prior to the CPA stage to facilitate investment certainty.

The amendments outlined above will should help to ensure timely investment decisions to enable that critical transmission infrastructure can be delivered on time.

6. How the proposed rule will or is likely to contribute to the achievement of the National Electricity Objective

The National Electricity Objective (NEO), as set out in section 7 of the National Electricity Law, is:

“to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:

- (a) price, quality, safety, reliability and security of supply of electricity; and
- (b) the reliability, safety and security of the national electricity system.”

The relevant aspect of the NEO, with respect to this rule change request, is the promotion of efficient investment in, ~~and efficient operation and use of,~~ electricity services for the long-term interests of consumers of electricity with respect to price, quality, safety, reliability and security of the supply of electricity.

Timely and efficient investment in actionable ISP projects is required to ensure reliability and security of the supply of electricity, and to reduce impacts to price as the electricity system transitions to net zero.

The proposed amendments advance the NEO in the following ways:

- Empowering the AER to vary the depreciation profile for actionable ISP projects is a flexible solution that addresses financeability challenges that may arise in the future.
 - Making the power explicit provides certainty for TNSPs as to how future financeability issues will be addressed.
 - Adjusting the rate of depreciation is more appropriate and proportionate for addressing short-term impacts for specific projects than changing the rate of ~~return (which would affect all network businesses and is therefore more appropriate for addressing systemic changes in costs or risks for all businesses).~~
 - Allowing the AER to exercise the power on a case-by-case basis enables the AER to shape cash flows for specific projects in a manner that is appropriate to compensate a business for its efficient costs over time, as well as incentivise timely and efficient new transmission investment.
- Inserting a set of principles that the AER must have regard to when exercising the power:
 - Provides certainty for TNSPs, by providing them with better information to develop their project plans and funding arrangements ahead of the AER's decision.
 - Enables the reform to be implemented more rapidly (than if the AER were first required to formulate guidance about how it will exercise the power).
- The proposed inter-generational principle ~~acts as a consumer protection~~ protects consumers, by requiring the AER to consider the inter-generational equity of a depreciation change, including by balancing the increased costs borne by near-term consumers with the benefits of projects proceeding in a timely manner.
- The principle that capacity to finance the ISP project should be assessed at the regulated network business level rather than the project level promotes economic efficiency by providing TNSPs with a reasonable opportunity to recover at least their efficient costs, and is consistent with the regulatory approach to setting revenues.

Commented [REDACTED]
1/11/2023 3:10:00 PM
Financeability is focused on investment

- The principle that the AER may also consider any other relevant factor promotes flexibility and enables relevant issues that may arise in the future to be considered.
- Introducing the ability for ~~Allowing~~ a TNSP to submit an initial (pre-CPA) request to the AER to develop an issues paper dealing with the depreciation change promotes economic efficiency, by providing TNSPs with information to make efficient and timely investment decisions. It also provides transparency around the AER's decision-making.

7. Expected costs, benefits and impacts of the proposed rule

7.1. Expected benefits

The proposed financeability amendments provide a flexible solution to address potential future financeability issues that could threaten the timely delivery of major transmission projects.

These amendments assist in ensuring that through the timely delivery of transmission infrastructure consumers will experience minimised prices, preventing the delay of major transmission infrastructure is costly for consumers.

7.2. Expected costs

Varying depreciation profiles for specific actionable ISP projects ~~Accelerating depreciation~~ will not increase the total costs borne by consumers over the life of an asset. If the variation results in an acceleration of depreciation it ~~but can~~ could shift more of the burden to near-term consumers. ~~This cost,~~ however the principles would required this to be, ~~will be~~ balanced against the benefits of timely delivery of major projects and the corresponding impact on price, reliability and security.

There will be administrative and compliance costs associated with the proposed rule, however, this are not expected to be material. The proposed rule would only require an assessment if requested by the TNSP, not for every actionable ISP project which reduces administrative burdens for the AER, TNSPs and consumers. ~~Otherwise, there are not any material costs for TNSPs, consumers or NEM participants of the proposed amendments.~~

7.3. Impacts of the change on those likely to be affected

The intent of this rule change request is to introduce greater flexibility in the revenue setting framework to enable the AER to address the risk of financeability challenges for actionable ISP projects and improve the timeliness of investment decisions for these projects.

The timely investment in and delivery of actionable ISP projects is key in the transition to net zero.

TNSPs will be impacted by:

- Being able to apply to receive a varied depreciation profile through the life of an asset to finance efficient capital expenditure associated with such major projects.
- Requesting the AER to develop and publish an issues paper that provides an indication of the AER's thinking on the proposed depreciation change.

Consumers ~~will~~ may be impacted by:

- The total costs borne over the life of the asset will shifting which could increase the ~~the~~ burden to near-term consumers, however, the principles in the rules will require the AER to explicitly consider whether more timely investment decisions off set this cost shifting.

Commented [REDACTED]
1/11/2023 5:28:00 PM
Added in admin and compliance costs

Commented [REDACTED]
1/11/2023 3:28:00 PM
I have added this in here to also highlight this is an important outcome

- Minimising costs by ensuring the timely delivery of transmission infrastructure by reducing barriers to TNSPs investment decisions.

The reform will also impact the AER through:

- Requirements to follow the principles for assessment outlined in the NER,
- Conducting analysis to vary the depreciation profile for an actionable ISP project on a case-by-case basis
- Potential development of guidelines.

From: [REDACTED]
Sent: Wednesday, January 11, 2023 9:23 PM
To: [REDACTED] Danielle Beinart
CC: [REDACTED]
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]
Attachments: Social licence rule change request - DCCEEW AEMC comments.docx

Hi [REDACTED]

Thanks for the update. We will factor that into our timeframes.

I have attached some feedback on the social licence rule change request, the markups I have made are similar to those made for financeability.

Let me know if you have any questions or would like to talk them through in more detail.

Kind regards,
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Wednesday, 11 January 2023 5:43 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED]

[REDACTED] has requested that we circulate these two rule change requests to states for input. States will not be required to sign off on final submission but the input alone will possibly blow out our timeframes a little (hopefully not too much).

Cheers
[REDACTED]

From: [REDACTED] [mailto:[REDACTED]@aemc.gov.au]
Sent: Wednesday, 11 January 2023 5:38 PM
To: [REDACTED] <[REDACTED]@industry.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

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The suggested changes/comments mainly relate to providing additional context for those not familiar with the issue, and to clarify some of the key components of the proposed rule. E.g. applies to actionable ISP projects and that the rule change request would enable variations to the depreciation schedule (it may be accelerated depreciation, it may be something different). Please let me know if you have any questions.

I am going on leave until 23 January, if you have any questions about any of the comments please reach out to Danielle and [REDACTED] [REDACTED] has kindly offered to assist with the rule change request while I am on leave. Could you please also cc me on any emails.

Kind regards,

[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Friday, 6 January 2023 11:38 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>
Subject: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED] and Danielle,

Happy new year and I hope you both had a great holiday break.

Please find attached the first drafts of the financeability and social licence rule change requests for AEMC comment.

If you have any questions please feel free to get in touch.

Kind regards,

[REDACTED]

[REDACTED]

A/g Assistant Manager – Networks Reform

Electricity Division | Networks Reforms and Projects |

Gadigal Nation, L18 201 Sussex Street, Sydney 2000

Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

[DCCEEW.gov.au](https://www.dcceew.gov.au) ABN 63 573 932 849

Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging

OFFICIAL



Australian Government
Department of Climate Change, Energy,
the Environment and Water

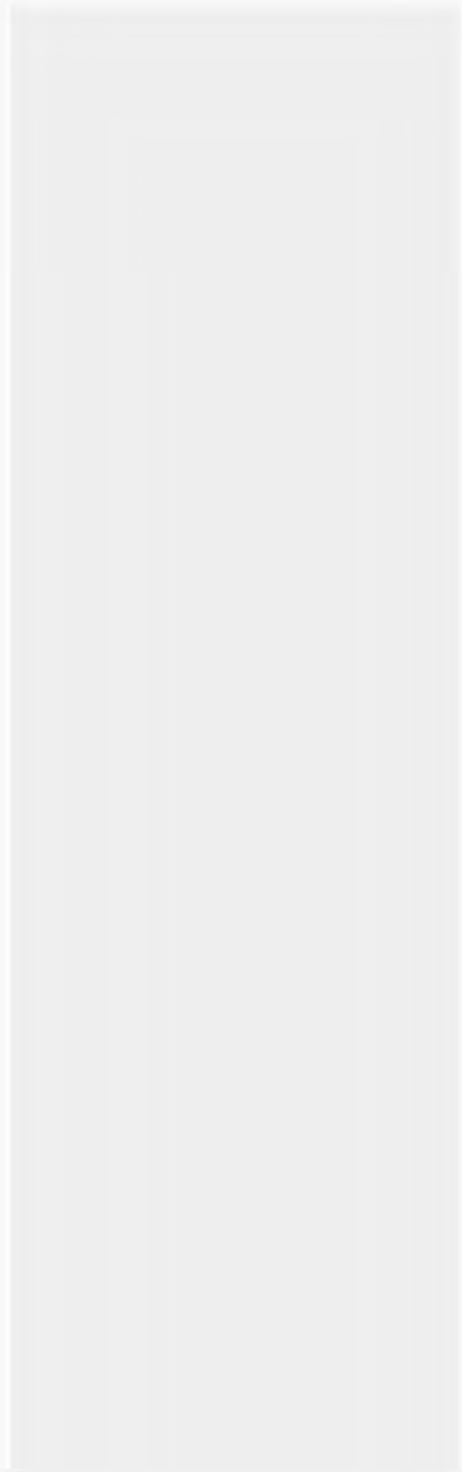
Rule Change Proposal

Social licence rule change request

January 2023

DRAFT

OFFICIAL



OFFICIAL**1. Request to make a Rule****1.1. Name and address of the person making the request**

The Honourable Chris Bowen MP
Minister for Climate Change and Energy
Parliament House
Canberra ACT 2600

2. Relevant background**2.1. Energy Ministers Meeting**

On 28 October 2022, Energy Ministers noted that the Australian Energy Market Commission (AEMC) was investigating options regarding a potential proponent for the social licence rule change request.

Following discussions between the Commonwealth and AEMC, it was determined that the Commonwealth would submit a rule change request and associated draft rule to implement the AEMC's recommended social licence reforms.

The Commonwealth considers this rule change request to be non-controversial.

2.2. AEMC Transmission Planning and Investment Review

On 27 October 2022, the AEMC published the Stage 2 Final Report of the Transmission Planning and Investment Review (the Review). Stage 2 of the Review focused on near term solutions and reducing uncertainty, including recommendations to provide greater clarity around social licence outcomes in the national framework.

The AEMC established the Review to consider how to ensure that the regulatory framework supports the timely and efficient delivery of major transmission projects, while ensuring investment in these projects are in the long-term interests of consumers.

2.3. Social licence jurisdictional working group

Jurisdictional governments and other key bodies, including the Australian Energy Infrastructure Commissioner (AEIC), have assisted in the work to identify key issues and promote best practice actions that will support Transmission Network Service Providers (TNSPs) and communities to work together to deliver critical major transmission projects for the benefit of all consumers in the National Electricity Market (NEM).

3. Statement of Issue**3.1. Clarifying expectations around Transmission Network Service Providers engagement with local communities and other stakeholders affected by major transmission projects are critical partners in the delivery of these projects would assist in obtaining and maintaining social licence**

Social licence, for these purposes, refers to the activities undertaken by TNSPs to build and maintain broad community acceptance of major transmission projects. Obtaining and maintaining social licence is a significant issue that can have a major impact on the timely and efficient delivery of major transmission projects.

This rule change request seeks to improve social licence outcomes by expanding the definitions of 'preparatory activities' and 'interested party' in the National Electricity Rules (NER) to include local communities and other stakeholder affected by major transmission projects. It is also seeking to enshrine a set of community engagement expectations in the NER for which TNSPs must comply.

The NER provides for many opportunities for stakeholders to engage in the planning stages of transmission projects, though it is unclear where TNSP led engagement and consultation with local communities is most valuable.

~~Inconsistencies in~~ engagement of TNSPs with the community ~~often can~~ results in failure to obtain a 'social licence', risking timely and efficient delivery of transmission projects. Effective engagement ensures issues around transmission route selection are identified and managed early before key decisions are made, and that more accurate costs are reflected in the overall cost assessment of a project. Currently, there are inconsistency in the rule in relation to requirements for TNSPs to engage with local communities and other affected stakeholders at key points in the planning process for major transmission projects.

The Review, acknowledged that:

- TNSPs, local communities and other stakeholders affected by major transmission projects are critical partners in the delivery of those projects.
- Building and maintaining trust between stakeholders is critical if TNSPs are to deliver projects efficiently and on time.

"Local communities and other stakeholders affected by a major transmission project" include; local councils, local community members and other relevant community stakeholders wishing to express their views about the development of a major transmission project.

The Review also recognised that:

- The National Electricity Rules (NER) provides many opportunities for community stakeholders to engage in the planning and regulatory processes, but does not explicitly recognise the value of early engagement with these stakeholders in the national planning process for major projects, other than for Renewable Energy Zones (REZs).
- There is misalignment in and between the NER and the Australian Energy Regulator's (AER) various guidelines regarding whether and when TNSPs should engage with stakeholders.

The AEMC's Review recommended that the NER be amended to ensure that expectations on TNSPs to engage and consult local communities and other affected stakeholders at key points in the planning process are consistent and clear for all major transmission projects. There is currently misalignment in and between the Rules and the Australian Energy Regulator's (AER) various guidelines around engagement with this cohort of stakeholders.

4. Description of the proposed rule

The proposed rule would amend the NER to implement the rule change recommendations contained in the Review's - Stage 2 Final Report. The proposed amendments, which were prepared by the AEMC and accompanied the Stage 2 Final Report, are attached to this request.

The proposed amendments will promote the timely and efficient delivery of Integrated System Plan (ISP) projects by ensuring expectations on TNSPs to engage and consult local communities and other affected stakeholders at key points in the planning process are clear and consistent for all ISP projects.

The proposed amendments will:

- Expand the definition of 'preparatory activities' to include engagement and consultation with local councils, local community members, members of the public and any other relevant stakeholders wishing to express their views (proposed cl 5.10.2(e)).
- Expand the definition of 'interested party' as it applies to the existing RIT-T consultation procedures for actionable ISP projects to include local councils, local community members, members of the public and any other relevant stakeholders wishing to express their views about the development of the project (proposed cl 5.15.1(b)).
- Require TNSPs to comply with a set of 'community engagement expectations' (that are comparable to the existing expectations placed on jurisdictional planning bodies for REZs) when preparing a RIT-T for an actionable ISP project and engaging with local communities and other stakeholders as part of preparatory activities for future and actionable ISP projects (proposed cl 5.10.2, cl 5.16A.4(r), 5.24.1(e)).

The proposed amendments will provide clarity and certainty around engagement expectations for these parties and will remove misalignment in and between the Rules and the AER's various guidelines around engagement with this cohort of stakeholders.

5. How the proposed rule will address the issue

The proposed rule amendments will clarify the expectations on TNSPs to engage with and consult local communities at key points in the planning process for major transmission projects preventing the previously noted issues from occurring which will assist in improving social licence outcomes for these projects.

The proposed rule aims to address issues where communities believe a major transmission project will cause disruption or other negative impacts, by ensuring the NER provides sufficient guidance and clarity on the engagement required to build and maintain social licence.

The proposed rule change will enable-set clearer expectations for TNSPs and communities and require TNSP's to better articulate the benefits and costs for major transmission project construction to these critical parties.

6. How the proposed rule will or is likely to contribute to the achievement of the National Electricity Objective

The National Electricity Objective (NEO), as set out in section 7 of the National Electricity Law, is:

"to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:

- (a) price, quality, safety, reliability and security of supply of electricity; and

(b) the reliability, safety and security of the national electricity system.”

The relevant aspect of the NEO for present purposes is the promotion of efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to price, quality, safety, reliability and security of the supply of electricity.

The proposed social licence amendments advance the NEO in the following ways:

- Providing clear guidance that increases transparency around when engagement with local communities should be occurring, and who should be consulted, supports efficient and robust decision-making by TNSPs by, which in turn will support the efficient and timely delivery of major transmission projects. It also increases transparency for affected parties alongside additional guidance from the AER and reduces uncertainty for local communities and other affected stakeholders around when they can first expect to be contacted by TNSPs and what ongoing engagement they can expect.
- Making the requirements consistent for all major transmission projects removes confusion around engagement expectations for the TNSPs, the AER, local communities and other affected stakeholders and thereby supports efficient decision-making by TNSPs and improves regulatory certainty.

7. Expected costs, benefits and impacts of the proposed rule

7.1. Expected benefits

The greater clarity around social licence activities is likely to assist TNSPs in earning the trust of communities by providing clearer cases for major transmission projects and clearly articulating the benefits. This will put TNSPs putting them in a stronger position to deliver major transmission projects on time and within budget as communities will be more likely to accept the project.

Increased engagement with communities and This enhanced community trust may also provides TNSPs with more flexibility to innovate, and improved identification and management of key project risks creating benefits for all stakeholders including both TNSPs and consumers.

As noted in the Review:

Meaningful, early, high quality engagement with local communities and other stakeholders has several benefits including:

- Improves stakeholder and community understanding of the costs and risks of a major transmission project.
- Facilitates understanding of any community concerns, including around route selection by affected stakeholders, which can inform the identification and management of risk.
- Provides opportunities to identify and assess whether project options (including credible options for assessment in the RIT-T) are likely to be able to be delivered in time to meet the need, particularly where there are community concerns.
- Provides opportunities for the preferred option to be designed with the benefit of local community input.

Commented [REDACTED]
1/11/2023 7:58:00 PM
Investment is key for social licence

- Provides TNSPs with opportunities to address or manage concerns raised and demonstrate to communities how it has taken their concerns and feedback into account.
- The proposed rule should also assist in providing cost recovery certainty and improved transparency and clarity around engagement expectations for TNSPs, the AER and local communities.

7.2. Expected costs

The proposed amendments are not expected to impose any significant new costs on TNSPs or consumers.

It is understood that many TNSPs are already engaging with local communities. Any additional costs in engagement should be offset by improved timeliness of delivery of major projects. The costs associated with this rule change request mostly relate to the existing costs for TNSPs associated with engaging in social licence activities.

7.3. Impacts of the change on those likely to be affected.

TNSPs social licence activities will may be impacted by the expanded definitions of 'preparatory activities' and 'interested party'. Additionally, TNSPs will be impacted by now needing to comply with a set of 'community engagement expectations' that will be enshrined in the NER.

Local communities and other stakeholders affected by a major transmission project will be positively impacted through the updated engagements they will partake in with TNSPs as part of the expanded definitions and expectations in the NER.

The rule change will provide clarity and certainty for the AER around expectations on TNSPs on engaging with these parties when developing associated guidance and when assessing efficiency of TNSPs costs.

From: [REDACTED]
Sent: Tuesday, January 17, 2023 3:17 PM
To: Danielle Beinart
CC: [REDACTED]
Subject: Re: Happy new year and check-in on rule changes [Official]

Thanks Danielle / [REDACTED]
Teams is preferred here.

