



COAG Energy Council Secretariat  
GPO Box 787  
Canberra ACT 2601

26 September 2017

Dear Secretariat,

**Re: Statutes Amendment (National Energy Laws) (Rules) Bill 2017**

We thank COAG Energy Council for the opportunity to provide a submission on the Energy Security Board - Ministerial Power to make Rules.

We are extremely concerned with the proposal to allow the South Australian Minister to make rules following recommendations by the Energy Security Board (ESB) and COAG Energy Council. Whilst we understand that establishment of the ESB was a recommendation by Dr Finkel in the *Independent Review into the Future Security of the National Electricity Market*, providing for the ESB to have a rule making function was not.

We are concerned that the proposal undermines the existing governance framework under the NEL and NGL and essentially bypasses the rule making body, the Australian Energy Market Commission (AEMC). One major consequence of this is that the thorough consultation process under which rules are currently made are unlikely to be applied to rules made under this provision. Given that the AEMC already has the power to make urgent rules in accordance with section 96 of the NEL, we believe this additional rule making power is unnecessary and duplicative. We believe the current consultation process which the AEMC undertakes is essential for transparency and to ensure that consumers have a say in rule changes which directly impact on them. Over time, the AEMC has enhanced and improved its consultation processes and we would not want to see that compromised.

We are also concerned about the extent to which this proposal is in the long term interest of consumers by delivering the NEO and NGO. As a non-statutory authority which is not established by law, we believe the ESB would only be required to be satisfied that the proposed rules are consistent with the NEO and NGO. The AEMC may only make a Rule if it is satisfied that the Rule will or is likely to contribute to the achievement of the NEO and NGO. The reduced requirement for the ESB is a challenge to safeguarding the long term interests of consumers.

We thank you for consideration of our comments. If you have any questions, please contact Mr Gavin Dufty, Manager Policy and Research, St Vincent de Paul via [gavind@svdp-org.au](mailto:gavind@svdp-org.au) or Ms Jo De Silva, Senior Policy Officer, SACOSS via [jo@sacoss.org.au](mailto:jo@sacoss.org.au).

Yours Sincerely,



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Ross Womersley  
CEO (SACOSS)