



## COAG Regulation Impact Statement status: 2020-21

The Office of Best Practice Regulation (OBPR) publishes Regulation Impact Statements (RIS) and the OBPR's assessment of RISs on its website as soon as practicable after a regulatory announcement is made, in consultation with the relevant Council, Forum or national standard-setting body (NSSB). Consequently, the RIS status in aggregate and by Council, Forum or NSSB is also reported 'live' in the following tables. This document is accurate as of 31 January 2021.

Between 1 July 2020 and 31 January 2021, seven COAG Decision RISs were finalised, and assessed as compliant by the OBPR, and published. In this period ten COAG consultation RISs were assessed by the OBPR, and published.

## Compliance with the COAG RIS requirements 2016-17 to 2020-21

Stage	2016-17		2017-18		2018-19		2019-20		2020-21	
	ratio	%	ratio	%	ratio	%	ratio	%	ratio <sup>b</sup>	%
Consultation stage <sup>a</sup>	10/11	90	6/6	100	15/15	100	24/25	96	6/7	86
Decision-making stage	10/11	90	6/6	100	15/15	100	23/25	92	6/7	86

<sup>a</sup> The consultation stage figures relate to those decisions at the consultation stage for which a corresponding decision RIS at the decision-making stage has been announced.

<sup>b</sup> As at 31 January 2021

## COAG Consultation RISs prepared 2016-17 to 2020-21

	2016-17	2017-18	2018-19	2019-20	2020-21 <sup>d</sup>
Consultation RISs prepared <sup>c</sup>	8	14	5	26	10

<sup>c</sup> These numbers represent all Consultation RISs that were prepared and published in the relevant financial year.

<sup>d</sup> As at 31 January 2021

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## Detailed information

### Australian Energy Market Commission

Proposal	Decision date	Compliant at consultation	Compliant at decision	Final RIS published
<b>Changes to Intervention Mechanisms</b> A final rule that amends the National Electricity Rules (NER) to improve the efficiency and clarity of intervention mechanisms. The final rule removes the mandatory restrictions framework and the obligation to counteract during an intervention and clarifies the basis for affected participant compensation cost recovery following activation of emergency reserves under the reliability and emergency reserve trader (RERT).	10 Sept 2020	Yes	Yes	15 Sept 2020
<b>Removal of Intervention Hierarchy</b> The AEMC has made a final determination to replace the existing hierarchy of interventions with principles providing flexibility for the Australian Energy Market Operator to select the supply scarcity mechanism or combination of mechanisms that minimise direct and indirect costs and are effective at addressing the conditions of supply scarcity.	10 Sept 2020	Yes	Yes	15 Sept 2020
<b>Reallocation of National Transmission Planner Costs</b> The final rule has been developed through an expedited process and will allow the Australian Energy Market Operator to cost recover its national transmission planner function fees from co-ordinating network service providers, who will in turn include these fees in their transmission pricing. The rule also clarifies the recovery of fees in Victoria where the Australian Energy Market Operator is also the co-ordinating network service provider.	29 Oct 2020	Yes	Yes	4 Nov 2020
<b>Transparency of Unserved Energy Calculation</b> The final rule makes amendments to the National Electricity Rules to include a purpose statement for the definition of unserved energy, to assist stakeholders and AEMO with the definition's interpretation. In addition the rule makes changes to: <ul style="list-style-type: none"> <li>require the Australian Energy Market Operator (AEMO) to set out, through the <i>reliability standard implementation guideline</i> (RSIG), the method for calculating unserved energy in accordance with clause 3.9.3C, including how the amount of energy demanded in the relevant region is determined;</li> <li>make it clearer that the intent of the clauses is to <i>include</i> unserved energy that results from power system reliability incident, and <i>exclude</i> unserved energy that results from power system security incidents; and</li> <li>clarify that multiple 'contingency events' are in fact multiple 'credible contingency events', and clarifying that 'non-credible contingency events' include both single and multiple non-credible contingency events.</li> </ul>	19 Nov 2020	Yes	Yes	19 Nov 2020
<b>Compensation for Services Other Than Energy and Market Ancillary Services</b> The AEMC has satisfied itself that the final rule promotes the interests of consumers, reduces administrative burden on AEMO and registered participants, and improves transparency, predictability, consistency and the allocation of risk.	17 Dec 2020	Yes	Yes	18 Dec 2020

## Australian Registrars' National Electronic Conveyancing Council

Proposal	Decision date	Compliant at consultation	Compliant at decision	Final RIS published
<b>Interoperability Between Electronic Lodgement Network Operators</b>	<b>Sept 2020</b>	<b>No</b>	<b>No</b>	<b>15 Jan 2021</b>

In September 2020, the Australian Registrars' National Electronic Conveyancing Council (ARNECC) announced a decision to develop legislation to require interoperability between Electronic Lodgement Network Operators (ELNOs). As RISs were not prepared for the consultation stage or prior to the announcement of a final decision to regulate, the OBPR has assessed the proposal as being non-compliant with current COAG best practice regulation requirements.