Sent from my iPhone

On 17 Jan 2023, at 3:09 pm, Danielle Beinart <Danielle.Beinart@aemc.gov.au> wrote:

Hi [REDACTED]

Thanks for getting back to me – Friday sounds good.

I've cc'ed [REDACTED] who will send through an invite on Friday outside of the times you mention below.

Can you please remind us if you prefer Teams or Zoom?

Cheers
Danielle

From: [REDACTED]@transgrid.com.au>
Sent: Tuesday, 17 January 2023 2:53 PM
To: Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Subject: RE: Happy new year and check-in on rule changes [Official]

Hi Danielle
Happy new year to you too!
Luckily [REDACTED] was back for a week on the 6th so I wasn't straight into the deep end!
Keen to chat – I can't this afternoon but can later in the week. I'm free on Friday except for 10-11 and 3-4.
Cheers,
[REDACTED]

Data Classification: *Official*

From: Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Sent: Tuesday, 17 January 2023 10:58 AM

To: [REDACTED]@transgrid.com.au>
Subject: FW: Happy new year and check-in on rule changes

Hi [REDACTED]

Happy new year – hope you had an opportunity for a break with [REDACTED] on leave!

Are you available for a quick chat either this afternoon or later this week (probably Friday) on TPIR rule changes. In particular [REDACTED] and I were discussing a possible feedback loop rule change.

Thanks and cheers
Danielle

From: Danielle Beinart
Sent: Tuesday, 17 January 2023 10:55 AM
To: [REDACTED]@transgrid.com.au>
Subject: Happy new year and check-in on rule changes

Hi [REDACTED]

Happy new year - I hope you had a great break.

I'm not sure if you're back at work but thought I'd try you to see if you have time for a chat this afternoon? Anytime from 3pm would work for me. Otherwise later this week?

Cheers
Danielle

Danielle Beinart | Executive General Manager
Australian Energy Market Commission
[REDACTED]
[REDACTED]
danielle.beinart@aemc.gov.au | www.aemc.gov.au

Assistant: [REDACTED]@aemc.gov.au

Level 15, 60 Castlereagh St, Sydney NSW 2000

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From: [REDACTED]
Sent: Wednesday, January 25, 2023 9:40 AM
To: [REDACTED]
Subject: RE: TPIR Stage 2 contact [SEC=OFFICIAL]

Hi [REDACTED]

I have the Market Bodies Advisory Group for the Transmission review from 12:30-2pm on Monday. The rest of my Monday is relative free excluding 3:30-4pm.

Does your area report through to Kris Funston? He is the AER's representative at that group.

Wednesday morning I have a gap from 9:30-10am, and then not again until 2-3pm or 4-5pm.

Thursday is also quite free if that works for the AER?

Thanks
[REDACTED]

From: [REDACTED] <[REDACTED]@aer.gov.au>
Sent: Wednesday, 25 January 2023 9:07 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: TPIR Stage 2 contact [SEC=OFFICIAL]

OFFICIAL

Hi [REDACTED]

Thank you. It looks like everyone on this end is free next Monday between 12 and 2pm (AEDT), so that would be ideal. Otherwise Wednesday morning looks pretty clear as well.

Kind regards,

[REDACTED]

Assistant Director | Network Pricing | Modelling

Australian Energy Regulator

Please note: I don't work Fridays.

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Tuesday, 24 January 2023 4:43 PM
To: [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: TPIR Stage 2 contact [SEC=OFFICIAL]

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Hi [REDACTED]

I'm looking after the potential rule changes from the Transmission planning and investment review at the moment. Happy to discuss the upcoming financeability rule change and indicative timeframes with you. The rule change will most likely go via a standard rule change process.

Did you want to send through some times that work for the AER early next week?

Thanks

[REDACTED]
Senior Adviser
Australian Energy Market Commission
D [REDACTED] | T [REDACTED]
[REDACTED] [@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au) | www.aemc.gov.au

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From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Tuesday, 24 January 2023 4:05 PM
To: [REDACTED] <[REDACTED]@aer.gov.au>
Cc: [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: TPIR Stage 2 contact [SEC=OFFICIAL]

Oh yes, sorry [REDACTED] I have reached out to [REDACTED] who will be in touch with you.

Kind regards,

[REDACTED]
Dr [REDACTED] Senior Adviser
Australian Energy Market Commission
T [REDACTED]
[REDACTED] [@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au) | www.aemc.gov.au

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From: [REDACTED] <[REDACTED]@aer.gov.au>
Sent: Tuesday, 24 January 2023 4:04 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: TPIR Stage 2 contact [SEC=OFFICIAL]

OFFICIAL

Hi [REDACTED]

Was this supposed to be forwarded to a colleague to respond rather than a reply to me?

[REDACTED]
Assistant Director | Network Pricing | Modelling

Australian Energy Regulator

Please note: I don't work Fridays.

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Tuesday, 24 January 2023 2:58 PM
To: [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: TPIR Stage 2 contact [SEC=OFFICIAL]

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Happy for you to respond 😊

Dr [REDACTED] Senior Adviser
Australian Energy Market Commission

T [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

Level 15, 60 Castlereagh St, Sydney NSW 2000

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From: [REDACTED] <[REDACTED]@aer.gov.au>
Sent: Tuesday, 24 January 2023 3:53 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: TPIR Stage 2 contact [SEC=OFFICIAL]

OFFICIAL

Hi [REDACTED]

I'm contacting you as you are listed as the contact for the Transmission Planning and Investment Review project.

I'm are doing some preparatory work on an expected Rule change proposal that might be coming as a result of the Stage 2 report on financeability. My Director and GM are keen to set up a meeting with the relevant staff at AEMC to discuss possible timelines and options around any Rule change process.

Are you able to assist me in finding the right people to get in contact with (if not you) so we can find a time to chat, possibly early next week?

Kind regards,

[REDACTED]

Assistant Director | Networks Pricing | Modelling

Australian Energy Regulator

Level 24 | 32 Turbut St, Brisbane, Qld 4000

T: [REDACTED] | E: [REDACTED]@aer.gov.au

Please note: I don't work Fridays.

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From: [REDACTED]
Sent: Thursday, February 2, 2023 6:09 PM
To: [REDACTED] Danielle Beinart
CC: [REDACTED]
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED],

Thank you for confirming the substance of the financeability rule change request adopts the AEMC recommendations. That will help us in preparing in advance of receiving the rule change request.

Have a great evening
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Thursday, 2 February 2023 2:06 PM
To: [REDACTED]@aemc.gov.au; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED]@industry.gov.au; [REDACTED]@aemc.gov.au;
[REDACTED]@aemc.gov.au
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED],

No problem. Yes, we're happy to touch base with the AER to confirm the timings for submission of the rule change requests.

Regarding the substance of the financeability rule change request, it adopts the final recommendations of the TPIR Stage 2 final report and the proposed draft rule amendments.

The only changes to the version shared with you in January have been incorporating minor edits suggested by the CEFC and yourself.

Kind regards,
[REDACTED]

From: [REDACTED]@aemc.gov.au
Sent: Thursday, 2 February 2023 1:36 PM
To: [REDACTED]@industry.gov.au; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED]@industry.gov.au; [REDACTED]@aemc.gov.au;
[REDACTED]@aemc.gov.au
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED]

Thanks for the update on the timeframes. That is really helpful for us. The AER has also reached out to talk about timeframes to determine when it will need to commence the update process for its guidelines. Are you ok with me letting them know it will likely be towards the end of the month/early next month?

Does it look like the rule change request will remain largely the same as the version we saw, i.e. based on our recommendations and proposed rules in the Stage 2 final report?

Kind regards
[REDACTED]

From: [REDACTED]@industry.gov.au>
Sent: Thursday, 2 February 2023 10:51 AM
To: [REDACTED]@aemc.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED]@industry.gov.au>; [REDACTED]@aemc.gov.au>
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED],

Thanks for your email and I hope you're well.

We are currently working through internal clearance for the financeability and social licence rule change requests.

Both rule change requests will be sent to jurisdictions for comment by early next week. 17 February is the indicative deadline for jurisdictions to provide comment.

Subject to the comments we receive from jurisdictions, we will endeavour to send the package to the Minister during the week beginning 20 February.

Once we have circulated the draft rule change requests to jurisdictions for comment, we will send through the current versions to you.

We are happy to discuss this further if you have any questions.

Kind regards,
[REDACTED]

From: [REDACTED]@aemc.gov.au>
Sent: Wednesday, 1 February 2023 10:16 AM
To: [REDACTED]@industry.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED]@industry.gov.au>; [REDACTED]@aemc.gov.au>
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED] and [REDACTED]

I hope you are well. We are working through resourcing again at the moment, and I was wondering if you could provide us with an update on the financeability rule change and on the social licence rule change. Have these gone to jurisdictions for comment and is there any indicative timeframe we can work towards?

For financeability, would we be able to see the version that went to jurisdictions, or the latest version if you are not expecting too many changes to the overall approach? This will allow us to prepare in the background so we can commence the rule change more quickly once it is received.

Happy to set up a call to chat if that would be easiest.

Kind regards,
[REDACTED]

From: [REDACTED]
Sent: Wednesday, 11 January 2023 5:38 PM
To: [REDACTED] <[REDACTED]@industry.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED]

I hope you are well.

Attached is some feedback on the financeability rule change request. Thank you for sending it through to us for our feedback. I will send through the social licence one later tonight/tomorrow.

The suggested changes/comments mainly relate to providing additional context for those not familiar with the issue, and to clarify some of the key components of the proposed rule. E.g. applies to actionable ISP projects and that the rule change request would enable variations to the depreciation schedule (it may be accelerated depreciation, it may be something different). Please let me know if you have any questions.

I am going on leave until 23 January, if you have any questions about any of the comments please reach out to Danielle and Meredith. Meredith has kindly offered to assist with the rule change request while I am on leave. Could you please also cc me on any emails.

Kind regards,
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Friday, 6 January 2023 11:38 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>
Subject: For comment: financeability and social licence rule change requests [SEC=OFFICIAL]

Hi [REDACTED] and Danielle,

Happy new year and I hope you both had a great holiday break.

Please find attached the first drafts of the financeability and social licence rule change requests for AEMC comment.

If you have any questions please feel free to get in touch.

Kind regards,

[REDACTED]

[REDACTED]

A/g Assistant Manager – Networks Reform

Electricity Division | Networks Reforms and Projects |

Gadigal Nation, L18 201 Sussex Street, Sydney 2000

Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging

OFFICIAL

<[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>;
[REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>;
[REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED]
<[REDACTED]@industry.gov.au>

Subject: Monthly AEMC-DCCEEW catch up

Good morning all

I am looking for to our meeting this afternoon,

The draft agenda for the meeting is:

1. Rule changes (DCCEEW and AEMC)
 - a. Concessional finance
 - b. Financeability
 - c. Social Licence
2. TPIR Stage 3 update on component 2 of the economic assessment process (AEMC)
[REDACTED]
4. Update on Rewiring the Nation and TETP (DCCEEW)

Please let me know if there is anything you would like to add to the agenda.

Kind regards,

[REDACTED]

[REDACTED]

Australian Energy Market Commission

D [REDACTED] | T [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

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From: [REDACTED]
Sent: Tuesday, February 14, 2023 3:14 PM
To: [REDACTED]
CC: [REDACTED]
Subject: RE: Catch up re financeability - depreciation - application to construction [SEC=OFFICIAL]

Thanks [REDACTED]

I will send out an invite. Looking forward to chatting.

Thanks
[REDACTED]

From: [REDACTED]@aer.gov.au>
Sent: Tuesday, 14 February 2023 2:45 PM
To: [REDACTED]@aemc.gov.au>
Cc: [REDACTED]@aer.gov.au>; [REDACTED]@aemc.gov.au>;
[REDACTED]@aemc.gov.au>; [REDACTED]@aer.gov.au>; [REDACTED]
[REDACTED]@aer.gov.au>
Subject: RE: Catch up re financeability - depreciation - application to construction [SEC=OFFICIAL]

OFFICIAL

Hi [REDACTED]

I'm well as I hope you are.

We are free tomorrow at 3 if that works. Please invite [REDACTED]. I think 30 minutes should be long enough.

Kind regards, [REDACTED]

[REDACTED]
Senior Financial Advisor
Australian Energy Regulator
[REDACTED]@aer.gov.au

From: [REDACTED]@aemc.gov.au>
Sent: Tuesday, 14 February 2023 2:35 PM
To: [REDACTED]@aer.gov.au>
Cc: [REDACTED]@aer.gov.au>; [REDACTED]@aemc.gov.au>;
[REDACTED]@aemc.gov.au>
Subject: Catch up re financeability - depreciation - application to construction

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Hi [REDACTED]

I hope you are well.

You may be aware that NSW is asking about depreciation to assist with financeability, and whether depreciation could be brought forward into the construction phase.

It seems that NSW is keen for the rule change request to consider this further. I have spoken to [REDACTED] and DCCEEW today and he is keen to meet with the AEMC and AER to talk through it further.

Would you be free to meet sometime between 2:30-4:30pm tomorrow? Or alternatively I can see if some times on Thursday would work.

For context, we gave reasons why we don't think that depreciation should be brought forward into the construction phase e.g.

- consumers should only start paying for the return of capital when they begin to receive the benefits of the project
- The asset's operational life has not yet started (i.e. the accounting concept of depreciation relates to the useful life of the asset)
- A TNSP will earn a return on capital during construction (i.e. capital financing costs)
- A TNSP may also receive early works CPA costs prior to commissioning.

Kind regards,

[REDACTED]

[REDACTED]

Australian Energy Market Commission

D [REDACTED]

T [REDACTED]

[REDACTED]@aemc.gov.au | www.aemc.gov.au

[Level 15, 60 Castlereagh St, Sydney NSW 2000.](#)

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From: [REDACTED]
Sent: Wednesday, February 15, 2023 5:58 PM
To: [REDACTED]
CC: [REDACTED]; [REDACTED]
Subject: RE: Financeability and Social Licence Rule Change Requests [SEC=OFFICIAL]

Hi [REDACTED]

Thanks for sending these through for additional comments. We will make sure that we get our response to you by Friday 24 February, hopefully earlier.

In the meanwhile if anything else pops up in relation to either rule change request please don't hesitate to reach out.

Thanks
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Tuesday, 14 February 2023 12:20 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: Financeability and Social Licence Rule Change Requests [SEC=OFFICIAL]

Hi [REDACTED]

Please find attached the final drafts of the 'Financeability' and 'Social Licence' rule change requests that were circulated to all jurisdictions for comment on Friday 10 February 2023.

As noted previously, both rule change requests reflect the final recommendations of the TPIR Stage 2 final report.

If you have any additional comments on the two rule change requests, it would be much appreciated if you could please respond with comments by **24 February 2023**.

We are also happy to meet and discuss any comments.

Kind regards,
[REDACTED]

[REDACTED]
A/g Senior Policy Officer

Electricity Division | Networks Reforms and Projects |
Gadigal Nation, L18 201 Sussex Street, Sydney 2000
Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

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OFFICIAL

Subject: Financeability meeting [Sensitive]

Location: Microsoft Teams Meeting

Start: 2/24/2023 4:00 AM

End: 2/24/2023 5:00 AM

Show Time As: Busy

Recurrence: (none)

Meeting Status: Accepted

Organizer: [Redacted]

Required Attendees: [Redacted] Danielle

Beinart: [Redacted] Funston, Kris;
[Redacted]@industry.gov.au); [Redacted]

Attachments: [Redacted]

Hi all,

[Redacted]

Regards

[Redacted]

Hi all,

Thanks for making yourselves available for this meeting on financeability.

Transgrid appreciates the opportunity to present our thoughts on the financeability issue and some options as a way forward at this meeting. I anticipate we will need further discussions to land a preferred path forward, and we can discuss that at the meeting also.

Regards

[Redacted]

Microsoft Teams meeting

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[Click here to join the meeting](#)

Meeting ID: 430 105 714 165

Passcode: 3SeG4z

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transgrid@m.webex.com

Video Conference ID: 136 224 330 7

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Data Classification: *Public*

Data Classification: *Sensitive*

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From: [REDACTED]
Sent: Thursday, February 23, 2023 2:46 PM
To: [REDACTED]
Subject: RE: Proposed financeability meeting [SEC=OFFICIAL] [Public]

She is 😊

From: [REDACTED] <[REDACTED]@transgrid.com.au>
Sent: Thursday, 23 February 2023 11:59 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: Proposed financeability meeting [SEC=OFFICIAL] [Public]

OK, thanks [REDACTED]. So [REDACTED] is the Director on the rule change I assume?

Cheers

[REDACTED]

Data Classification: *Public*

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Thursday, 23 February 2023 11:53 AM
To: [REDACTED] <[REDACTED]@transgrid.com.au>
Subject: RE: Proposed financeability meeting [SEC=OFFICIAL] [Public]

Thanks so much!
I'll make sure everyone gets it.

BTW- [REDACTED] will attend too.
[REDACTED]

From: [REDACTED] <[REDACTED]@transgrid.com.au>
Sent: Thursday, 23 February 2023 11:24 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: Proposed financeability meeting [SEC=OFFICIAL] [Public]

Hi [REDACTED]

Yes, I'm well thanks, thanks for asking.

I just re-sent with [REDACTED] and [REDACTED] added. I also attached a document for people to review ahead of the meeting if they have time, so if you could let people know they have some bedtime reading, that would be great.

Thanks again for your help getting this coordinated, and hope you are well too.

Cheers

[REDACTED]

Data Classification: *Public*

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Thursday, 23 February 2023 8:59 AM
To: [REDACTED] <[REDACTED]@transgrid.com.au>
Subject: RE: Proposed financeability meeting [SEC=OFFICIAL] [Public]

Hey [REDACTED] I hope you're well.

I'm holding the time on Friday for Danielle.

Are you able to add [REDACTED] & [REDACTED] to the invite when you send it through?

[REDACTED] <[REDACTED]@aemc.gov.au>
[REDACTED] <[REDACTED]@aemc.gov.au>

Ta,

[REDACTED]

From: [REDACTED] <[REDACTED]@transgrid.com.au>
Sent: Wednesday, 22 February 2023 1:52 PM
To: Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; Funston, Kris <Kris.Funston@aer.gov.au>
Cc: [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: Proposed financeability meeting [SEC=OFFICIAL] [Public]

OK, thanks all. I'll zap a meeting request through later today.

Cheers

[REDACTED]

Data Classification: *Public*

From: Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Sent: Wednesday, 22 February 2023 1:50 PM
To: [REDACTED] <[REDACTED]@transgrid.com.au>; [REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; Funston, Kris <Kris.Funston@aer.gov.au>
Cc: [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: Proposed financeability meeting [SEC=OFFICIAL] [Public]

Hi [REDACTED]

I can make 3pm-4pm on Friday work. I'll bring along a member of the allocated rule change team.

