

## **FN-25-03 Fortnightly report 14 February 2025**

This report summarises items that may be of interest to the Minister for Energy but not necessarily require a formal briefing. Further information on any topic can be provided on request. Substantive items and decision papers will be provided to the Minister in the form of briefings.

**Electricity Authority contact:** Sarah Gillies, Chief Executive

**Mobile:** s9(2)(a)

## 1. Energy Competition Task Force update

1. Following Authority Board decisions on 14 February, on 19 February we will provide you with:
2. A copy of the Task Force endorsed Level playing field measures – Options paper
3. A related paper Reviewing risk management options for electricity retailers – Update paper following submissions. The risk management review provides the core evidence base that underpins the competition aspects of the Task Force work programme, so this Update paper is an important foundation for the Level playing field measures – Options paper
4. A substantive briefing note that puts these papers in context and builds on our initial Task Force focused meeting with you on 30 January 2025.

## 2. Current and upcoming publications and advice

| Decision paper: Update to scarcity pricing settings                                   |  |
|---|--|
| Strategic outcome   | Secure and resilient: <i>Effective risk management</i>   |
| Purpose   | <p>We are amending the Code to:</p> <ul style="list-style-type: none"><li>• better reflect consumer expectations of security of supply</li><li>• better reflect the high cost of involuntary demand reduction on consumers and businesses</li><li>• improve price signal during periods of scarcity.</li></ul> <p>The updates in this paper are intended to be implemented by mid-April to support security of supply for winter 2025.</p> |
| Action and timing   | Intended publication: 7 March 2025   |
| Decision paper: Decision on proposed Electricity Information Exchange Protocol EIEP4A |  |
| Strategic outcome   | Affordable: <i>Consumer care and affordability</i>   |
| Purpose   | EIEP4A is a proposed new protocol that would standardise how medically dependent consumer information is shared, as required under clause 51 of the Consumer Care Obligations.   |
| Action and timing   | Intended publication: Late February/early March 2025   |

### Update to System Operator's policy statement

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| <b>Strategic outcome</b> | Secure and resilient: <i>Effective risk management</i> |
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| <b>Purpose</b> | To make minor changes to the System Operator's policy statement following its regular review. The policy statement describes the methods by which the system operator will meet its core Code obligations for maintaining a stable and resilient power system. |
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| <b>Action and timing</b> | Intended publication: 28 February 2025 |
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### Update on Power Innovation Pathway

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| <b>Strategic outcome</b> | Affordable: <i>Innovation and distributed energy</i> |
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| <b>Purpose</b> | The pathway is the Authority's "front door" for innovators to access regulatory (non-financial) advice and support. A small number of initiatives will receive regulatory support to accelerate progress with the aim of getting their product/service to market faster to benefit consumers. The first tranche of supported projects will be announced in late February as per the 24/25 SPE. |
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| <b>Action and timing</b> | Intended publication: 25 February 2025 |
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s9(2)(f)(iv)

### Decision paper: Code review programme number 6

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|--------------------------|---|
| <b>Strategic outcome</b> | Affordable: <i>Effective competition</i>  |
| <b>Purpose</b>           | This paper is the Authority's decision on 16 minor Code amendments. The primary benefit of these Code amendments is to increase the efficiency of the industry through evolution of requirements as the industry evolves, removal of obsolete requirements, and clarification of requirements to align with the original policy intent. The benefit to consumers is through reduces cost pressures on industry participants |
| <b>Action and timing</b> | Intended publication: 25 February 2025  |

## 3. Consultations underway

### Improving access to thermal fuel information

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| <b>Strategic outcome</b> | Secure and resilient: <i>Effective risk management</i>  |
| <b>Purpose</b>           | We are seeking feedback on a proposal to improve the collection and publication of information on the availability of thermal fuels.<br><br>Information about the thermal fuel availability is critical for understanding security of supply risks. |
| <b>Action and timing</b> | Consultation closes: 18 February 2025   |

### Entrant generators – context, headwinds and options for power purchase agreements

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|--------------------------|--|
| <b>Strategic outcome</b> | Affordable: <i>Effective competition</i>   |
| <b>Purpose</b>           | We are seeking feedback on our working paper which tests the scope and focus of Task Force initiatives to consider requiring gentailers to offer long-term firming for Power Purchase Agreements (PPAs) (initiative 1A). This is premised on the potential for PPAs to support business models that would intensify competition to build new generation and sell electricity.<br><br>The working paper is a key input into developing and evaluating options for consultation in April 2025. |
| <b>Action and timing</b> | Consultation closes: 28 February 2025  |

| Code amendment omnibus #5                 |  |
|---|--|
| Strategic outcome                         | Efficient: <i>Innovation and distributed energy</i>  |
| Purpose                                   | <p>We are seeking feedback on our fifth Code amendment omnibus consultation. This includes three discrete proposals to amend the Code to:</p> <ul style="list-style-type: none"> <li>• extend the trader default provisions to all retailers</li> <li>• update and extend the stress test requirements</li> <li>• provide for pricing if systems are unavailable for more than 36 hours.</li> </ul>  |
| Action and timing                         | Consultation closes: 4 March 2025  |
| New ways to empower electricity consumers |  |
| Strategic outcome                         | Efficient: Innovation and distributed energy   |
| Purpose                                   | <p>We are seeking feedback on two consultation papers for Task Force Package Two - one paper for Initiative 2A, and a combined paper for 2B and 2C. These papers seek feedback on proposed rule changes that would better enable consumers to manage their electricity use and costs and to harness the power of rooftop solar and batteries. We are consulting on:</p> <ul style="list-style-type: none"> <li>• Requiring distributors to pay a rebate when consumers supply electricity at peak times (Initiative 2A)</li> <li>• Improving pricing plan options for consumers: time-varying retail pricing for electricity consumption and supply (initiatives 2B and 2C)</li> </ul> |
| Action and timing                         | Consultation closes: 26 March 2025   |
| Distributed generation pricing principles |  |
| Strategic outcomes                        | Efficient: Innovation and distributed energy   |
| Purpose                                   | <p>We're seeking feedback on ways to improve the distributed generation pricing principles that guide the cost of connecting distributed generation, such as wind and solar farms, directly to the network.</p> <p>Distributed generation plays an important role in bringing electricity to where it is needed most, and we want to ensure it is efficiently rolled out at the right places and at the right time.</p>  |

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| <b>Action and timing:</b> | Consultation closes: 26 March 2025 |
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## 4. Upcoming Electricity Industry Participation Code amendments

The following table has Electricity Industry Participation Code amendments that need to be presented to the House by the Minister's office **within 20 working days** following the date on which it is made.

| Tracking number | Name | Date made | Date of Gazette notification | Date in force | Due date for presentation to the House |
|-----------------|------|-----------|------------------------------|---------------|--|
|                 | NA   |           |                              |               |  |

## 5. Key external engagements

- 14 February: Gas and Security Response Group
- 15 February: Summer School of Energy Economics speaking event
- 18 February: Australian Regulators Delegation – NEM Review
- 19 February: Council of Energy Regulators
- 27 February: Electricity Authority's Electricity Registry Update webinar
- 27 February: Communications workshop with Transpower: Official conservation campaign
- 28 February: Electricity CEO Forum and framework meeting
- 28 February: Energy Competition Task Force meeting