

COAG Energy Council
GPO Box 787
CANBERRA ACT 2601

14th October 2020

Submitted via e-mail to: energycouncil@industry.gov.au

Dear Sir/Madam,

Regulatory Sandboxing Legislation Consultation

The Australian Energy Council (the “**AEC**”) welcomes the opportunity to make a submission in response to the COAG Energy Council’s *Regulatory Sandboxing Legislative Amendments – Explanatory note for stakeholder consultation*.

The AEC is the industry body representing 21 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia, sell gas and electricity to over ten million homes and businesses, and are major investors in renewable energy generation.

Discussion

The AEC supports the implementation of the legislation and rules as drafted, with one suggestion for improvement.

It is noted that the Draft Bill limits the duration of trial waivers and trial rules to five years. This is a reasonable period, which should allow adequate time for a trial to occur. There is also provision for trials to be extended for up to one year at a time. Again, an extension is a reasonable provision.

However the AEC has reservations that extensions can be granted repeatedly, which would give the effect of an enduring trial. The AEC suggests that to avoid this issue, there be a limit to the number of extensions granted. A suitable cap would be five, to match the maximum period of the initial trial.

Any questions about this submission should be addressed to the writer, by e-mail to Duncan.MacKinnon@energycouncil.com.au.

Yours faithfully,



Duncan MacKinnon
Wholesale Policy Manager
Australian Energy Council