Thanks
Danielle

From: [REDACTED] <[REDACTED]@transgrid.com.au>
Sent: Wednesday, 22 February 2023 12:18 PM
To: [REDACTED] <[REDACTED]@aer.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; Funston, Kris <Kris.Funston@aer.gov.au>
Cc: [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: Proposed financeability meeting [SEC=OFFICIAL] [Public]

[REDACTED]

Thanks for getting back to me. I think Friday 3pm seems to work for most people. Danielle, does that time work for you also?

Cheers

[REDACTED]

Data Classification: *Public*

From: [REDACTED] <[REDACTED]@aer.gov.au>
Sent: Wednesday, 22 February 2023 12:08 PM
To: [REDACTED] <[REDACTED]@transgrid.com.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; Funston, Kris <Kris.Funston@aer.gov.au>
Cc: [REDACTED] <[REDACTED]@aer.gov.au>
Subject: RE: Proposed financeability meeting [SEC=OFFICIAL]

OFFICIAL

Hi [REDACTED]

Thanks to you and your colleagues for the initial discussion.

We are free from 3 to 4 this Friday for a meeting. Otherwise, we should be able to accommodate a meeting sometime early next week.

Kind regards, [REDACTED]

[REDACTED]
Senior Financial Advisor
Australian Energy Regulator
[REDACTED]@aer.gov.au
[REDACTED]

From: [REDACTED] <[REDACTED]@transgrid.com.au>
Sent: Tuesday, 21 February 2023 12:25 PM
To: Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>;
Funston, Kris <Kris.Funston@aer.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>
Subject: Proposed financeability meeting

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Hi all,

Thanks for the discussions we have all had on getting everyone together for a discussion on financeability.

This email is really to get the ball rolling from a logistics perspective on a meeting - would this Friday, 10.30-midday work for you? After 3pm also works for us on Friday.

Regards

[REDACTED]

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From: [REDACTED]
Sent: Thursday, February 23, 2023 4:42 PM
To: [REDACTED]
CC: [REDACTED]
Subject: RE: Social licence rule change request [SEC=OFFICIAL]
Attachments: DCCEEW - Social licence rule change request - for comment - February 2023
AEMC comments.docx

Hi [REDACTED]

I am well thank you, I hope you are too.

I looked up the provisions you were referring to and checked with legal.

We did not originally look at these clauses in detail, or propose changes as they were outside of the work we were doing on ISP projects. There were consequential changes made as we pulled out part of r.5.24.1.(e) for the 'community engagement expectations definition'. Council and stakeholder engagement is the existing wording in those rules. We don't see any concerns with you suggesting those changes in the rule change request for consistency.

If the Commonwealth does do this it would be helpful if you explain why the further changes are proposed and how it helps to address the issue identified.

Re the definition of interested party being extended to the dispute process clause for RIT-Ts there could be value in adding some sentences in the rule change request.

I have also attached the social licence rule change request, there were only a few minor comments from us. One being that we have added a bit more information on why we think it could be non-controversial.

Please let me know if you have any questions or comments, happy to chat.

Thanks

[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Wednesday, 22 February 2023 5:35 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>
Subject: Social licence rule change request [SEC=OFFICIAL]

Hi [REDACTED]

I hope you're well.

We have started to receive feedback on the social licence rule change request. The due date for feedback on both financeability and social licence is this Friday the 24th of February.

We have received some alternative suggested wording for two of the proposed social licence clauses in the NER:

Proposed wording for r 5.24.1(d)(3)(C):

"the results of any ~~council and stakeholder~~ engagement with local council, local community members, members of the public and any other relevant stakeholders undertaken as part of preparatory activities pursuant to paragraph (b)(2)(i);"

Proposed wording for r 5.24.1(e):

"In undertaking any public consultation pursuant to paragraph (d)(1), seeking written submissions in accordance with paragraph (d)(2) and undertaking the ~~council and stakeholder~~ engagement with local council, local community members, members of the public and any other relevant stakeholders as part of preparatory activities pursuant to paragraph (b)(2)(i)..."

These amendments maintain consistency between these rules and the new definition of preparatory activities (r 5.10.2).

Would the AEMC be comfortable with this new proposed wording? Or is there specific reasoning for the initial wording?

We would also like to please clarify whether the new definition of 'interested party' (r 5.15.1(b)) extends to the dispute process in NER clause 5.16B? If this is the case, we think there may be value in adding some text in the rule change request to clarify this.

If you have any questions please feel free to give me a call, or we are happy to set up some time for a meeting to discuss the above.

Kind regards,

[Redacted]

[Redacted]

A/g Senior Policy Officer

Electricity Division | Networks Reforms and Projects |
Gadigal Nation, L18 201 Sussex Street, Sydney 2000
Department of Climate Change, Energy, the Environment and Water

P [Redacted] | E [Redacted]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

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Australian Government
Department of Climate Change, Energy,
the Environment and Water

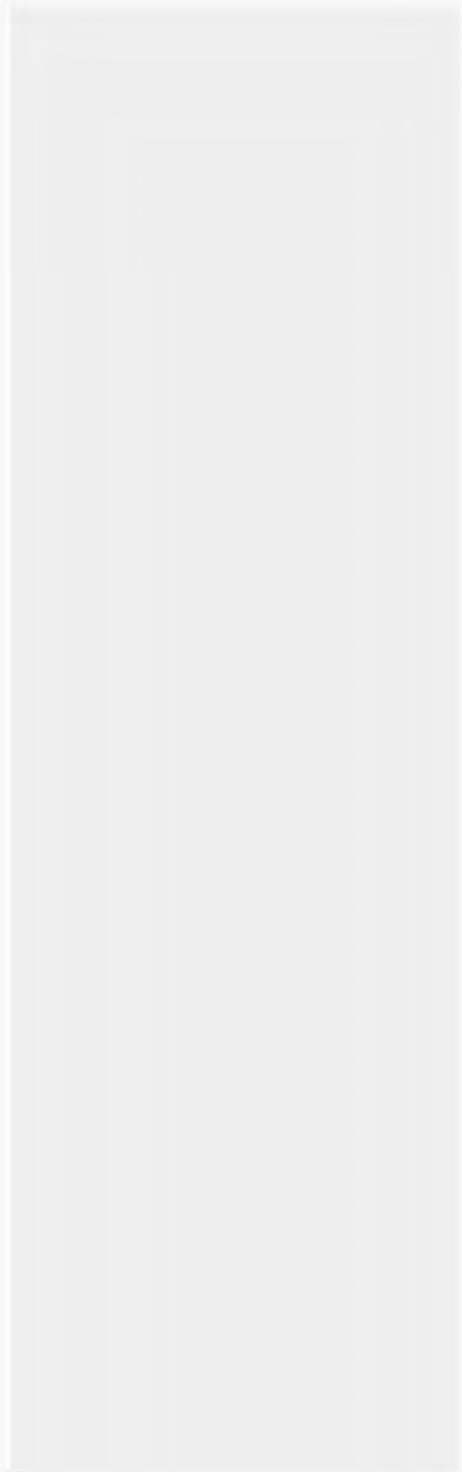
Rule Change Proposal

Social licence rule change request

January 2023

DRAFT

OFFICIAL



OFFICIAL**1. Request to make a Rule****1.1. Name and address of the person making the request**

The Honourable Chris Bowen MP
Minister for Climate Change and Energy
Parliament House
Canberra ACT 2600

2. Relevant background**2.1. Energy Ministers Meeting**

On 28 October 2022, Energy Ministers noted that the Australian Energy Market Commission (AEMC) was investigating options regarding a potential proponent for the social licence rule change request.

Following discussions between the Commonwealth and AEMC, it was determined that the Commonwealth would submit a rule change request and associated draft rule to implement the AEMC's recommended social licence reforms.

The Commonwealth ~~considers this rule change request to be non-controversial~~ requests the AEMC consider this rule change to be a non-controversial rule because it is unlikely to have a significant effect on the wholesale electricity market or the interconnected national electricity system.

2.2. AEMC Transmission Planning and Investment Review

On 27 October 2022, the AEMC published the Stage 2 Final Report of the Transmission Planning and Investment Review (the Review). Stage 2 of the Review focused on near term solutions and reducing uncertainty, including recommendations to provide greater clarity around social licence outcomes in the national framework.

The AEMC established the Review to consider how to ensure that the regulatory framework supports the timely and efficient delivery of major transmission projects, while ensuring investment in these projects are in the long-term interests of consumers.

2.3. Social licence jurisdictional working group

The 'social licence jurisdictional working group' is comprised of jurisdictional governments and other key bodies, including the Australian Energy Infrastructure Commissioner (AEIC). It is currently working through its 2023 forward agenda.

The working group exists to assist in the work to identify key issues and promote best practice social licence principles. Enacting these principles will support Transmission Network Service Providers (TNSPs) and communities to establish mutually beneficial relationships to enable the delivery of critical major transmission projects in a way that is equitable and just.

3. Statement of Issue

3.1. Clarifying expectations around Transmission Network Service Providers engagement with local communities and other stakeholders affected by major transmission projects would assist in obtaining and maintaining social licence

Social licence, for these purposes, refers to the activities undertaken by TNSPs to build and maintain broad community acceptance of the development and operation of, major transmission projects. Obtaining and maintaining social licence is critical to the timely and efficient delivery of major transmission projects.

This rule change request seeks to improve social licence outcomes by expanding the definitions of 'preparatory activities' and 'interested party' in the National Electricity Rules (NER) to include local communities and other stakeholders affected by major transmission projects. It is also seeking to enshrine a set of minimum community engagement expectations in the NER for which TNSPs must comply.

The NER provides for many opportunities for stakeholders to engage in the planning stages of transmission projects, though the Rules are ~~it is~~ unclear on where in the process TNSP led engagement and consultation with local communities is most valuable.

Ineffective community engagement by TNSPs can result in failure to obtain a 'social licence', risking timely and efficient delivery of transmission projects. Effective engagement ensures issues around transmission route selection are identified and managed early before key decisions are made, and that more accurate costs are reflected in the overall cost assessment of a project. Currently, there are inconsistencies in the NER in relation to requirements for TNSPs to engage with local communities and other affected stakeholders at key points in the planning process for major transmission projects.

The Review, acknowledged that:

- TNSPs, local communities and other stakeholders affected by major transmission projects are critical partners in the delivery of those projects.
- Building and maintaining trust between stakeholders is critical if TNSPs are to deliver projects efficiently and on time.

'Local communities and other stakeholders affected by a major transmission project' include; local councils, local community members and other relevant community stakeholders wishing to express their views about the development of a major transmission project.

The Review also recognised that:

- The NER provides many opportunities for community stakeholders to engage in the planning and regulatory processes but does not explicitly recognise the value of early engagement with these stakeholders in the national planning process for major projects, other than for Renewable Energy Zones (REZs).
- There is misalignment in and between the NER and the Australian Energy Regulator's (AER) various guidelines regarding whether and when TNSPs should engage with stakeholders.

The Review recommended that the NER be amended to ensure that expectations on TNSPs to engage and consult local communities and other affected stakeholders at key points in the planning process are consistent and clear for all major transmission projects.

4. Description of the proposed rule

This rule change request seeks to amend the NER to implement the rule change recommendations contained in the Review's Stage 2 Final Report. The proposed amendments, which were prepared by the AEMC and accompanied the Stage 2 Final Report, are attached to this request.

The proposed amendments will promote the timely and efficient delivery of Integrated System Plan (ISP) projects by ensuring the expectations for TNSPs to engage and consult local communities and other affected stakeholders at key points in the planning process are clear and consistent for all ISP projects.

The proposed amendments will:

- Expand the definition of 'preparatory activities' to include engagement and consultation with local councils, local community members, members of the public and any other relevant stakeholders wishing to express their views (proposed cl 5.10.2(e)).
- Expand the definition of 'interested party' as it applies to the existing RIT-T consultation procedures for actionable ISP projects to include local councils, local community members, members of the public and any other relevant stakeholders wishing to express their views about the development of the project (proposed cl 5.15.1(b)).
- Require TNSPs to comply with a set of 'community engagement expectations' (that are comparable to the existing expectations placed on jurisdictional planning bodies for REZs) when preparing a RIT-T for an actionable ISP project and engaging with local communities and other stakeholders as part of preparatory activities for future and actionable ISP projects (proposed cl 5.10.2, cl 5.16A.4(r), 5.24.1(e)).

The proposed amendments will provide clarity and certainty around engagement expectations for these parties and will remove misalignment in and between the NER and the AER's various guidelines around engagement with this cohort of stakeholders.

5. How the proposed rule will address the issue

The proposed rule amendments will clarify the expectations on TNSPs to engage with and consult local communities at key points in the planning process for major transmission projects, which is likely to improve social licence outcomes for these projects.

The proposed rule aims to help address issues where communities believe a major transmission project will cause disruption or other negative impacts, by ensuring the NER provides sufficient guidance and clarity on the information provisions and level of engagement required by TNSPs to build and maintain social licence.

The proposed rule change will [increase transparency and certainty by setting](#) clearer expectations for TNSPs and communities, and require TNSP's to better articulate the benefits and costs for major transmission project construction to these critical parties.

6. How the proposed rule will or is likely to contribute to the achievement of the National Electricity Objective

The National Electricity Objective (NEO), as set out in section 7 of the National Electricity Law, is:

“to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:

- (a) price, quality, safety, reliability and security of supply of electricity; and
- (b) the reliability, safety and security of the national electricity system.”

The relevant aspect of the NEO for present purposes is the promotion of efficient investment in, electricity services for the long term interests of consumers of electricity with respect to price, quality, safety, reliability and security of the supply of electricity.

The proposed social licence amendments advance the NEO through supporting efficient and robust decision-making for all parties. Decision-making will be improved through the provision of clear guidance and increased transparency as to when engagement with local communities will occur, and who will be consulted.

The clear guidance on social licence activities in the NER will help to support the efficient and timely delivery of major transmission projects. This will, alongside additional guidance from the AER, increase transparency for affected parties. An aim of the additional guidance is to reduce uncertainty for local communities and other affected stakeholders with regards to expectations for ongoing engagement and when first contact will be made by TNSPs.

Making social licence activities consistent for all major transmission projects:

- removes confusion around engagement expectations for the TNSPs, the AER, local communities, and other affected stakeholders
- supports efficient decision-making by TNSPs
- improves regulatory certainty.

7. Expected costs, benefits and impacts of the proposed rule

7.1. Expected benefits

Greater clarity on the requirements for social licence activities are likely to assist TNSPs in earning the trust of communities by providing clearer cases for major transmission projects and clearly clearer articulation of the benefits. Community acceptance of the project will put TNSPs in a stronger position to deliver major transmission projects on time and within budget promoting efficient investment.

Increased engagement with communities and enhanced community trust may also provide TNSPs with more flexibility to innovate, and improve the identification and management of project risks, creating benefits for all stakeholders.

As noted in the Review:

“Meaningful, early, high quality engagement with local communities and other stakeholders has several benefits including:

- Improves stakeholder and community understanding of the costs and risks of a major transmission project[s].

Commented

2/20/2023 3:45:00 PM
Is this needed?

- Facilitates understanding of any community concerns, including around route selection by affected stakeholders, which can inform the identification and management of risk.
- Provides opportunities to identify and assess whether project options (including credible options for assessment in the RIT-T) are likely to be able to be delivered in time to meet the need, particularly where there are community concerns.
- Provides opportunities for the preferred option to be designed with the benefit of local community input.
- Provides TNSPs with opportunities to address or manage concerns raised and demonstrate to communities how it has taken their concerns and feedback into account."

In addition, the proposed rule is likely to:

- Help establish relationships between TNSPs and communities, assisting in assuring the longevity of transmission projects.
- Empower communities to identify as active participants in Australia's transition to a net zero economy.

Further, the proposed rule will assist in providing cost recovery certainty for TNSPs for their social licence activities.

7.2. Expected costs

The proposed amendments are not expected to impose any significant new costs on TNSPs or consumers.

It is understood that many TNSPs are already engaging with local communities. The purpose of this rule change request is to ensure there is consistency in the nature, timing and comprehensiveness of this engagement. Any additional costs in engagement should be offset by improved timeliness of delivery of major projects.

7.3. Impacts of the change on those likely to be affected.

TNSPs social licence activities may be impacted by the expanded definitions of 'preparatory activities' and 'interested party'. Additionally, TNSPs will be impacted by ~~now~~ needing to comply with a set of 'community engagement expectations' that will be enshrined in the NER.

Local communities and other stakeholders affected by a major transmission project will be positively impacted through the ~~updated~~ improved engagements they will partake in with TNSPs as part of the expanded definitions and expectations in the NER.

The rule change will provide clarity and certainty for the AER around expectations on TNSPs on engaging with these parties when developing associated guidance and when assessing efficiency of TNSPs costs.

From: [REDACTED]
Sent: Friday, February 24, 2023 4:53 PM
To: [REDACTED]
CC: [REDACTED]; [REDACTED] Danielle Beinart; [REDACTED]; [REDACTED]
Subject: RE: Financeability and Social Licence Rule Change Requests [SEC=OFFICIAL]
Attachments: DCCEEW - Financeability rule change request - AEMC comments 24 February 2023.docx

Hi [REDACTED]

Thank you for sharing your final draft of the Financeability rule change request. Please find attached our comments in response.

Following the meeting today with DCCEEW, Transgrid, the AER and AEMC, we have added a comment noting that we would be happy for your rule change request to mention that alternative options may be considered, such as Transgrid's suggestions for a prescriptive test (vs principles-based) and assessment at the ISP project level (vs regulated business level). This may make it clearer that these alternative options can be explored in the rule change process, and enable the rule change process to commence sooner.

Happy to discuss further in our meeting next week with the AER and yourselves.

Regards
[REDACTED]

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Wednesday, 15 February 2023 5:58 PM
To: [REDACTED] <[REDACTED]@industry.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: Financeability and Social Licence Rule Change Requests [SEC=OFFICIAL]

Hi [REDACTED]

Thanks for sending these through for additional comments. We will make sure that we get our response to you by Friday 24 February, hopefully earlier.

In the meanwhile if anything else pops up in relation to either rule change request please don't hesitate to reach out.

Thanks
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Tuesday, 14 February 2023 12:20 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>

Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>

Subject: Financeability and Social Licence Rule Change Requests [SEC=OFFICIAL]

Hi [REDACTED]

Please find attached the final drafts of the 'Financeability' and 'Social Licence' rule change requests that were circulated to all jurisdictions for comment on Friday 10 February 2023.

As noted previously, both rule change requests reflect the final recommendations of the TPIR Stage 2 final report.

If you have any additional comments on the two rule change requests, it would be much appreciated if you could please respond with comments by **24 February 2023**.

We are also happy to meet and discuss any comments.

