



19 April 2024

General Manager, Compliance and Enforcement Branch
Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

By email: aercompliance@aer.gov.au

Dear Ms Park

Compliance Procedures and Guidelines review – draft guidelines submission

Alinta Energy welcomes the opportunity to provide a response to the Australian Energy Regulator's (AER) Draft Compliance Procedures and Guidelines review (Draft Guidelines).

As an active investor in energy markets across Australia with an owned and contracted generation portfolio of over 3,300MW and more than one million electricity and gas customers. Alinta Energy has a vested interest in the regulatory reform associated with the review of the Compliance Procedures and Guidelines.

Implementation Timeframe

Alinta Energy understands the importance of reporting breaches of obligations that affect our most vulnerable customers, and to ensure this, the Compliance Procedures and Guidelines must be updated. The energy industry is currently seeing a significant amount of regulatory reform and it is important that reforms balance both cost and benefits and allow appropriate transitional time, accounting for policy process and system changes.

Based on the Draft Guidelines and the suggested change regarding material breaches, Alinta Energy anticipates that a 1 January 2025 commencement date is achievable. However, if there is any significant variance to the Draft Guidelines in the final Guideline determination, we would reserve our position on achieving a 1 January 2025 commencement date.

Minimising Costs

Alinta Energy suggests the AER ensures stability with the final Guideline and that reporting requirements do not change with unnecessary frequency or without reasonable cause to ensure retailers have confidence in investing in resources, systems, and programs to manage compliance assessment and reporting obligations.

New Reportable Obligations

Alinta Energy supports new reporting requirements for:

- family violence
- presentation of standing offers
- energisation and re-energisation

We appreciate that a balanced review has been undertaken between reporting obligations. Where those that have been deemed high risk have been added and are required to be reported more frequently, whilst those that have been deemed low risk have been removed or had their reporting frequency reduced. However, we do not support alignment to reporting frequencies with Victoria as suggested in the explanatory statement. In particular, the Essential Services Commission's Type 2 breach category would see reporting obligations reported within 30 calendar days. Our experience in Victoria is that such a change has created an increased administrative burden for little or no defined consumer benefit.

Material Breaches

To ensure consistency and accuracy across reporting, clearly defined reporting requirements must be set out in the Guidelines. Alinta Energy believes there should be 3 distinct categories:

- Immediate
- Half Yearly
- Material

The Draft Guidelines suggest, that in addition to identifying a reporting obligation as Half Yearly the retailer must also assess whether the Half Yearly obligation (potential non-compliance) is also material, and if so, this would alter the reporting obligations. Alinta Energy proposes that where a breach is categorised as Half Yearly there is no obligation to consider whether it is also Material, and "material breaches" should only include breaches that are neither Immediate or Half Yearly.

Removal of Quarterly Reporting

Alinta Energy supports the removal of quarterly reporting.

De-energisation Reporting Changes

Alinta Energy appreciates the clarification provided regarding NERR Rule 107 and Rules 111 – 120. The removal of reporting a de-energisation obligation that has already been reported on an immediate basis reduces duplication.

Streamlining of Reporting Obligations

Alinta Energy supports the removal of obligations deemed lower risk by the AER from Quarterly and Half-Yearly breach categories.

Portal Submission

Alinta Energy supports the submission of compliance reports via a dedicated reporting portal as this aligns with performance reports. A function of the portal is that it should allow for access to historical reports. Likewise, access to and submission of reports must also be available to allow multiple Alinta Energy representatives to access and review information maintained in the portal.

Alinta Energy thanks the AER for the opportunity to comment on the Draft Guidelines. Should you wish to discuss or have any further queries regarding this submission, please contact Shareen Singh, Senior Compliance Advisor by email on

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Yours sincerely

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Natasha Aylward
Senior Compliance Manager