## Legislative and Governance Forum on Consumer Affairs (CAF)

Proposal	Decision date	Compliant at consultation	Compliant at decision	Final RIS published
<b>Enhancements to Unfair Contract Term Protections</b>	<b>6 Nov 2020</b>	<b>Yes</b>	<b>Yes</b>	<b>18 Nov 2020</b>

On 6 November 2020, the Legislative and Governance Forum on Consumer Affairs (CAF) agreed to strengthen the existing unfair contract term protections in the Australian Consumer Law. Key reforms include:

- making unfair contract terms unlawful and giving courts the power to impose a civil penalty;
- increasing eligibility for the protections by expanding the definition of small business and removing requirements for contracts to be below certain thresholds; and
- improving clarity on when the protections apply, including improving clarity around the definition of 'standard form contract'.

These reforms will help reduce the prevalence of unfair contract terms in standard form contracts, and improve consumer and small business confidence when entering into contracts.

## Appendix A - RISs prepared for consultation in 2020-21.

The following Council of Australian Governments (COAG) consultation RISs have been published for consultation in 2020-21.

Proposal	Decision-making body	Closing date
<b>Proposal to Include Minimum Accessibility Standards for Housing in the National Construction Code</b>	<b>Australian Building Codes Board</b>	<b>31 Aug 2020</b>
The RIS considers four potential amendments to the National Construction Code, based on the various accessibility tiers in the LHDG, in addition to a non-regulatory option. All options are compared to the status quo (that is, not including minimum accessibility standards in the National Construction Code).		
<b>In-Cab Audio and Video Safety Recording for Rail Operators Transport and Infrastructure Ministers</b>		<b>23 Oct 2020</b>
The RIS examines the evidence for both voluntary adoption of, and mandatory requirements for, in-cab audio and video recordings in rail operations in Australia, to provide enhanced information to investigators, for the purposes of improving rail safety outcomes.		
<b>Compensation Following Directions for Services Other Than Energy and Market Ancillary Services</b>	<b>Australian Energy Market Commission</b>	<b>5 Nov 2020</b>
The Australian Energy Market Commission (AEMC) released a draft rule for the National Electricity Amendment (Compensation following directions for services other than energy and market ancillary services) Rule 2020 and a corresponding Draft Rule for consultation. This draft determination is to make a more preferable draft rule that reduces burden on the Australian Energy Market Operator (AEMO) and registered participants by amending the compensation framework for non-market services directions from two steps to one step, and improves transparency, predictability, consistency and the allocation of risk.		
<b>Compensation for Market Participants Affected by Intervention Events</b>	<b>Australian Energy Market Commission</b>	<b>5 Nov 2020</b>
The Australian Energy Market Commission (AEMC) released a draft rule determination for the National Electricity Amendment (compensation for Market Participants Affected by Intervention Events) Rule 2020 and a corresponding Draft Rule for consultation. This draft determination is to make a more preferable draft rule which changes the way that compensation is calculated when market participants are dispatched differently as a result of an AEMO intervention event which triggers intervention pricing.		
<b>Maintaining Life Support Customer Registration When Switching</b>	<b>Australian Energy Market Commission</b>	<b>14 Jan 2021</b>
The draft rule seeks reduce barriers for life support customers that switch retailer or distribution network service provider (DNSP). The AEMC is seeking to achieve this by introducing an obligation on the outgoing registration process owner (RPO) (the retailer or DNSP contacted by the customer for life support registration purposes) to provide the customer with a copy of the medical confirmation form (MCF) and/or medical confirmation document used to register the customer's premises on request. The proposal would also allow customers to reuse confirmation documents for the purpose of providing medical confirmation to the incoming RPO. Customer safety would be maintained by the combination of a simpler registration process while maintaining a degree of customer responsibility to pass accurate information to RPOs.		
<b>Semi- Scheduled Generator Dispatch Obligations</b>	<b>Australian Energy Market Commission</b>	<b>14 Jan 2021</b>

The proposed rule seeks to address the issue of semi-scheduled generators curtailing generation in response to market prices without rebidding or waiting for an updated dispatch instruction from AEMO. This rule change would progress one of the interim security measures developed by the COAG Energy Council Energy Security Board that is expected to improve outcomes while more fundamental reforms are designed and implemented through a longer term market design process.

**Technical Standards for Distributed Energy Resources      Australian Energy Market Commission   14 Jan 2021**

The draft rule would create technical standards that embedded generating (EG) units connecting by way of a micro EG connection service must comply with. The standard would amend the existing arrangements for solar inverters used primarily in household and other small-scale generation settings. The requirements would apply to equipment connected to the national electricity grid for the first time after the rule commences and a six month transition period has passed.

**Connection to Dedicated Connection Assets      Australian Energy Market Commission      28 Jan 2021**

The draft rule would amend the National Electricity Rules to create a new framework for 'designated network assets'. This framework would replace the current arrangements for large dedicated connection assets. The AEMC believes that the draft rule would better contribute to the achievement of the National Electricity Objective by allowing for the more effective management of power system security and better facilitating the sharing of parts of the transmission system funded by connecting parties, while maintaining the incentives to invest.

**Lead in Plumbing Products      Australian Building Codes Board      01 March 2021**

This Consultation RIS aims to determine whether the allowable levels of lead in the manufacture of copper alloy plumbing products and material specifications that come into contact with drinking water, should be reduced.

**Bill Contents and Billing Requirements      Australian Energy Market Commission   04 Feb 2021**

The draft rule proposes to create obligations on the Australian Energy Regulator (AER) to create mandatory guidelines on bill contents for electricity and gas retailers to follow when issuing bills to small customers, which may also extend to billing frequency.