Kind regards,

[REDACTED]

[REDACTED]

A/g Senior Policy Officer

Electricity Division | Networks Reforms and Projects |

Gadigal Nation, L18 201 Sussex Street, Sydney 2000

Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging

OFFICIAL



Australian Government
Department of Climate Change, Energy,
the Environment and Water

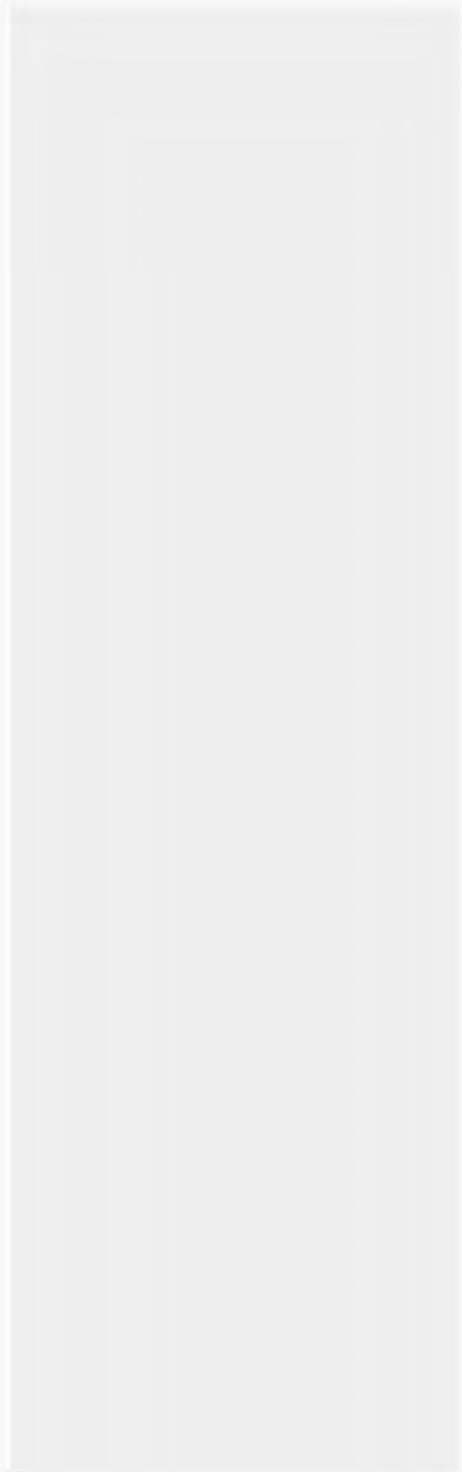
Rule Change Proposal

Treatment of financeability for Transmission Network Service
Providers

January 2023

DRAFT

OFFICIAL



OFFICIAL**1. Request to make a Rule****1.1. Name and address of the person making the request**

The Honourable Chris Bowen MP
Minister for Climate Change and Energy
Parliament House
Canberra ACT 2600

2. Relevant background**2.1. Energy Ministers Meeting**

On 28 October 2022, Energy Ministers agreed that the Commonwealth submit a rule change request to the Australian Energy Market Commission (AEMC) seeking to mitigate the foreseeable risk that financeability concerns may arise for Integrated System Plan (ISP) projects.

2.2. AEMC Transmission Planning and Investment Review

The AEMC established the Transmission Planning and Investment Review (the Review) to ensure that the regulatory framework can support the timely and efficient delivery of major transmission projects, while ensuring investments in these projects are in the long-term interests of consumers.

On 27 October 2022, the AEMC published the Review's Stage 2 Final Report. This Report focused on developing recommendations to manage uncertainty in the near-term. A recommendation in the Stage 2 final report was to address foreseeable financeability issues.

The Commonwealth agrees with the AEMC's final position outlined in Stage 2 of the Review and considers that changing a Transmission Network Service Provider's (TNSP) cash flow profile through a net present value (NPV) neutral adjustment to depreciation is an appropriate solution to address financeability issues, should they arise.

2.3. Alleviating financeability concerns

Prior to the proposal of this reform, TNSPs have sought alternative methods to address their financeability concerns, such as sourcing appropriate financing from the Commonwealth, including through the Rewiring the Nation program.

Following the implementation of this proposed rule change, the Commonwealth expects the Australian Energy Regulator's (AER) ability to vary depreciation profiles to be the primary mechanism that TNSPs will need to pursue to address any financeability concerns they may have.

3. Statement of Issue**3.1. There is a risk that financeability challenges could arise in relation to actionable ISP projects**

This rule change request seeks to introduce greater flexibility in the revenue-setting framework for actionable ISP projects within the National Electricity Rules (NER), to address the risk of financeability issues that may be faced by TNSPs.

Financeability refers to the ability of TNSPs to efficiently raise capital to finance their activities.

The AEMC in the Stage 2 Final Report of the Review noted that financeability concerns for a

TNSP may arise from the way that cash flow is impacted by major investments.¹ Successive ISP iterations will likely see major transmission works brought forward and/or delivered concurrently in a way that creates a risk of financeability issues arising.

As noted in the Review, when a network business invests in a project, it starts receiving a return on the investment based on a forecast capital expenditure.² The network business also starts receiving a return on the investment (depreciation), from consumers, when the investment is commissioned.

- The total allowed revenue from this 'depreciation' is determined by the depreciation profile of assets (typically a straight-line basis), and an adjustment for inflation indexation.

~~Dependent~~ Depending on the financing and capital structures that have been adopted by the TNSP, the businesses cash flow profile may not match its financing requirements.

This has the potential to have short-term negative impacts on some of the financial metrics that are used to assess the creditworthiness of a business. The ratio of funds from operations (FFO) to net debt (or FFO/net debt) is one such metric.

In the ordinary course of investment, new transmission assets (or augmentations) would be unlikely to have significant impact on these financial metrics as TNSP's Regulatory Asset Bases (RAB) have a diversity of assets with different durations to expiry.

Typically, a TNSP could absorb large one-off investments with appropriate changes to its capital structure without adverse impact to financial metrics. Shareholders supporting cashflows through contributing equity in early years and receiving higher cash flows in later years is one example of this. In practice however, TNSP's will likely be constrained from adapting their capital structures to finance the size and scale of sequential ISP projects.

Given that successive ISPs could see major transmission works moved forward or delivered concurrently, there is a risk financeability issues will arise for TNSPs; placing pressure on cash-flows and by extension credit metrics.

The Review found that this risk was material where successive ISPs result in a large amount of new investment for a TNSP relative to its existing RAB.

The Commonwealth agrees that the existing revenue framework is not sufficiently flexible to address the financeability challenges. While the AER has some flexibility under current arrangements to adjust the profile of regulatory allowances:

- Further clarity is required on how the AER should assess and, if necessary, adjust depreciation profiles for ISP projects to address cash flow concerns.
- Changing a TNSP's cash flow profile through a net present value neutral adjustment to depreciation is an appropriate solution to address the issue.
- The AER should be given flexibility to address the risk of financeability challenges on a case-by-case basis, having regard to a set of principles specified in the NER.

¹ Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 8.

² Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 8.

4. Description of the proposed rule

The proposed financeability rule would amend the NER to implement the rule change recommendations contained in the Review's Stage 2 Final Report, dated 27 October 2022. The proposed amendments, which were prepared by the AEMC and accompanied the Stage 2 Final Report, are attached to this request. [This rule change request seeks to implement these recommendations.](#)

The Commonwealth proposes:

- The AER should have explicit discretion to vary the depreciation profile for an actionable ISP project on a case-by-case basis following a request for amendment from a TNSP.
 - This is to support the capacity of TNSPs to finance efficient capital expenditure associated with such major projects. It is proposed that a TNSP can make an application to amend the depreciation profile for a specific project, no earlier than six months prior to either contingent project application (CPA) 1 or CPA 2 and no later than four months prior to CPA1 or CPA2 lodgement.
- The rules should include a set of principles to guide the AER in determining whether or not to amend the depreciation profile for a specific actionable ISP project.

The proposed amendments would promote the timely and efficient delivery of ISP projects by introducing greater flexibility into the revenue-setting framework mitigating the foreseeable risk of financeability for TNSPs.

[This rule change request seeks to implement these recommendations.](#)

4.1.-AER explicit discretion to vary the depreciation profile

The AER should have more flexibility to vary the depreciation profile for actionable ISP projects if financeability issues arise. The majority of stakeholders engaged in the Review supported varying depreciation as the appropriate solution to these challenges.

The review concluded:

"...it is important to ensure that the AER has sufficient flexibility to address the risk of financeability challenges on a case-by-case basis, including the ability to shape cash flows for specific projects in a manner that is appropriate to compensate a business for its efficient costs over time, as well as incentivise timely and efficient new transmission investment. Further, the Commission considers it is important that the overall regulatory framework is flexible enough to address financeability issues if they arise, regardless of whether concessional financing is available or not."³

This rule change request and proposed draft rule seeks to:

- Allow the TNSP to make an initial request to the AER to develop and publish an issues paper that provides an indication of the AER's thinking on the proposed depreciation change, prior to submitting a request to approve that an asset is depreciated. The request would be made between 6 to 4 months before submission of the CPA, and the issues paper would be

³ Australian Energy Market Commission, *Transmission Planning and Investment Review Stage 2 final report*, Sydney, 27 October 2022, p. 10.

Commented [REDACTED]

2/15/2023 3:41:00 PM

As discussed between DCCEEW, the AER and AEMC on 15 February, if DCCEEW would like the AEMC to consider whether to allow depreciation to be recovered by TNSPs as incurred during construction, please add this so we can include it in our consultation paper. This will allow stakeholders to respond to it from the start of the rule change process.

Commented [REDACTED]

2/24/2023 4:35:00 PM

Following the discussion with Transgrid, the AER, AEMC and DCCEEW on 24 February, suggest adding that in the rule change process the AEMC may consider Option 1 and 2 in Transgrid's financeability narrative. That is, the AEMC may consider the use of (1) Principles vs prescriptive test approach; and (2) Assessment at the regulated business level vs project level.

published within 2 months of receiving the request (unless the AER requires additional information from the TNSP, in which case the time limit would be extended by the period of time it takes the TNSP to provide the additional information) (proposed cl 6A.6.3(h)-(l)).

- Allow the TNSP for an actionable ISP project to request the AER to vary the depreciation profile for the project. The request for the AER to vary the depreciation profile for the project would be made when the TNSP submits the CPA (proposed cl 6A.6.3(d) and (e)).
- Insert a set of principles to guide the AER's approach when considering such requests (proposed cl 6A.6.3(f)), in particular, by requiring the AER to have regard to:
 - the relative consumer benefits from the provision of network services over time
 - the capacity of the TNSP to efficiently finance its overall regulatory asset base including efficient capital expenditure
 - any other factors the AER considers relevant.
- Empower the AER to prepare guidelines relating to the making and determination of such requests (proposed cl 6A.6.3(g))
- Require a revenue proposal to include the TNSP's nominated depreciation schedules and information about whether the relevant assets form part of an actionable ISP project (proposed amendments to cl 56A.1.3(7)).
- Insert relevant definitions into Ch 10 of the NER.

4.2. The AER's approach to assessing requests to vary depreciation should be guided by a set of principles in the rules

This rule change request and associated proposed rule seek amendments to the NER to insert a set of principles to guide the AER in developing its approach and assessing requests to amend depreciation in relation to specific actionable ISP projects (proposed cl 6A.6.3(f)). The three principles the AER must be required to have regard to in determining if to vary depreciation are:

Principle 1: The relative consumer benefits (having regard to the reliability and price risk associated with transmission delivery delays) from the provision of network services over time (the inter-generational equity principle).

Principle 2: The capacity of the TNSP to efficiently finance its overall RAB, including efficient capital expenditure (which focuses on the capacity to finance a project at the network business level, rather than at the project level).

Principle 3: Any other factors the AER considers relevant, having regard to Principles 1 and 2.

The proposed NER amendments also seek to allow the AER to develop guidelines relating to the making and the determination of such request including:

- the approach the AER proposes to use
- the information the AER requires for the purpose of that determination and
- the information the AER requires for developing and publishing the issues paper (proposed cl 6A.6.3(g)) for which the TNSP must have regard to when making the request for varied depreciation for an actionable ISP project.

Commented [REDACTED]: [REDACTED]
2/14/2023 1:46:00 PM
Suggest a fourth dot point is added to reflect that the AER guidelines may also set out any other matter that the AER considers appropriate – as per clause 6A.6.3(g)(4).

Commented [REDACTED]: [REDACTED]
2/16/2023 12:04:00 PM
Agree. I think that this will be good for dealing with the link to concessional finance.

4.2.1 Principle 1

Principle 1: *The relative consumer benefits (having regard to the reliability and price risk associated with transmission delivery delays) from the provision of network services over time (the inter-generational equity principle).*

Principle 1 requires the AER to consider whether the impact of varying depreciation on the benefits/costs borne by present and future customers is appropriate. If variations are made to depreciation by accelerating depreciation in the early years of an investment, and slowing it down in later years, the intergenerational impact on customers must be considered.

The Commonwealth agrees with the Review's conclusion that:⁴

"...the appropriate way of assessing inter-generational equity trade-offs is from the perspective of overall consumer benefits. A shift in depreciation will be net present value neutral from the perspective of the TNSP. This means that consumers overall will pay the same over the life of the asset. Near-term consumers will pay a larger share than later consumers, but in [sic] this in turn allows the project to proceed. If shifting of the depreciation profile allows the project to proceed in a timely manner then [the] these [sic] consumer benefits from the delivery of the project can be unlocked. We expect the AER will have regard to this perspective when assessing requests to amend depreciation profiles."

4.2.2 Principle 2

Principle 2: *The capacity of the TNSP to efficiently finance its overall RAB, including efficient capital expenditure (which focuses on the capacity to finance a project at the network business level, rather than at the project level).*

Principle 2 requires the AER to have regard to the network business as a whole (the regulated network service provider), rather than individual projects, when assessing whether to vary the depreciation profile for an actionable ISP project. This is in line with the AER's requirements to have regard to the network business as a whole when setting the revenue TNSPs can recover from their customers.⁵

The Review notes that the core parts of the regulatory framework reflect this focus of economic assessment, such as the allowed rate of return, at a network business level. For example, the allowed rate of return is set for regulated network service providers and not individual projects.⁶ The revenue and pricing principles also make it clear that it is the "regulated network service provider" that "should be provided with a reasonable opportunity to recover at least efficient costs".⁷

As stated in the Review:⁸

"The Commission considers that ... adopting specific metrics as the sole measure of businesses' financeability may not be appropriate. Moody's and other credit rating agencies combine an assessment of both qualitative and quantitative metrics to arrive at an overall

⁴ Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 10.

⁵ NER clause 6A.1.1

⁶ AER (2018), Rate of Return instrument

⁷ Clause 7A(2) of the NEL

⁸ Australian Energy Market Commission, Transmission Planning and Investment Review Stage 2 final report, Sydney, 27 October 2022, p. 13.

Commented [REDACTED]
2/23/2023 7:37:00 AM
This may need clarification that it is only the regulated business and its RAB. We can clarify this during the rule change

rating. For example, while FFO/Net Debt is a key factor considered by Moody's, it is not appropriate for assessment of financeability to rely so strongly on a single metric. Such an approach would also present the key issue of how an appropriate threshold for this credit metric should be determined. Further, there are a range of company-specific factors that contribute to credit ratings and credit metric thresholds, such as how a company has structured their balance sheet, [the company policy of target credit rating] and the risks associated with non-regulated revenues. These factors may lead to a narrowly defined approach to assessing financeability producing unintended consequences.

A more targeted approach to considering financeability, only where this is raised by a business with respect to a specific actionable ISP project, would be more appropriate given the issue is likely only to arise in limited circumstances.

The Commission considers it appropriate that the AER will consider the capacity to finance the ISP investment at the network business level and not at the project level. As part of this assessment, consideration should also be given to how an investment in a particular project may impact the overall position of the business (including in relation to financial metrics) and where the TNSP will sit after the inclusion of the project."

4.2.3 Principle 3

Principle 3: *Any other factors the AER considers relevant, having regard to Principles 1 and 2.*

Principle 3 aids the intent that the regulatory framework has a proportionate and flexible mechanism for addressing financeability concerns if they arise. Sufficient flexibility can be achieved by providing the AER with an appropriate level of discretion to incorporate other relevant factors into its assessment of a request to accelerate depreciation.

Principle 3 will enable the AER to factor in a broader range of factors that may impact its assessment or decision for a particular project, such as emissions reduction targets if included in the National Energy Objective (NEO). This is necessary, given that Principles 1 and 2 are not exhaustive.

5. How the proposed rule will address the issue

Including flexibility within the revenue setting framework to address the risk that financeability challenges may occur will assist in actionable ISP projects progressing in a timely manner, as they will aid in allowing TNSPs to effectively finance the projects.

These recommendations will assist in alleviating financeability concerns in the near-term as:

- The AER will be able to make decisions to vary depreciation profiles based on the depreciation principles in the NER as soon as the rule is made. The new rule can subsequently be supplemented with more detailed information in guidelines.
- TNSPs will be able to submit a request for accelerated depreciation prior to the CPA stage to facilitate investment certainty.

The amendments outlined above will help to ensure timely investment decisions to enable critical transmission infrastructure to be delivered on time.

6. How the proposed rule will or is likely to contribute to the achievement of the National Electricity Objective

The NEO, as set out in section 7 of the National Electricity Law, is:

"to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:

- (a) price, quality, safety, reliability and security of supply of electricity; and
- (b) the reliability, safety and security of the national electricity system."

The relevant aspect of the NEO, with respect to this rule change request, is the promotion of efficient investment in electricity services for the long-term interests of consumers of electricity with respect to price, quality, safety, reliability and security of the supply of electricity.

Timely and efficient investment in actionable ISP projects is required to ensure reliability and security of the supply of electricity, and to reduce adverse impacts on price as the electricity system transitions to net zero.

The proposed amendments advance the NEO in the following ways:

- Empowering the AER to vary the depreciation profile for actionable ISP projects is a flexible solution that addresses financeability challenges that may arise in the future.
 - Making the power explicit provides certainty for TNSPs as to how future financeability issues will be addressed.
 - Allowing the AER to exercise the power on a case-by-case basis enables the AER to shape cash flows for specific projects in a manner that is appropriate to compensate a business for its efficient costs over time, as well as incentivise timely and efficient new transmission investment.
- Inserting a set of principles that the AER must have regard to when exercising the power:
 - Provides certainty for TNSPs, by providing them with better information to develop their project plans and funding arrangements ahead of the AER's decision.
 - Enables the reform to be implemented more rapidly (than if the AER were first required to formulate guidance about how it will exercise the power).
- Principle 1 acts as a consumer protection, by requiring the AER to consider the inter-generational equity of a depreciation change, by balancing the increased costs borne by near-term consumers with the benefits of projects proceeding in a timely manner.
- Principle 2 promotes economic efficiency by providing TNSPs with a reasonable opportunity to recover at least their efficient costs, and is consistent with the regulatory approach to setting revenues.
- Principle 3 promotes flexibility and enables relevant issues that may arise in the future to be considered.
- Introducing the ability for a TNSP to submit an initial (pre-CPA) request to the AER to develop an issues paper dealing with the depreciation change promotes economic efficiency, by providing TNSPs with information to make efficient and timely investment decisions. It also provides transparency around the AER's decision-making.

Commented

2/20/2023 11:06:00 AM

As the AEMC will need to consider the revenue and pricing principles under the NEL in this rule change, it would be helpful if DCCEEW can include references to how the proposed rule is consistent with the revenue and pricing principles

Commented

2/23/2023 7:39:00 AM

These are flagged under Principle 2, with footnoting. The information under principle 2 could be expanded on/referenced again here

7. Expected costs, benefits and impacts of the proposed rule

7.1. Expected benefits

The proposed financeability amendments provide a flexible solution to address potential future financeability issues that could threaten the timely delivery of major transmission projects.

