

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio
Additional Budget Senate Estimates
10 February 2010

Question: AR9
Topic: Australia's Electricity Rules
Proof Hansard Page: E122

Senator Pratt asked:

Senator PRATT—Okay. I had other questions, but my last is to ask about progress on amending Australia's electricity rules to enable more renewable power sites to enter the grid. I know that progress is underway, but I would like you to report to me on how it is going.

Mr Pierce—We will take that on notice.

Senator PRATT—Thank you.

Answer:

On 4 December 2009, the Ministerial Council on Energy (MCE) agreed to a number of recommendations made by the Australian Energy Market Commission (AEMC) in its Final Report on its *Review of Energy Market Frameworks in Light of Climate Change Policies* (the Report). This included agreement to implement changes to national electricity rules aimed at facilitating more efficient connection of generators to the national electricity grid by enabling scale efficient network connections to allow more efficient connection where generators are likely to be clustered in a particular geographic location and to improve incentives for investment in inter-regional electricity transfer capacity.

Further information about the proposed rule change requests are available in the AEMC's Report¹ and the MCE response to the Report². The AEMC is responsible for progressing rule change requests in accordance with a formal and consultative rule making process as described on its website.

¹ www.aemc.gov.au/Market-Reviews/Completed/Review-of-Energy-Market-Frameworks-in-light-of-Climate-Change-Policies.html

² Bulletin 173 at www.ret.gov.au/Documents/mce/quicklinks/bulletins.html