

National Energy Retail Law (Queensland) and Another Regulation Amendment Regulation (No. 1) 2015

Explanatory notes for SL 2015 No. 61

made under the

National Energy Retail Law (Queensland) Act 2014

National Gas (Queensland) Act 2008

National Gas (Queensland) Law

General Outline

Short title

National Energy Retail Law (Queensland) and Another Regulation Amendment Regulation (No.1) 2015

Authorising law

Sections 11 and 12 of the *National Energy Retail Law (Queensland) Act 2014*

Sections 11 and 12 of the *National Energy Retail Law* contained in a Schedule to the *National Energy Retail Law (South Australia) Act 2011* of South Australia.

Sections 7 and 16 of the *National Gas (Queensland) Act 2008*

Section 8A of the *National Gas (Queensland) Law*

Policy objectives and the reasons for them

The policy objective of the regulation is to amend certain provisions of the *National Energy Retail Law (Queensland) Regulation 2014* and the *National Gas (Queensland) Regulation 2014* to facilitate the commencement of the *National Energy Retail Law* in Queensland. Amendments are required to nominate an alternative local area retailer for the Energex distribution area, transferring the responsibility from Sun Retail Pty Ltd to its parent company Origin Energy Electricity Limited; to rectify a reference to an incorrect Origin Energy Limited subsidiary; and to remove references to Envestra Limited following a change in company name.

Achievement of policy objectives

The regulation will achieve its policy objective of supporting the application, as a law of Queensland, of the *National Energy Retail Law* by amending local instruments under that law prior to the commencement of the *National Energy Retail Law* on 1 July 2015. Specifically by:

- amending the *National Energy Retail Law (Queensland) Regulation 2014* to:
 - nominate an alternative local area retailer for the supply area delineated in distribution authority D07/98 held by Energex Limited under the *Electricity Act 1994*; and
 - amend the National Energy Retail Rule 152B, a new rule which applies to Queensland only, to remove an incorrect reference to Origin Energy Retail Limited and replace it with the correct reference of Origin Energy Electricity Limited; and
- amending the *National Energy Retail Law (Queensland) Regulation 2014* and the *National Gas (Queensland) Regulation 2014* to correct references to the holder of DA-A-007 following a change in company name from Envestra Limited to Australian Gas Networks Limited.

Consistency with policy objectives of authorising law

The regulation is consistent with the policy objectives of the *National Energy Retail Law (Queensland) Act 2014* and, in respect of regulations made as local instruments, with the policy objectives of the *National Energy Retail Law* contained in a Schedule to the *National Energy Retail Law (South Australia) Act 2011* of South Australia.

The regulation is consistent with the policy objectives of the *National Gas (Queensland) Act 2008* and with the policy objectives of the *National Gas (Queensland) Law*.

Inconsistency with policy objectives of other legislation

The regulation is not inconsistent with any policy objectives of any other legislation.

Alternative ways of achieving policy objectives

Section 11 of the *National Energy Retail Law* contained in a Schedule to the *National Energy Retail Law (South Australia) Act 2011* of South Australia imposes a requirement that a local area retailer may only be nominated by a local instrument, that is, a regulation. There is no alternative means to change a local area retailer nominated under the regulation.

The amendments of a machinery nature are required to correct drafting errors and update out of date references in the *National Energy Retail Law (Queensland) Regulation 2014* and the *National Gas (Queensland) Regulation 2014*. There are no alternative ways of making these amendments.

Benefits and costs of implementation

These amendments will support adoption of the *National Energy Retail Law*.

The nomination of Origin Energy Electricity Limited as the local area retailer for the Energex distribution area will have no material impact on customers. No additional costs to the Government are anticipated with the proposal.

Consistency with fundamental legislative principles

The regulation has been drafted having regard to the Fundamental Legislative Principles (FLPs) outlined in the *Legislative Standards Act 1992* and there are no matters that are inconsistent with the FLPs.

Consultation

Consultation has occurred with the Department of the Premier and Cabinet and Queensland Treasury.

Consultation was also undertaken with the Office of Best Practice Regulation, the Commonwealth Department of Industry and Science, the Australian Energy Regulator, and Origin Energy Electricity Limited.

None of the consulted parties raised objections to the proposed regulation.