These amendments assist in placing downward pressure on electricity prices by better ensuring the timely delivery of transmission infrastructure for consumers.

7.2. Expected costs

Varying depreciation profiles for specific actionable ISP projects will not increase the total costs borne by consumers over the life of an asset. If the variation results in an acceleration of depreciation it could shift more of the burden to near-term consumers. However, the principles would require this to be balanced against the benefits of timely delivery of major projects and the corresponding impact on price, reliability and security.

There will be administrative and compliance costs associated with the proposed rule, these are not expected to be material. The proposed rule would only require an assessment if requested by the TNSP, not for every actionable ISP project which reduces administrative burden for the AER, TNSPs and consumers.

7.3. Impacts of the change on those likely to be affected.

The intent of this rule change request is to introduce greater flexibility in the revenue setting framework to enable the AER to address the risk of financeability challenges for actionable ISP projects and improve the timelines of investment decisions for these projects.

The timely investment in and delivery of actionable ISP projects is key in the transition to net zero.

TNSPs will be impacted by:

- Being able to apply to receive an adjusted depreciation profile for actionable ISP projects through the life of an asset to finance efficient capital expenditure associated with such major projects
- The AER's assessment of their need for a change in the depreciation profile of an actionable ISP project
- The requirement to develop a request to the AER to develop and publish an issues paper that provides an indication of the AER's thinking on the proposed depreciation change.

Consumers will be impacted by:

- The shifting costs over the life of an asset which could increase the burden to near-term consumers, however, the principles in the rules will require the AER to explicitly consider whether more timely investment decisions offset this cost shifting.
- Minimising bill costs by ensuring the timely delivery of transmission infrastructure by reducing barriers to TNSPs investment decisions.

The reform will also impact the AER through:

- Requirements to follow the principles for assessment outlined in the NER.

- Conducting analysis to vary the depreciation profile for an actionable ISP project on a case-by-case basis.
- The development of guidelines.

Commented [REDACTED]
2/15/2023 3:54:00 PM
Does DCCEEW intend for the development of guidelines to be optional or mandatory for the AER? This section says that the reform 'will' impact the AER through the development of guidelines, which sounds like they are mandatory. However the proposed clause 6A.5.3(g) says that the AER 'may' publish guidelines.

DRAFT

From: [REDACTED]
Sent: Tuesday, February 28, 2023 7:32 AM
To: [REDACTED]
CC: [REDACTED]; [REDACTED]
Subject: RE: FOR COMMENT: Feedback loop rule change request [SEC=OFFICIAL]

Hi [REDACTED]

Thank you for sending this through for comment. We will make sure we get back to you by 3 March 2023 with any comments.

Kind regards,
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Friday, 24 February 2023 5:24 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>
Subject: FOR COMMENT: Feedback loop rule change request [SEC=OFFICIAL]

Hi [REDACTED]

Please find attached for comment the 'Feedback loop' rule change request that is the result of the work of the Australian Energy Market Commission's (AEMC) Transmission Planning and investment Review.

This is an opportunity for the AEMC to comment on the rule change request prior to formal submission by the Commonwealth to the Commission.

If you could please respond with comments or nil response on these rule changes by **3 March 2023**, that would be much appreciated.

I hope you have a lovely weekend.

Kind regards,
[REDACTED]
[REDACTED]

Senior Policy Officer

Electricity Division | Networks Reforms and Projects |
Turrbal and Jagera Land, L13 100 Creek Street, Brisbane 4000
Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

[DCCEEW.gov.au](https://www.dcceew.gov.au) ABN 63 573 932 849

Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging

OFFICIAL

From: [REDACTED]
Sent: Friday, March 3, 2023 12:07 PM
To: Danielle Beinart; [REDACTED]; [REDACTED]; [REDACTED];
[REDACTED], Merryn York; [REDACTED]; [REDACTED];
[REDACTED]@aemo.com.au; Sally McMahon; Charles Popple; [REDACTED]
CC: [REDACTED]; [REDACTED]
Subject: AEMO|AEMC TPIR Economic Assessment process and Vic experience- draft agenda and slides
Attachments: Agenda AEMO_AEMC_TPIR meeting - 7 March 2023.docx; AEMC - AEMO - Transmission Planning and Investment Review - 7 March 2023.pdf

Good afternoon All,

We are looking forward to meeting with you next Tuesday 7 March to discuss the AEMC's proposed economic assessment reform package under the Transmission planning and investment review and seek AEMO's feedback and views on this significant reform.

The timeframes of the meeting will be quite tight in an hour and we would like to focus on discussion, stress testing our policy thinking and developing our understanding of any concerns and safeguards required to address those concerns. Our proposed purpose of the meeting, taking into consideration feedback from AEMO, is to:

- **Discuss** AEMC's TPIR economic assessment process (EAP) reform package narrative and test alignment
- **Discuss** how AEMC's least cost assessment approach (EAP component 2), in combination with AEMC's Stage 2 recommendations can mitigate AEMO's concerns relating to the consideration of social licence (and land use, cultural and environmental factors etc.)
- **Stress test** the application of AEMC's proposed EAP reform using VNI West as a case study
- **Understand** any outstanding concerns and agree on a way forward

The draft agenda is attached for your review.

Please let us know if you have any feedback on the agenda or purpose.

Also attached are the slides that the AEMC plans to use as the basis for discussion and feedback. We will focus on the questions and discussion relating to slides 3-7 during the meeting. There is additional information in the appendix, including more detail on the insights we have drawn from the VNI West case study.

Kind regards,

[REDACTED]

[REDACTED] Director
Australian Energy Market Commission
D [REDACTED] | T [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

Level 15, 60 Castlereagh St, Sydney NSW 2000.

The Gadigal people of the Eora nation are the traditional owners of the land on which AEMC's office is located.

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Transmission Planning and Investment Review

Economic assessment process reform

7 March 2023

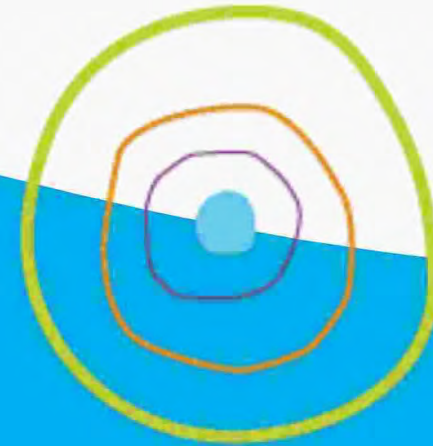
AEMC



AEMC

ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Traditional Custodians of country throughout Australia and recognise their continuing connection to land, waters and culture. We pay respect to their Elders past, present and emerging, and extend that respect to all Aboriginal and Torres Strait Islander peoples here today.



Purpose of today's meeting

- **Discuss** AEMC's TPIR economic assessment process (EAP) reform package narrative and test alignment
- **Discuss** how AEMC's least cost assessment approach (EAP component 2), in combination with AEMC's Stage 2 recommendations can mitigate AEMO's concerns relating to the consideration of social licence (and land use, cultural and environmental factors etc.)
- **Stress test** the application of AEMC's proposed EAP reform using VNI West as a case study
- **Understand** any outstanding concerns and agree on a way forward

Reinforcing the role of the ISP as a whole of system plan

The role of the ISP is to establish a whole of system development plan

This involves identifying the ODP for the power system, which is a group of actionable ISP projects, future ISP projects as well as development opportunities. Each actionable ISP project meets an identified need. The ISP also identifies one or more credible option(s) for each actionable project.

Re-assessing the benefits of a project on an individual basis through the RIT-T is duplicative and inconsistent with a whole of system plan

We consider that the standalone benefits of an ISP project do not need to be assessed in the RIT-T. This is because the ISP already tests whether a project is necessary to realise the cumulative benefits of the ODP. This is later tested again by the feedback loop.

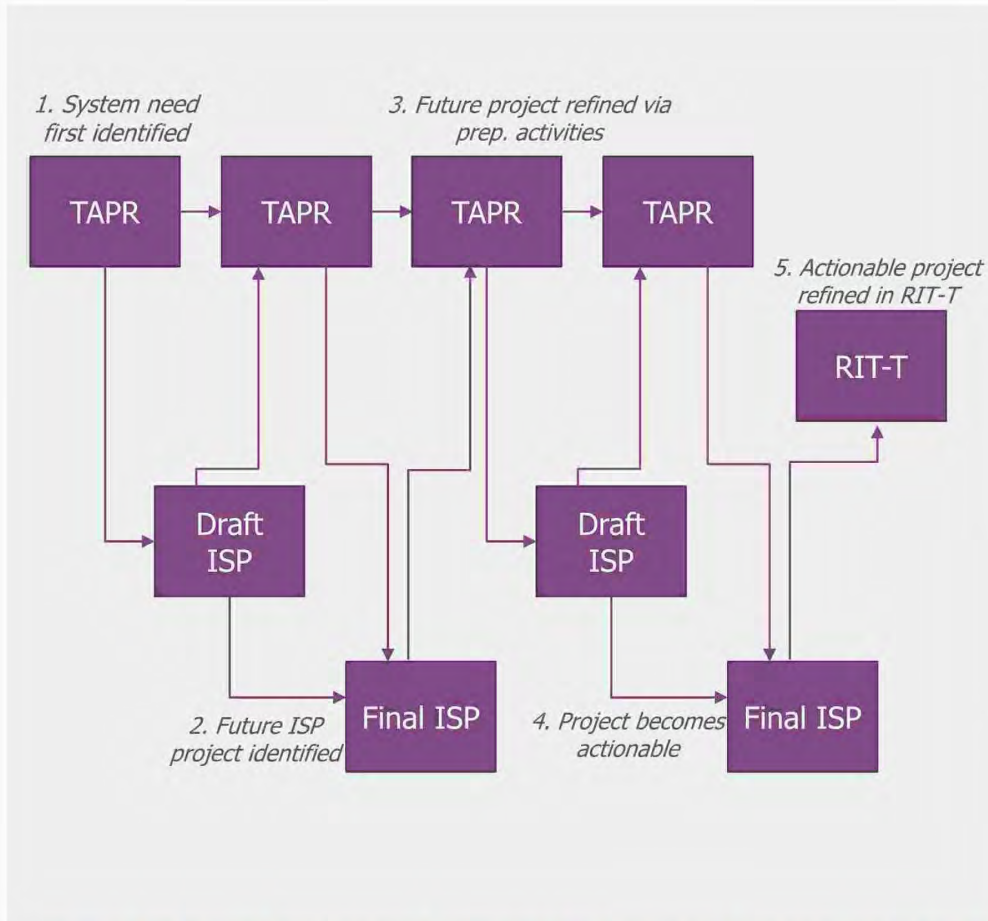
A least cost assessment removes the RIT-T whilst still ensuring that the preferred option is necessary to realise the cumulative benefit of the ODP.

Under least cost assessment, based on the ISP's identification of credible options, the TNSP would select the least cost design as the preferred credible option

A TNSP would refine the detailed design and costs of the ISP option(s), taking social licence costs into account. Maintaining the role of the ISP as a whole of system plan, the TNSP should generally not identify new options (with materially different benefits) at the RIT-T stage.

Do you see any practical issues with bringing forward more comprehensive options and benefits assessment to the ISP stage?

Credible options should be captured in the ISP



- A **credible option** is a network augmentation/NNO/hybrid that:
 - can meet an identified need
 - is commercially and technically feasible and
 - can be implemented in time to meet the identified need, i.e. is 'deliverable' including that **environmental and community considerations** have been taken into account.
- **Credible options are identified and assessed in both the ISP and RIT-T processes:** As illustrated in the figure, they are iteratively refined by AEMO and TNSPs through stakeholder consultation and preparatory activities before reaching the RIT-T stage.
- Our Stage 2 and 3 recommendations support TNSPs undertaking more preparatory activities for future and actionable ISP projects and bring early works forward to support credible option identification and refinement in the ISP and RIT-T (see slide 11).
- Social licence issues should be uncovered pre-RIT-T stage. However, there is a residual risk that issues only come to light post-ISP option identification, i.e. during the RIT-T.

What should happen when an option is no longer credible? What safeguards are needed?

Are there any other risks/issues we have not identified?

Social licence costs are a 'cost of doing business'

- When developing and assessing different designs for how to deliver an ISP project, this would include consideration of different routes. Different routes may have varying impacts on the environment and communities.
- These impacts are likely to come with **costs to obtain and maintain social licence, which we consider is a cost of doing business**. The AER is updating its guidance to provide more clarity on how these costs will be considered and will consult with the market bodies and other stakeholders on this.
- For example, a particular route may require biodiversity offsets and community benefits schemes.
- These costs need to be factored into the costs a detailed design under a least cost assessment.

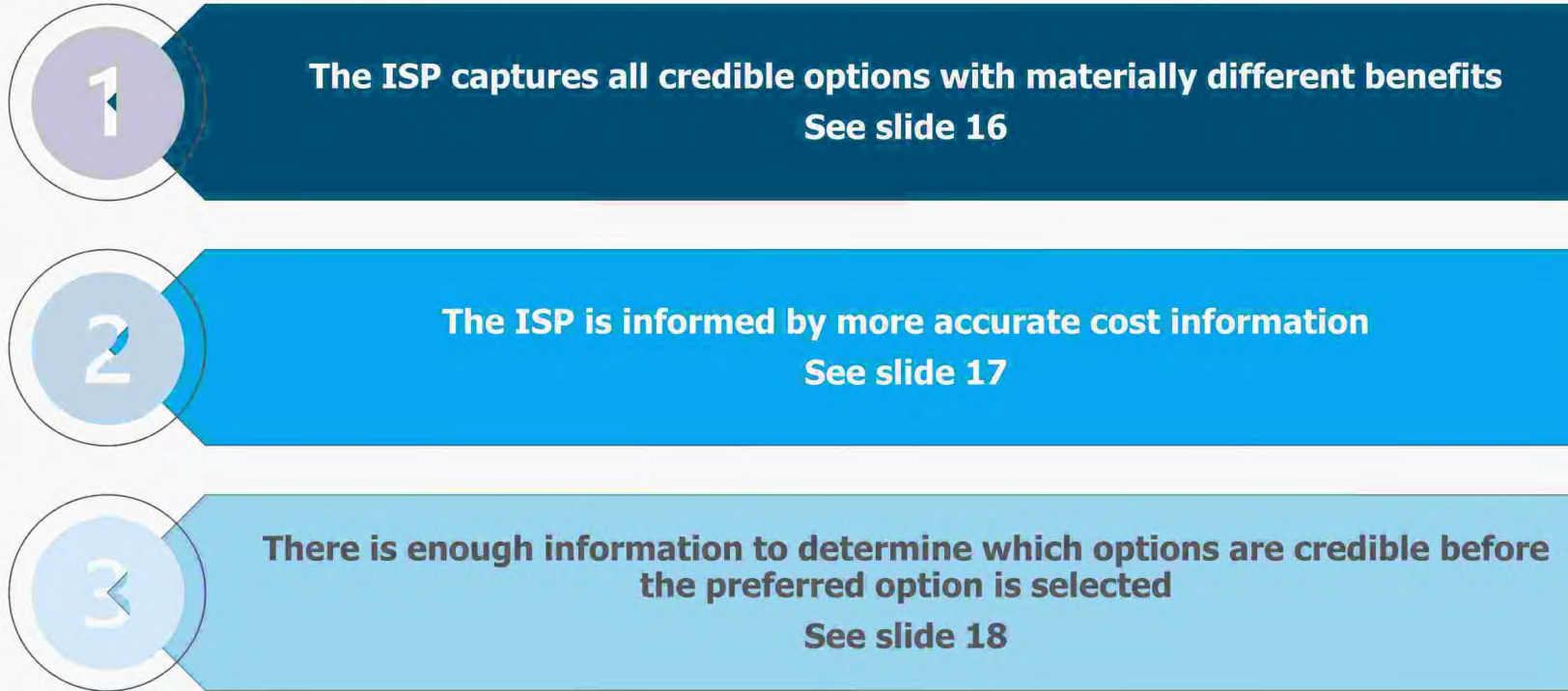
For example:

- If Option A faces more stakeholder opposition than Option B and as a result Option A requires more stakeholder consultation etc., Option A would become more costly than Option B. As a result, under the least cost assessment, the TNSP would select Option B as the preferred option.
- If Option A is the only option, but faces irreconcilable opposition, unless it is undergrounded. This would come at a much higher cost. As a result, Option A may not pass the feedback loop, which would trigger an ISP update.
- Social licence, environmental and cultural factors may also mean an option may no longer be credible (**see slide 6**).

What are the practical challenges to including social licence, environmental and cultural considerations in a least-cost assessment? What are the barriers to this approach?

Application of our proposed reform to VNI West

- The VNI West case study indicates that the following conditions need to be met for our proposed reform to reinforce the ISP to work:



Are there any practical issues with the proposed approach? What safeguards or other requirements are needed?

Are there any other conditions that need to be met to enable our proposed reform to reinforce the purpose of the ISP and improve timeliness while maintaining the necessary level of rigour?

Outcomes and next steps

To be populated on the day based on the discussion at the meeting.





Appendix



Social licence considerations in EAP2

Our combined TPIR recommendations aim to improve the credibility of options

- Our Stage 2 social licence recommendations and our EAP1 proposal seek to de-risk later stages of the planning process by supporting TNSPs in assessing and delivering credible options. As a result of our recommendations we expect that engagement with local communities, land use mapping and cultural heritage assessments will be undertaken as part of preparatory activities to inform the ISP.

Our **social licence recommendations** focus on **cost recovery** and **engagement** :

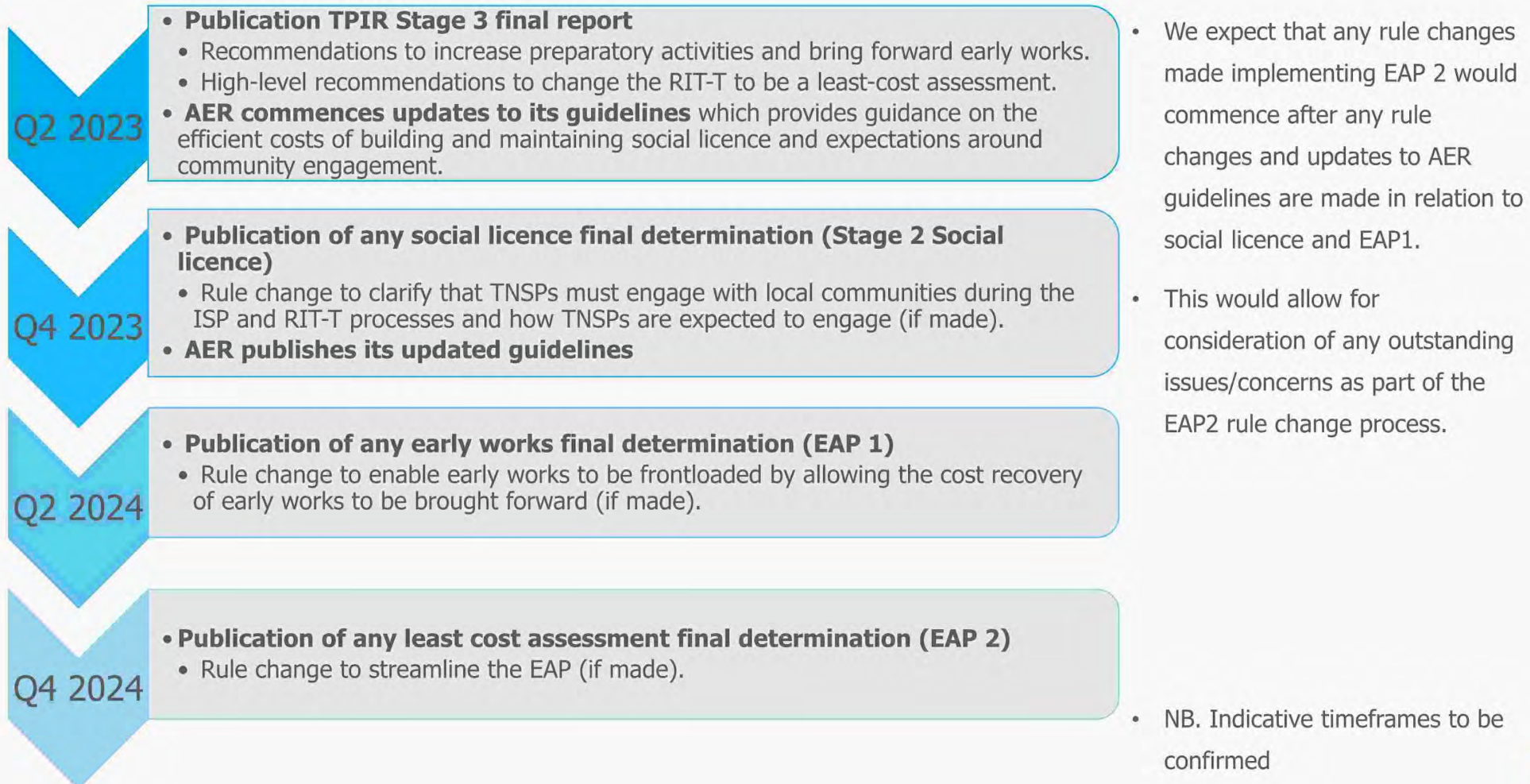
- AER to provide guidance on:
 - how costs for social licence would be considered and assessed, incl. in the RIT-T
 - how TNSPs may ensure that a credible option can “be implemented in sufficient time to meet the identified need”
 - the expectations on TNSPs to engage with local communities and other affected stakeholders during the RIT-T.
- Rule changes to expand the definition of “preparatory activities” to include engagement and consultation with local councils, community representatives and other relevant community stakeholders.

Our **EAP1 proposal** seeks to **increase preparatory activities** and **bring early works forward through:**

- the ISP *may* specify early works and preparatory activities it considers are beneficial for actionable ISP projects
- emphasising the need to undertake more preparatory activities upfront in the planning process and facilitating cost recovery for early works by allowing TNSP to submit an early works CPA before completing a RIT-T.

- These recommendations, in combination with how social licence costs can be factored into a least cost assessment as a ‘cost of doing business’, aim to facilitate earlier consideration of social licence issues in the EAP process compared to existing arrangements.

The EAP 2 rule change process may consider any outstanding social licence gaps





VNI West Case Study

VNI West – what has happened to date?

PSCR / Draft 2020 ISP*

Dec 2019

The Draft 2020 ISP considered three options. These included an option along the pre-existing VIC-NSW transmission corridor (5A) and alternative corridors (6-7).

Five options from the PSCR were not considered in the Draft 2020 ISP. Some did not provide enough REZ hosting capacity (e.g. minimal options VNI 3-4). Others had become part of different ISP projects (e.g. VNI 9 in the Sydney Ring project) or were too costly (e.g. VNI 11, an HVDC option).

VNI 5A (existing corridor)

VNI 6 (Shepparton)

VNI 7 (Kerang)

Final 2020 ISP

Jul 2020

The Final 2020 ISP identified VNI West as an actionable ISP project and selected two options (6 and 7) to be the focus of the RIT-T. The options had different costs, but very similar net market benefits. This was because VNI 7 unlocked more REZ hosting capacity, offsetting its higher cost.

One option was ruled out at the Final 2020 ISP stage. VNI 5A – which would use the existing transmission corridor – did not provide route diversity and created insufficient REZ hosting capacity.

VNI 6 (Shepparton)

VNI 7 (Kerang)

Draft / Final 2022 ISP

Dec 2021 / Jun 2022

The 2022 ISP confirmed VNI West as an actionable ISP project and selected VNI 7 as the sole credible option on the ODP. This was because the scope of Project EnergyConnect had changed, reducing the estimated cost of VNI 7.

Although VNI 7 was still the most costly option, it was now expected to deliver overall higher net market benefits (+\$93m).

VNI 7 (Kerang)

PADR

Jul 2022

The PADR only considered two credible options. This included VNI 7 (per 2022 ISP) and a hybrid non-network option (NNO) that was not considered in the ISP.

The NNO was ruled out through the PADR modelling process (it did not deliver higher net market benefits than VNI 7 alone).

VNI 7 (Kerang)

VNI non-network option

PADR Update

Feb 2023

Because of land use impact concerns with VNI 7, TNSPs sought alternative options.

The update compared the original PADR preferred option (now called Option 1, with variants 1A), the NNO (Option 2) and three totally new options routed further to the west (Options 3-5), not previously considered in the RIT-T / ISP.**

Option 5 is the draft preferred option. Although it and Option 3A jointly had the highest net market benefits, Option 5 performed better on sensitivity analysis. It also ranked highest in a multi-criteria analysis of social, environmental, cultural and land use factors.

Option 1/1A (prev. VNI 7)

Option 2 (Option 1 + NNO)

Option 3/3A (Waubra/Lexton)

Option 4 (Bulgana via Bendigo)

Option 5 (Bulgana)

* The need for enhanced VIC-NSW transfer capacity was identified prior to the PSCR / Draft 2020 ISP, including in AEMO VP / Transgrid's previous transmission annual planning reports, and in the inaugural 2018 ISP.

**It would be helpful if AEMO VP can provide further insight on why these options were not initially identified.

VNI West – what *might* have happened with the EAP reform package?

TAPR / IASR

The network need and all credible options to meet it are identified in the TAPR and then feed into the ISP.

This should include the NNO (Option 2) and the 3 new options from the 2023 PADR Update – all shown in green.

VNI 5A (existing corridor)

VNI 6 (Shepparton)

VNI 7 / Option 1 (Kerang)

Option 2 (Option 1 + NNO)

Option 3/3A (Waubra/Lexton)

Option 4 (Bulgana via Bendigo)

Option 5 (Bulgana)

Increased preparatory activities are supported by Stage 2 social licence recommendations

ISP

The ISP selects Option 5 as the credible option to be considered by the TNSPs.*

This assumes the ISP has the same information as the 2023 PADR Update – i.e., it reflects current option cost / benefit estimates and the same scenario / sensitivity analysis.

*Note: Options 3A and 5 have similar net market benefits, but very different gross market benefits. There may be unintended consequences if the ISP directs the TNSPs to consider options with very different gross market benefits. This is why only Option 5 is selected in this example. **This issue is explored on slide 17.**

Option 5 (Bulgana)

High-level EAP 2 design envisages enhanced planning role for ISP and strengthened joint planning arrangements

PADR

The PADR further develops and refines Option 5.

This includes:

- Refining the detailed design (that would not materially change the benefits).
- Confirming that it is credible (e.g., through more and earlier detailed investigation of social, environmental and cultural issues)
- Refining its cost estimate.

The RIT-T would **select the lowest-cost credible option**. This could be **Option 5** as per the 2023 PADR update, or a variant of option 5.


Option 5 (Bulgana)

EAP 1 reforms support preparatory activities / early works during the RIT-T; EAP 2 envisages RIT-T is a least-cost assessment

The EAP reform package could facilitate the same outcome (Option 5 is the preferred option) if certain conditions hold:

1. **The ISP captures all credible options with materially different benefits.** If not, the new 2023 PADR Update options (Options 3-5) would not have been considered in the ISP in the first place. **See slide 17.**
2. **The ISP is informed by more accurate cost information.** If not, the ISP may have still selected Option 1 as the credible option to be investigated by the TNSPs (unless it was ruled out on the basis of being not credible) **See slide 18.**
3. **There is enough information to determine which options are credible, before the preferred option is selected.** If not, Option 1 would still have been treated as a credible option. **See slide 19.**

 - Options assessed in draft 2020 ISP

 - Options assessed only in the 2023 PADR update

Condition 1 – The ISP captures all credible options with materially different benefits

- Currently, the RIT-T selects the credible option that maximises net market benefits as the preferred option. EAP component 2 would change the preferred option to be **the lowest cost credible option** to meet the ISP identified need.
- VNI West highlights that different credible options can have very different gross market benefits – even if they all meet the same ISP identified need.
- To avoid unintended consequences of a least-cost assessment, the ISP should narrow TNSPs' scope to focus only on credible options with similar gross market benefits (see example).
- AEMO needs to consider all credible options for this to work. Otherwise, Options 3A and 5 could not have been considered at the ISP stage.

Example from VNI West

The 2023 Update suggested the preferred option is either Option 3A or Option 5.

Option	Capital costs	Net market benefits	Gross market benefits
Option 3A	\$3,685m	\$1,408m	\$5,093m
Option 5	\$3,282m (lowest cost)	\$1,388m	\$4,670m
Difference (3A – 5)	\$403m	\$20m (similar net benefits)	\$423m

Note: Gross Market Benefits are crudely estimated here as Net Market Benefits + Capital Costs. This approximation does not change the point being made.

Both options have very similar net market benefits. So, it may seem logical that under EAP component 2, the ISP would recommend that the TNSPs consider both options.

Under EAP component 2, the TNSPs would use a least-cost assessment to choose between the options. They would select Option 5 as the preferred option – because it costs less than Option 3A.

In this case, the outcome is positive – Option 5 is the option that should be chosen based on sensitivity analysis. However, a least-cost assessment is not generally a sound way to choose between options with very different gross market benefits.

VNI West illustrates this: because the options' gross market benefits are not comparable, selecting on the basis of costs alone does not make sense. Rather, costs *and* benefits need to be considered to decide which option is in consumers' interests. The ISP may be best placed to make this judgement.

Condition 2 – The ISP is informed by more accurate cost information

- VNI West highlights that if ISP cost estimates are not accurate, the options the ISP selects for further development by TNSPs may not be in consumers' interests – i.e. are not the options that would have been on the ODP, if more accurate cost information had been available.
- Because a least-cost assessment requires the ISP to narrow down the options TNSPs consider, the accuracy of ISP cost assumptions becomes even more important.

Example from VNI West

The 2023 PADR update identified options 3A and 5 as the credible options with the highest net benefits.

Option 1 – the original PADR preferred option – no longer has the highest net benefits because its expected costs have increased (relative to the 2022 ISP).

However, this information was not available when the ISP was prepared. If Options 3A, 5 and 1 were compared using the 2022 ISP Option 1 cost estimate, Option 1 has the highest net market benefits (see table). If Option 1 was considered credible, the ISP may have selected it as the option to be taken forward by the TNSP – even though we now know it does not create the most benefits.

Option	Capital costs	Net market benefits
Option 1 (with ISP cost estimate)	\$2,942m	\$1,611m
Option 1 (2023 update)	\$3,254m	\$1,299m
Option 3A	\$3,685m	\$1,408m
Option 5	\$3,282m	\$1,388m

This illustrates that more accurate cost estimates are required at the ISP stage for EAP component 2 (with least-cost assessment) to be robust and consistently in consumers' interests.

Condition 3 – Credibility can be assessed before the preferred option is selected

- VNI West highlights the importance of assessing the credibility of the options feeding into the ISP.
- Otherwise, there is a risk the ISP selects an option that is not credible. This could create delays in project delivery.
- Credibility should already be considered under the NER. The Stage 2 social licence cost recovery recommendations and EAP1 aim to support this by facilitating increased preparatory activities where justified and bringing early works forward.

Example from VNI West

Option 1 could potentially have been ruled out due to not being credible. While 'credibility' is subjective, multi-criteria analysis highlights that Option 1 has relatively higher delivery risks.

MCA Results							
Options		Option 1	Option 1A	Option 3	Option 3A	Option 4	Option 5
		to north of Ballarat	to north of Ballarat with spur uprate to 500kV	to Waubra/Lexton	to Waubra/Lexton with spur uprate to 500kV	to Bulgana via Bendigo	to Bulgana
Net economic benefits (\$M)		\$ 1,299	\$ 1,344	\$ 1,285	\$ 1,408	\$ 1,144	\$ 1,368
Grouping	Weighting (%)	WEIGHTED SCORING					
Net economic benefits	70%	2.10	2.10	2.10	1.40	3.50	1.40
Environment	5%	0.21	0.21	0.21	0.21	0.25	0.88
Cultural heritage	5%	0.12	0.12	0.10	0.10	0.15	0.10
Social	10%	0.40	0.40	0.42	0.42	0.41	0.21
Land use	5%	0.17	0.17	0.17	0.17	0.09	0.06
Engineering	5%	0.21	0.21	0.21	0.21	0.24	0.16
Total	100%						
Weighted score		3.21	3.21	3.21	2.51	4.64	2.01
Rank		3	3	3	2	6	1

These factors can already be considered when selecting the preferred option by:

- Ruling out options that are not credible. The project team is considering what the threshold should be for determining that 'an option is not credible' (see [slide 11](#)).
- Differences in delivery risk can also be factored into the ISP options analysis – for e.g. by including costs needed to obtain social licence in the analysis (see [slide 5](#)).

From: [REDACTED]
Sent: Friday, March 3, 2023 2:23 PM
To: [REDACTED]
CC: [REDACTED]
Subject: RE: Social licence rule change request [SEC=OFFICIAL]
Attachments: Pages from stage_2_proposed_rule_changes - social licence.docx

Hi [REDACTED]

Apologies for the delay in my response.

I have obtained a word version of the proposed rules (attached), I would suggest that you include the additional drafting as proposed in the word document following the same format.

It could be noted in the rule change request that they are in addition to the changes proposed in the AEMC's stage 2 final report. Happy to chat if that would be helpful.

Kind regards,
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Friday, 24 February 2023 5:32 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>
Subject: RE: Social licence rule change request [SEC=OFFICIAL]

Hi [REDACTED]

Thank you very much for providing the AEMC's comments on the social licence rule change request.

We have begun to incorporate the various comments we have received and will notify you when we are nearing submission.

Could I also please ask if you have a suggested method for us to update the rule drafting that was attached with the TPIR Stage 2 report to include the below proposed wording for NER clauses 5.24.1(d)(3)(C) and 5.24.1(e)?

Kind regards,
[REDACTED]

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Thursday, 23 February 2023 4:42 PM
To: [REDACTED] <[REDACTED]@industry.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>
Subject: RE: Social licence rule change request [SEC=OFFICIAL]

Hi [REDACTED]

I am well thank you, I hope you are too.

I looked up the provisions you were referring to and checked with legal.

We did not originally look at these clauses in detail, or propose changes as they were outside of the work we were doing on ISP projects. There were consequential changes made as we pulled out part of r.5.24.1.(e) for the 'community engagement expectations definition'. Council and stakeholder engagement is the existing wording in those rules. We don't see any concerns with you suggesting those changes in the rule change request for consistency.

If the Commonwealth does do this it would be helpful if you explain why the further changes are proposed and how it helps to address the issue identified.

Re the definition of interested party being extended to the dispute process clause for RIT-Ts there could be value in adding some sentences in the rule change request.

I have also attached the social licence rule change request, there were only a few minor comments from us. One being that we have added a bit more information on why we think it could be non-controversial.

Please let me know if you have any questions or comments, happy to chat.

Thanks
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Wednesday, 22 February 2023 5:35 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>
Subject: Social licence rule change request [SEC=OFFICIAL]

Hi [REDACTED]

I hope you're well.

We have started to receive feedback on the social licence rule change request. The due date for feedback on both financeability and social licence is this Friday the 24th of February.

We have received some alternative suggested wording for two of the proposed social licence clauses in the NER:

Proposed wording for r 5.24.1(d)(3)(C):

"the results of any ~~council and stakeholder~~ engagement with local council, local community members, members of the public and any other relevant stakeholders undertaken as part of preparatory activities pursuant to paragraph (b)(2)(i);"

Proposed wording for r 5.24.1(e):

"In undertaking any public consultation pursuant to paragraph (d)(1), seeking written submissions in accordance with paragraph (d)(2) and undertaking ~~the council and stakeholder~~ engagement with local council, local community members, members of the public and any other relevant stakeholders as part of preparatory activities pursuant to paragraph (b)(2)(i)..."

These amendments maintain consistency between these rules and the new definition of preparatory activities (r 5.10.2).

Would the AEMC be comfortable with this new proposed wording? Or is there specific reasoning for the initial wording?

We would also like to please clarify whether the new definition of 'interested party' (r 5.15.1(b)) extends to the dispute process in NER clause 5.16B? If this is the case, we think there may be value in adding some text in the rule change request to clarify this.

If you have any questions please feel free to give me a call, or we are happy to set up some time for a meeting to discuss the above.

Kind regards,

[Redacted]

[Redacted]

A/g Senior Policy Officer

Electricity Division | Networks Reforms and Projects |
Gadigal Nation, L18 201 Sussex Street, Sydney 2000
Department of Climate Change, Energy, the Environment and Water

P [Redacted] | E [Redacted]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging

OFFICIAL

2 Social Licence

...

5.10.2 Definitions

In this Part D and schedules 5.8, 5.9 and 5.4A:

...

preparatory activities means activities to design and to investigate the costs and benefits of *actionable ISP projects, future ISP projects* and REZ stages (as applicable), including:

- (a) detailed engineering design;
- (b) route selection and easement assessment work;
- (c) cost estimation based on engineering design and route selection;
- (d) preliminary assessment of environmental and planning approvals; and
- (e) ~~council and stakeholder engagement,~~

~~which are undertaken prior to the identification of the preferred option for the relevant project or stage.~~

- (e) engagement with local council, local community members, members of the public and any other relevant stakeholders wishing to express their views about the development of the *actionable ISP project, future ISP project, or project* within a REZ stage, in accordance with the *community engagement expectations*.

...

community engagement expectations means ensuring that:

- (a) stakeholders receive information that is clear, accurate, relevant and timely;
- (b) stakeholders have sufficient opportunity to consider and respond to the information provided;
- (c) consultation materials and methods of communication tailored to the needs of different stakeholders are used; and
- (d) the stakeholders' role in the engagement process is clearly explained to them, including how their input will be taken into account.

...

10. Glossary

...

community engagement expectations

Has the meaning given to it in clause 5.10.2.

...

5.15.1 Interested parties

- (a) In clauses 5.16.4, 5.16A.4, rule 5.16B and clauses 5.17.4 and 5.17.5, *interested party* means a person including an end user or its representative who, in the AER's opinion, has the potential to suffer a material and adverse NEM impact from the investment identified as the preferred option in the project assessment conclusions report or the final project assessment report (as the case may be).
- (b) For the purpose of the *regulatory investment test for transmission for an actionable ISP project*, an *interested party* includes a local council, local community member, member of the public and any other relevant stakeholder wishing to express their views about the development of the *actionable ISP project*.

5.16A.4 Regulatory investment test for transmission procedures**Project assessment draft report**

- (a) If a *Transmission Network Service Provider* is identified as a *RIT-T proponent* in an *Integrated System Plan* for an *actionable ISP project*, then that *Transmission Network Service Provider* is the *RIT-T proponent* for that *RIT-T project* and must apply the *regulatory investment test for transmission* to, and consult all *Registered Participants*, *AEMO* and *interested parties* on, that *RIT-T project* in accordance with this clause 5.16A.4.
- ...
- (c) The *RIT-T proponent* must prepare a report in accordance with paragraphs (d) to (h) (*project assessment draft report*) and publish it by the date specified in the *Integrated System Plan* for that *RIT-T project* or such longer time period as is agreed in writing by the *AER* and make that report available to all *Registered Participants*, *AEMO* and *interested parties*.
- ...
- (f) The *RIT-T proponent* must seek submissions from *Registered Participants*, *AEMO* and *interested parties* on the proposed *preferred option* presented, and the issues addressed, in the *project assessment draft report*.
- ...
- (h) Within 4 weeks after the end of the consultation period required under paragraph (g), at the request of an *interested party*, a *Registered Participant* or *AEMO* (each being a relevant party for the purposes of this paragraph), the *RIT-T proponent* must meet with the relevant party if a meeting is requested by two or more relevant parties and may meet with a relevant party if after having considered all submissions, the *RIT-T proponent*, acting reasonably, considers that the meeting is necessary.

Project assessment conclusions report

- (i) As soon as practicable after the end of the consultation period on the *project assessment draft report* referred to in paragraph (g), the *RIT-T proponent* must, having regard to the submissions received, if any, under paragraph (f) and the

matters discussed at any meetings held, if any, under paragraph (h), prepare and make available to all *Registered Participants*, *AEMO* and *interested parties* and *publish* a report (the *project assessment conclusions report*).

...

Consultation with communities

- (r) To the extent that consultations under paragraphs (a) and (f) include engagement with *interested parties* as defined in clause 5.15.1(b), that engagement must be undertaken in accordance with the *community engagement expectations*.

5.22.6 Content of Integrated System Plan

...

Preparatory activities

- (c) An *Integrated System Plan* may specify whether preparatory activities must be carried out for *future ISP projects* and the timeframes for carrying out preparatory activities.
- (d) A *Transmission Network Service Provider* must:
- (1) in the case of an *actionable ISP project* for which preparatory activities have not yet commenced, commence preparatory activities as soon as practicable; and
 - (2) in the case of a *future ISP project*, if the *Integrated System Plan* provides that preparatory activities must be undertaken for that project, commence preparatory activities in accordance with the timeframes specified in the *Integrated System Plan* for that project,

provided that where preparatory activities are required to be undertaken pursuant to clause 5.24.1(b)(2), a *jurisdictional planning body* must ensure that preparatory activities are commenced in accordance with the timeframes described in subparagraph (1) or (2) (as applicable).

5.24.1 REZ design reports

...

- (e) In undertaking any public consultation pursuant to paragraph (d)(1), seeking written submissions in accordance with paragraph (d)(2) and undertaking the council and stakeholder engagement as part of preparatory activities pursuant to paragraph (b)(2)(i), the *jurisdictional planning body* must ensure that: do so in accordance with the *community engagement expectations*.
- ~~(1) stakeholders receive information that is clear, accurate, relevant and timely;~~
 - ~~(2) stakeholders have sufficient opportunity to consider and respond to the information provided;~~
 - ~~(3) targeted consultation materials, and methods of communication tailored to the needs of different stakeholders, are used; and~~
 - ~~(4) stakeholders' role in the engagement process is clearly explained to them, including how their input will be taken into account.~~

4 Transitional provisions (as necessitated by Rule changes for financeability, feedback loop and social licence – refer above)

11.[xxx].1.1 Definitions

For the purposes of this Part [XX]:

Amending Rule means the National Electricity Amendment ([TPIR Stage 2]) Rule.

commencement date means the date on which the Amending Rule commences operation.

11.[xxx].2.2 Existing actionable ISP projects prior to the clause 5.16A.5 stage

- (a) This clause 11.[xxx].2 applies if, at the commencement date, for an existing actionable ISP project the RIT-T proponent has requested written confirmation from AEMO under clause 5.16A.5(b).
- (b) For an existing actionable ISP project referred to in clause 11.xxx.2.2(a), rule 5.16A continues to apply as if the Amending Rule had not been made.

11.[xxx].2.3 Cost Benefit Analysis Guidelines

- (a) Within 12 months after the commencement date, the AER must update and publish on its website the Cost Benefit Analysis Guidelines required under clause 5.22.5 to comply with the requirements set out in clause 5.16A.2(c)(4), and in doing so must comply with the Rules consultation procedures.
- (b) If, prior to the commencement date, and for the purposes of updating the Cost Benefit Analysis Guidelines in anticipation of the Amending Rule, the AER undertook consultation or steps equivalent to that as required in the Rules consultation procedures, then that consultation or steps undertaken is taken to satisfy the equivalent consultation or steps under the Rules consultation procedures.

11.[xxx].2.4 Preparatory activities

- (a) This clause 11.[xxx].2.4 applies if, at the commencement date, for an existing actionable ISP project or a future ISP project, the Transmission Network Service Provider has commenced the preparatory activities referred to in clause 5.22.6(d).
- (b) For an existing actionable ISP project or future ISP project referred to in clause 11.xxx.2.4(a), the definition of preparatory activities continues to apply as if the Amending Rule had not been made, unless the Transmission Network Service Provider elects for the Amending Rule to apply.

11.[xxx].2.5 Community engagement expectations

- (a) This clause 11.[xxx].2.5 applies if, at the commencement date, for an existing actionable ISP project the Transmission Network Service Provider has commenced the consultation referred to in clauses 5.16A.4(a) and (f).

- (b) For an existing *actionable ISP project* referred to in clause 11.xxx.2.5(a), clauses 5.16A.4(a) and (f) continue to apply as if the Amending Rule had not been made, unless the *Transmission Network Service Provider* elects for the Amending Rule to apply.
- (c) If the *Transmission Network Service Provider* makes this election, then it must confirm this in the *project assessment draft report* or *project assessment conclusions report* as relevant

From: [REDACTED]
Sent: Friday, March 3, 2023 2:43 PM
To: [REDACTED]
CC: [REDACTED]; [REDACTED] Danielle Beinart
Subject: RE: FOR COMMENT: Feedback loop rule change request [SEC=OFFICIAL]
Attachments: Rule change request - DCCEEW - feedback loop rule AEMC comments.docx

Hi [REDACTED]

Thank you for the opportunity to comment on the feedback loop rule change request. Please find attached a copy with our comments. Most are minor in nature, the most substantive goes to ensuring that the flexibility for AEMO to carry out assessments in the exclusion window where it is beneficial is reflected in the request. I think the impacts section at the end should also draw out the positive impacts a bit more.

Happy to discuss if that would be helpful and thanks again for drafting the rule change request and the opportunity to comment.

Kind regards,

[REDACTED] Director
Australian Energy Market Commission
D [REDACTED] | T [REDACTED]
[REDACTED] [@aemc.gov.au](mailto:[REDACTED]@aemc.gov.au) | www.aemc.gov.au

[Level 15, 60 Castlereagh St, Sydney NSW 2000.](#)

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From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Friday, 24 February 2023 5:24 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>
Subject: FOR COMMENT: Feedback loop rule change request [SEC=OFFICIAL]

H [REDACTED]

Please find attached for comment the 'Feedback loop' rule change request that is the result of the work of the Australian Energy Market Commission's (AEMC) Transmission Planning and investment Review.

This is an opportunity for the AEMC to comment on the rule change request prior to formal submission by the Commonwealth to the Commission.

If you could please respond with comments or nil response on these rule changes by **3 March 2023**, that would be much appreciated.

I hope you have a lovely weekend.

Kind regards,

[REDACTED]

[REDACTED]

Senior Policy Officer

Electricity Division | Networks Reforms and Projects |
Turrbal and Jagera Land, L13 100 Creek Street, Brisbane 4000
Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

Acknowledgement of Country

Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging

OFFICIAL



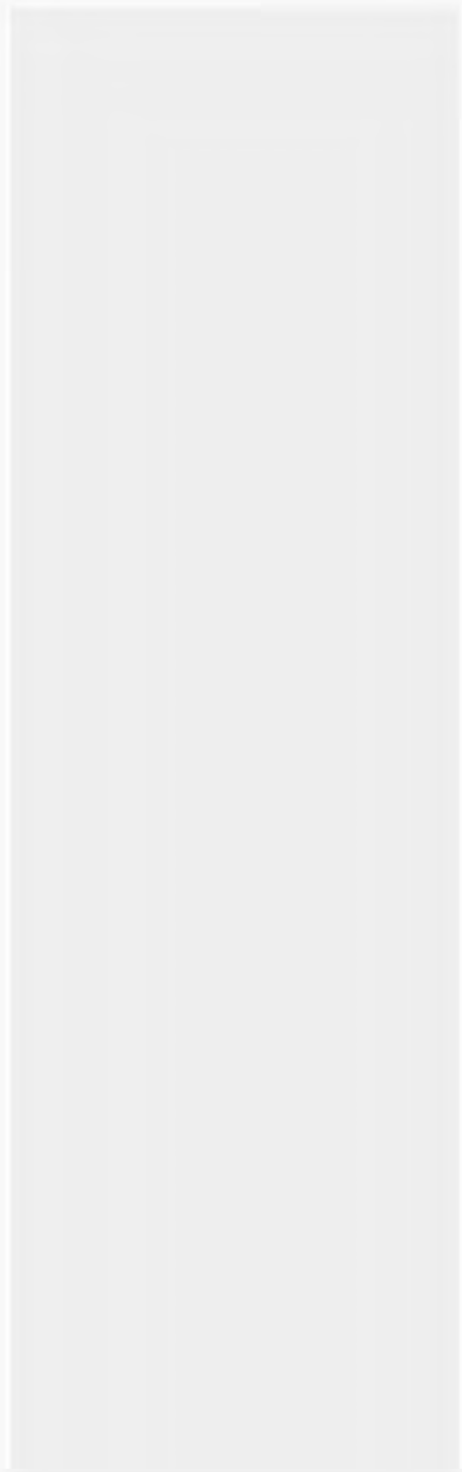
Rule Change Proposal

Feedback loop rule change request

February 2023

DRAFT

OFFICIAL



OFFICIAL**1. Request to make a Rule****1.1. Name and address of the person making the request**

The Honourable Chris Bowen MP
Minister for Climate Change and Energy
Parliament House
Canberra ACT 2600

2. Relevant background**2.1. AEMC Transmission Planning and Investment Review**

On 27 October 2022, the AEMC published the Stage 2 Final report of the Transmission Planning and Investment Review (the Review). Stage 2 of the Review focused on near term solutions and reducing uncertainty, including recommendations to improve workability of the feedback loop assessment to ensure a more effective consumer safeguard.

The AEMC established the Review to consider how to ensure that the regulatory framework supports the timely and efficient delivery of major transmission projects, while ensuring investment in these projects are in the long-term interests of consumers.

2.2. The feedback loop assessment

The feedback loop was first introduced as part of the actionable Integrated System Plan (ISP) reforms as a safeguard for Australian electricity consumers. The feedback loop assessment requires that, after completing a Regulatory Investment Test for Transmission (RIT-T), a Transmission Network Service Provider (TNSP) must seek written confirmation from the Australian Energy Market Operator (AEMO) that:

- The preferred RIT-T option addresses the relevant need identified in the most recent ISP and aligns with the optimal development path (ODP) outlined in that ISP, and
- The costs of this option does not change the status of the actionable ISP projects as part of the ODP.

This process safeguards consumers by ensuring that only investments in their long-term interest are eligible for regulatory funding. It also ensures this level of funding does not exceed the efficient level by capping the costs that can be sought by a RIT-T proponent in the contingent project assessment (CPA). The Australian Energy Regulator's (AER) Cost Benefit Analysis (CBA) Guidelines provide guidance as to how AEMO should conduct the feedback loop assessment to test the alignment between RIT-T projects and the most recent ISP ODP.

3. Statement of Issue**3.1. Practical difficulties in the application of the feedback loop undermines its ability to effectively safeguard consumers and support timely delivery of transmission projects**

There are workability issues that undermine the feedback loops' ability to operate as an effective safeguard while supporting the efficient delivery of ISP projects.

The issues stem from the requirement for the feedback loop to be assessed against the ODP in the 'most recent ISP'. Under the current actionable ISP framework, 'most recent ISP' refers to the latest final ISP or ISP update that has been published. As such, the feedback loop assessment focuses on the current ODP and not the ODP that will be identified in the next ISP publication. This is in contrast to the RIT-T process, which uses AEMO's most recent Inputs, Assumptions and Scenarios Report (IASR), that will underpin the future ODP in the next draft and final ISP.

The ODPs in current and future ISPs, will likely be underpinned by different inputs, assumptions and scenarios according to from AEMO's IASR. This creates several challenges for AEMO in attempting to conducting a feedback loop assessment, including:

- Compromising the accuracy of the assessment's results due to AEMO being unable to use the latest available information and relying on outdated IASR underpinning the ODP in the most recent ISP
- Increases the potential for inconsistencies between the inputs underpinning the feedback loop assessment and the RIT-T preferred option
- Creating additional burden for AEMO in its development of the next ISP due to the need to draw on two sets of modelling and inputs – impacting the timeliness of the feedback loop assessment.

This rule change request seeks to address these workability issues by allowing the feedback loop to use inputs that will underpin the ODP in the next ISP. This will be particularly important at times where there are significant differences between the RIT-T preferred option and the ISP candidate option.

4. Description of the proposed rule

The proposed rule would amend the National Electricity Rules (NER) to implement the rule change recommendations contained in the AEMC's TPIR - Stage 2 Final Report. The proposed amendments – which were prepared by the AEMC and accompanied the Final Report – are attached to this request.

The proposed amendments would improve the feedback loop assessment by ensuring the process is workable and fit for purpose, while also providing a clear and consistent regulatory framework to efficiently deliver ISP projects.

4.1. Aligning the feedback loop assessment with the publication of a draft or final ISP would aid in addressing workability issues

Aligning the feedback loop assessment with the draft or final ISP will address workability issues by allowing AEMO to consider the most up to date information in its assessment process.

The proposed amendments to the NER seek to:

- Enable the feedback loop assessment to be based on the inputs that will underpin the ODP in a draft ISP (proposed cl 5.16A.5(b)(1) and (2))
- Align the feedback loop with a draft or final ISP by establishing an exclusion window for feedback loop requests between the publication of the final IASR and draft ISP to be implemented through amendments to the AER's CBA Guidelines (proposed cl. 5.16A.5(c)(4)) with discretion for AEMO to undertake the feedback loop during the exclusion window where appropriate given the circumstances of that particular investment.

4.2. Allowing the feedback loop and CPA process to occur in parallel would reduce potential delays

Amending the NER to allow the CPA process and feedback loop assessment to proceed concurrently will allow for quicker delivery of transmission projects and reduce potential 'bunching' of project assessments around the draft ISP.

The proposed feedback loop amendments will:

- Allow, but not require, the feedback loop and CPA process to occur concurrently to address concerns of the potential for delay due to the bunching of feedback loops around a draft or final ISP (proposed cl. cl 5.16A.5(b)).
- ~~Require AEMO to complete the feedback loop assessment within 40 business days from the later of the date the request is submitted (or additional information is received) following an information request issued by AEMO, with a possible 60 business day extension if AEMO determines the assessment involves particular complexities or difficulties (proposed cl 5.16A.5A).~~

These amendments are unlikely to result in additional regulatory burden for TNSPs as the costs sought in the CPA are capped according to the outcome of the feedback loop assessment and running both processes concurrently will remain optional.

4.3. Requiring AEMO to complete the feedback loop assessment within 40 business days from the date the request is submitted or additional information is received would support timely delivery of projects

The proposed amendments will require AEMO complete a feedback loop assessment within a specific timeframe to ensure timely execution of regulatory process for ISP transmission projects.

The proposed amendment would:

- Require AEMO to complete the feedback loop assessment within 40 business days from the later of the following:
 - the date the request is submitted or
 - the date additional information is received following an information request issued by AEMO.
- Give AEMO the power to extend the assessment by 60 business days if it determines the assessment involves particular complexities or difficulties (proposed cl 5.16A.5A).

These amendments to the NER would promote a clear, consistent and predictable regulatory framework that offers stakeholders transparency regarding timeframes for the completion of the assessment process.

4.4. There would be transitional arrangements to allow adequate time for the amendments to be put in place while not disrupting existing projects

As this rule may result in significant changes to AEMO's, the AER's and TNSP's existing processes, ~~there would be~~ transitional arrangements should be developed to allow for smooth implementation that does not adversely impact existing projects.

The proposed transitional provisions would:

Commented [REDACTED]
3/3/2023 2:26:00 PM
This is covered under 4.3, suggest it is removed from here

- Apply the proposed feedback loop amendments to an existing actionable ISP project if, and only if, the RIT-T proponent has not already requested a feedback loop assessment under existing cl 5.16A.5(b).
- Provide the AER with 12 months to update the CBA Guidelines in line with the proposed feedback loop amendments, and allow time for any consultation the AER undertakes for that purpose before the amendments commence.

5. How the proposed rule will address the issue

The proposed rule amendments will address the feedback loop's key workability issues by enabling AEMO to use the most recent IASR that underpins the upcoming ISP. This will prevent the practical challenges currently impacting the feedback loop assessment process, while also ensuring its results are consistently accurate when assessing RIT-T preferred projects against ISP candidates.

The proposed rule amendments will also provide flexibility for the AEMO to time the feedback loop assessment to the circumstances of the particular investment to manage the complexities of the energy transition.

Running the CPA concurrently with the feedback loop and requiring AEMO to complete its assessment within 40 business days from application (or an additional 60 business days should complexities arise) will also ensure a ~~transparency~~ transparent and predictable regulatory framework that can facilitate timely delivery of ISP projects.

The proposed rule change will ensure consumers are protected while not unduly delaying major transmission investment through the regulatory process.

6. How the proposed rule will or is likely to contribute to the achievement of the National Electricity Objective

The national electricity objective (NEO), as set out in section 7 of the National Electricity Law, is to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to –

- price, quality, safety, reliability and security of supply of electricity; and
- the reliability, safety and security of the national electricity system.

The relevant aspect of the NEO for present purposes is the promotion of efficient investment in, ~~and efficient operation and use of~~, electricity services for the long term interests of consumers of electricity with respect to price, quality, safety, reliability and security of the supply of electricity.

The proposed feedback loop amendments advance the NEO in the following ways:

1. Allowing AEMO to consider inputs from upcoming ISPs will promote more efficient decision-making by AEMO and help ensure the feedback loop operates as an effective safeguard for consumers.
2. Managing the timing of feedback loop requests in the CBA Guidelines enables AEMO to develop a tailored approach to feedback loop assessments.
3. Allowing the CPA process and feedback loop assessment to proceed concurrently will manage potential bunching of assessments around the publication of a draft ISP, thereby promoting efficient decision-making by AEMO.
4. Incorporating a timeframe for AEMO to complete the feedback loop promotes a clear, consistent and predictable regulatory framework by providing clarity and transparency to TNSPs and other stakeholders regarding when the outcome of the feedback loop will be known.

7. Expected costs, benefits and impacts of the proposed rule

7.1. Expected benefits

The proposed feedback loop amendments would improve the workability of the feedback loop for AEMO and improve its ability to operate as an effective safeguard for consumers while also supporting timely delivery of ISP projects.

It will also reduce administrative and regulatory burden.

7.2. Expected costs

The proposed amendments are not expected to impose any significant new costs on TNSPs or consumers.

However, there may be some additional costs for AEMO and the AER during the initial implementation of the proposed amendments and any associated consultation. Any additional costs in during implementation are likely be offset by the benefit of improved workability of the feedback loop, improved consumer protection and minimised regulatory delays of transmission projects.

7.3. Impacts of the change on those likely to be affected.

The proposed amendments would likely require TNSPs to structure their regulatory and project timelines around the exclusion window between final IASR and draft ISP. This is not expected to considerably alter transmission project timelines, and will serve to streamline them through expedited regulatory process outside of this exclusion window.

The proposed exclusion window may impact the project timelines for TNSPs wishing to conduct a feedback loop and CPA. However, the benefits of improved timeliness of this process and limited chance of significant divergence between the RIT-T option the ISP candidate are expected to outweigh potential costs. AEMO will also have the discretion to undertake feedback loop assessments within this exclusion window where it is appropriate given the circumstances of the particular investment which will mitigate this impact.

AEMO will be required to adjust its processes in the information it uses to assess RIT-T preferred options against the ISP ODP, as well as ensure the feedback loop assessment is completed according to the proposed timelines.

Commented [REDACTED]
 3/3/2023 2:39:00 PM
 There is also the positive impact on AEMO here- reduced admin burden, quicker, less modelling and rework etc. I think this is important to add so it shows the positive impact too.

From: [REDACTED]
Sent: Wednesday, March 8, 2023 2:53 PM
To: [REDACTED]; [REDACTED]; [REDACTED]; [REDACTED]
CC: [REDACTED]; Danielle Beinart; [REDACTED]; [REDACTED]
Subject: RE: Propose another DCCEEW, AER & AEMC meeting to discuss Transgrid rule change proposals [SEC=OFFICIAL]

Hi all,

We would be willing to have an additional discussion on Transgrid's concerns and are available to meet on Tuesday 14 March from 2.30pm – 3pm, or 4pm – 5pm.

In the meantime we will continue to progress finalising the drafting of the financeability rule change request.

Kind regards,

[REDACTED]

[REDACTED]

A/g Senior Policy Officer

Electricity Division | Networks Reforms and Projects |
Gadigal Nation, L18 201 Sussex Street, Sydney 2000
Department of Climate Change, Energy, the Environment and Water
P [REDACTED] | E [REDACTED]@industry.gov.au
DCCEEW.gov.au ABN 63 573 932 849

Acknowledgement of Country

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OFFICIAL

From: [REDACTED]@aer.gov.au>
Sent: Wednesday, 8 March 2023 1:56 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: Propose another DCCEEW, AER & AEMC meeting to discuss Transgrid rule change proposals [SEC=OFFICIAL]

OFFICIAL

Hi [REDACTED]

We didn't see anything yesterday that we think needs to be addressed prior to the lodgement of the rule change. We consider the best course of action is to lodge the rule change asap and let the proper process run its course.

We cannot meet this Friday or next Mon (public holiday), but I could meet next Tue (14 March) 10-11 or next Wed (15 March) sometime between 1:30 and 3. However, we don't think the rule change lodgement should be held up waiting on this meeting

Kind Regards, [REDACTED]

[REDACTED]
Senior Financial Advisor
Australian Energy Regulator
[REDACTED]@aer.gov.au
[REDACTED]

From: [REDACTED] <[REDACTED]@aemc.gov.au>

Sent: Wednesday, 8 March 2023 10:52 AM

To: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>

Cc: [REDACTED] <[REDACTED]@industry.gov.au>; Danielle Beinart <Danielle.Beinart@aemc.gov.au>; [REDACTED]

<[REDACTED]@aemc.gov.au>; [REDACTED] <[REDACTED]@aer.gov.au>

Subject: Propose another DCCEEW, AER & AEMC meeting to discuss Transgrid rule change proposals

CAUTION: This email originated from outside of the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Hi [REDACTED] and [REDACTED]

Further to our meeting yesterday regarding Transgrid's rule change proposals on the Financeability formula and Return on debt revenue adjustment – it may be useful to have another meeting between DCCEEW, the AER and the AEMC so that we can further discuss these rule change proposals.

If you agree, we are free during the following times:

- Friday 10 March: 1 - 2pm
- Monday 14 March:
 - 10 - 11am
 - 1 - 2pm
- Tuesday 15 March:
 - 1.30 - 3pm
 - 4 - 5pm

Regards

[REDACTED]
[REDACTED] Senior Adviser
Australian Energy Market Commission
D [REDACTED]
[REDACTED]@aemc.gov.au | www.aemc.gov.au

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Subject: Status of financeability rule change and Transgrid's concerns

Location: Microsoft Teams Meeting

Start: 3/14/2023 3:30 AM

End: 3/14/2023 4:00 AM

Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: [REDACTED]

Required Attendees: [REDACTED]; [REDACTED]@industry.gov.au; [REDACTED]

Resources: Microsoft Teams Meeting

Hi [REDACTED] and [REDACTED]

Thank you for your time to discuss the status of the financeability rule change and Transgrid's concerns.

Regards

[REDACTED]

Microsoft Teams meeting

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 466 214 505 480

Passcode: kwfkmh

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Join with a video conferencing device

270539195@t.plcm.vc

Video Conference ID: 131 484 622 0

[Alternate VTC instructions](#)

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From: [REDACTED]
Sent: Wednesday, 8 March 2023 5:18 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Social licence rule change request [SEC=OFFICIAL]

Hi [REDACTED]

Thank you for letting me know.

I wanted to check on this as the drafting did already have community engagement expectations defined under 5.10.2 (I have attached the relevant section below). Are you wanting to define it elsewhere as how we have included it in the proposed rules is consistent with how we would define a "local definition" that only appears in one Chapter. It might be good to discuss if you have some time tomorrow.

5.10.2 Definitions

In this Part D and schedules 5.8, 5.9 and 5.4A:

...

preparatory activities means activities to design and to investigate the costs and benefits of *actionable ISP projects, future ISP projects* and REZ stages (as applicable), including:

- (a) detailed engineering design;
- (b) route selection and easement assessment work;
- (c) cost estimation based on engineering design and route selection;
- (d) preliminary assessment of environmental and planning approvals; and

~~(e) council and stakeholder engagement,~~

~~which are undertaken prior to the identification of the preferred option for the relevant project or stage.~~

(e) engagement with local council, local community members, members of the public and any other relevant stakeholders wishing to express their views about the development of the *actionable ISP project, future ISP project, or project within a REZ stage, in accordance with the community engagement expectations.*

...

community engagement expectations means ensuring that:

- (a) stakeholders receive information that is clear, accurate, relevant and timely;
- (b) stakeholders have sufficient opportunity to consider and respond to the information provided;
- (c) consultation materials and methods of communication tailored to the needs of different stakeholders are used; and
- (d) the stakeholders' role in the engagement process is clearly explained to them, including how their input will be taken into account.

...

Kind regards,

[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Wednesday, 8 March 2023 2:33 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>

Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>
Subject: Social licence rule change request [SEC=OFFICIAL]

Hi [REDACTED]

I am emailing to let you know that we are planning to include an additional proposed change in the social licence rule change request based on our internal legal advice. This proposed amendment is to add a definition of 'community engagement expectations' into the NER.

This would be comparable to the existing expectations placed on jurisdictional planning bodies for REZs which sets out specific requirements for stakeholder engagement as part of preparatory activities (see [clause 5.24.1\(e\)](#)).

If you have any questions or concerns please feel free to give me a call, or we can set up time for a meeting to discuss this.

Kind regards,

[REDACTED]

[REDACTED]

Senior Policy Officer

Electricity Division | Networks Reforms and Projects |

Turrbal and Jagera Land, L13 100 Creek Street, Brisbane 4000

Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED]@industry.gov.au

DCCEEW.gov.au ABN 63 573 932 849

Acknowledgement of Country

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OFFICIAL

From: [REDACTED]
Sent: Friday, March 10, 2023 11:28 AM
To: Danielle Beinart
CC: [REDACTED]
Subject: [REDACTED]
Attachments: AEMC-AER-Department - Financeability rule change 2.01.pptx

Hi Danielle

Hope you're well.

Further to your meeting with [REDACTED] yesterday, our legal advisors ([REDACTED] from HSF) would be pleased to meet with the AEMC's lawyers on the cost of debt allowance aspect of a financeability rule change. [REDACTED] (copied in) are available on Monday except 11-12 and 3-4.

[REDACTED]

Feel free to let me know if you have any queries.

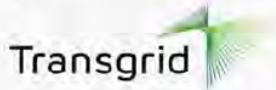
Cheers,

[REDACTED]

[REDACTED]

Senior Manager Policy Reform Office | Community and Policy

Transgrid | 180 Thomas Street, Sydney, NSW, 2000
T: [REDACTED]
E: [REDACTED]@transgrid.com.au **W:** www.transgrid.com.au



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Data Classification: Sensitive

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From: [REDACTED]
Sent: Friday, March 10, 2023 2:12 PM
To: Danielle Beinart
Subject: RE: [REDACTED]
[REDACTED]

Great- thanks Danielle.
Have a great weekend.
Cheers,
[REDACTED]

Data Classification: *Official*

From: Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Sent: Friday, 10 March 2023 2:06 PM
To: [REDACTED]@transgrid.com.au>
Cc: [REDACTED]@transgrid.com.au>
Subject: RE: [REDACTED]

Thank you [REDACTED] – I'll link up [REDACTED] and [REDACTED] with our internal lawyer via a separate email.

[REDACTED]

Cheers
Danielle

From: [REDACTED]@transgrid.com.au>
Sent: Friday, 10 March 2023 11:28 AM
To: Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Cc: [REDACTED]@hsf.com>; [REDACTED]@hsf.com>; [REDACTED]
<[REDACTED]@transgrid.com.au>
Subject: [REDACTED]

Hi Danielle

Hope you're well.

Further to your meeting with [REDACTED] yesterday, our legal advisors ([REDACTED] from HSF) would be pleased to meet with the AEMC's lawyers on the cost of debt allowance aspect of a financeability rule change. [REDACTED] (copied in) are available on Monday except 11-12 and 3-4.

[REDACTED]

Feel free to let me know if you have any queries.

Cheers,

██████████
Senior Manager Policy Reform Office | Community and Policy

Transgrid | 180 Thomas Street, Sydney, NSW, 2000

T: ██████████

E: ██████████@transgrid.com.au W: www.transgrid.com.au



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From: [REDACTED]
Sent: Thursday, March 16, 2023 10:24 AM
To: [REDACTED]
CC: [REDACTED] Danielle Beinart
Subject: RE: Feedback loop rule change request - AEMO's feedback [SEC=OFFICIAL]

Hi [REDACTED]

Thank you for confirming this, I will add your suggested wording into the rule change request.

Thanks again,
[REDACTED]

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Thursday, 16 March 2023 8:32 AM
To: [REDACTED] <[REDACTED]@industry.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>;
Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Subject: RE: Feedback loop rule change request - AEMO's feedback [SEC=OFFICIAL]

Hi [REDACTED]

[REDACTED]

The rules require the AER to consider timing in the guideline. It will more be the narrative/policy position. So the sentence in the rule change request probably needs slight tweaking- e.g. the AEMC consider the scenarios applied to PACRs and the need for exclusion windows for PACRs.

Happy to discuss.

Thanks
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Wednesday, 15 March 2023 2:42 PM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>;
Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Subject: RE: Feedback loop rule change request - AEMO's feedback [SEC=OFFICIAL]

Hi [REDACTED]

Thanks for getting back to me so quickly. [REDACTED]
[REDACTED]

[REDACTED]

No word yet from the NFF on social licence, but I will let you know as soon as we've heard anything.

Kind regards,
[REDACTED]

From: [REDACTED] [mailto:[REDACTED]@aemc.gov.au]
Sent: Wednesday, 15 March 2023 12:14 PM
To: [REDACTED] <[REDACTED]@industry.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>;
Danielle Beinart <Danielle.Beinart@aemc.gov.au>
Subject: RE: Feedback loop rule change request - AEMO's feedback [SEC=OFFICIAL]

Hi [REDACTED]

I hope you are well too.

We can consider all of the below in the rule change process with a submission from AEMO. [REDACTED]
[REDACTED]

[REDACTED] t

[REDACTED]

Was there any update on the NFF feedback on the social licence rule change request?

Happy to chat if that would be easier.

kind regards,
[REDACTED]

From: [REDACTED] <[REDACTED]@industry.gov.au>
Sent: Wednesday, 15 March 2023 11:38 AM
To: [REDACTED] <[REDACTED]@aemc.gov.au>
Cc: [REDACTED] <[REDACTED]@industry.gov.au>; [REDACTED] <[REDACTED]@industry.gov.au>
Subject: Feedback loop rule change request - AEMO's feedback [SEC=OFFICIAL]

Hi [REDACTED]

I hope you're well.

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Kind regards,

[Redacted]

[Redacted]

Senior Policy Officer

Electricity Division | Networks Reforms and Projects |

Turrbal and Jagera Land, L13 100 Creek Street, Brisbane 4000

Department of Climate Change, Energy, the Environment and Water

P [Redacted] E [Redacted]@industry.gov.au

DCCEEW gov.au ABN 63 573 932 849

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Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging

OFFICIAL

From: [REDACTED]
Sent: Tuesday, March 21, 2023 10:55 AM
To: [REDACTED]; [REDACTED]
Subject: RE: TPIR indicative rules [SEC=OFFICIAL]

OFFICIAL

Thanks [REDACTED]

DCCEEW shared recent drafts of the financeability and concessional finance proposals with us for comment. We've been keeping a close eye on those ones

Kind regards,

[REDACTED] (he/him)

A/Assistant Director | Policy Development | Strategic Policy & Energy Systems Innovation

Australian Energy Regulator

Level 29 | 135 King Street Sydney NSW

T: [REDACTED]



The ACCC acknowledges the traditional owners and custodians of Country throughout Australia and recognises their continuing connection to the land, sea and community. We pay our respects to them and their cultures; and to their Elders past, present and future.

From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Tuesday, 21 March 2023 10:41 AM
To: [REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED] <[REDACTED]@aemc.gov.au>
Subject: RE: TPIR indicative rules [SEC=OFFICIAL]

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Yes, we have been conscious of trying to not have to open up your guidelines multiple times too!

We will keep you in the loop re the rule changes coming from DCCEEW- we are expecting financeability and concessional finance shortly too

[REDACTED]

From: [REDACTED] <[REDACTED]@aer.gov.au>
Sent: Tuesday, 21 March 2023 10:07 AM

To: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED]
<[REDACTED]@aemc.gov.au>
Subject: RE: TPIR indicative rules [SEC=OFFICIAL]

OFFICIAL



Kind regards,

[REDACTED] (he/him)

A/Assistant Director | Policy Development | Strategic Policy & Energy Systems Innovation

Australian Energy Regulator

Level 29 | 135 King Street Sydney NSW

T: [REDACTED]



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From: [REDACTED] <[REDACTED]@aemc.gov.au>
Sent: Tuesday, 21 March 2023 9:52 AM
To: [REDACTED] <[REDACTED]@aer.gov.au>; [REDACTED]
<[REDACTED]@aemc.gov.au>
Subject: RE: TPIR indicative rules [SEC=OFFICIAL]

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Hi [REDACTED]

We have an intended proponent for a) the social licence rule change recommended in stage 2- DCCEEW will be submitting it any time now b) we do not have a proponent lined up for targeted ex-post review rule change. Is AER interested in being the proponent?

[REDACTED]

From: [REDACTED] <[REDACTED]@aer.gov.au>
Sent: Tuesday, 21 March 2023 9:12 AM

To: [REDACTED] <[REDACTED]@aemc.gov.au>; [REDACTED]
<[REDACTED]@aemc.gov.au>
Subject: TPIR indicative rules [SEC=OFFICIAL]

OFFICIAL

Hi [REDACTED] and [REDACTED]

I can't remember if we've discussed this before, but are there intended proponents for a) the social licence rule change recommended in TPIR stage 2 and b) the targeted ex-post review rule change?

Kind regards,

[REDACTED] (he/him)

A/Assistant Director | Policy Development | Strategic Policy & Energy Systems Innovation

Australian Energy Regulator

Level 29 | 135 King Street Sydney NSW

T: [REDACTED]



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From: [REDACTED]
Sent: Tuesday, March 21, 2023 3:48 PM
To: Danielle Beinart; [REDACTED]
[REDACTED]
CC: [REDACTED]
Subject: FW: Rule change requests [SEC=OFFICIAL]
Attachments: For Ministerial Approval - Concessional finance rule change request (final).docx; For Ministerial Approval - Social licence rule change request (final).docx; For Ministerial Approval - Financeability rule change request (final).docx

Hi All

Great news, the rule change packages from TPIR (Concessional finance, financeability and social licence) have been approved by DCCEEW and are about to go to the Minister's Office!

Fingers crossed for speedy approval by the Minister!

Attached are the versions that are going to the Minister. Financeability team- I understand it has the most changes from the version you last saw.

I will keep you in the loop as I hear more.

[REDACTED]

From: [REDACTED]@industry.gov.au>
Sent: Tuesday, 21 March 2023 3:38 PM
To: [REDACTED]@aemc.gov.au>; [REDACTED]@aemc.gov.au>; [REDACTED]@aemc.gov.au>
Cc: [REDACTED]@industry.gov.au>; [REDACTED]@industry.gov.au>
Subject: Rule change requests [SEC=OFFICIAL]

Hi All

[REDACTED] has cleared the package of three rule changes and this will go up to the MO shortly.

While I cannot guarantee the wording will not change through the offices clearance process, I think it would be unlikely.

The three rule changes are attached.

Cheers

[REDACTED] (he/him)

A/g Director

Electricity | Transmission Branch | Networks Reform Section
Ngunnawal Country, 51 Allara St, Canberra ACT 2601 Australia

Department of Climate Change, Energy, the Environment and Water

P [REDACTED] | E [REDACTED] [@industry.gov.au](mailto:[REDACTED]@industry.gov.au)



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