



RIS Ref: DNRME1028-0319

File Ref: DOC19/1343

27 September 2019

Ms Colleen McIntyre
Manager, Strategic Energy Policy
Department of Natural Resources, Mines and Energy
1 William Street
BRISBANE QLD 4000

Dear Ms McIntyre

Consultation Regulatory Impact Statement—Review of Queensland Energy Legislation

Thank you for your enquiry of 11 March 2019 and additional information provided to September 2019, seeking advice on the adequacy of the 'Review of Queensland Energy Legislation' Consultation Regulatory Impact Statement (RIS).

The Department of Natural Resources, Mines and Energy (the department) notes that Queensland's electricity laws were initially written 25 years ago and reflect a system when electricity was only supplied in a linear model to customers, and Queensland's energy sector and energy laws operated in isolation from other Australian states and territories. The energy sector has since undergone rapid transformation—new technologies, increased consumer participation and expectations are changing the ways energy is made, supplied and used. Queensland is now also part of the National Energy Market (NEM) which means Queensland's energy sector is governed by a mix of state and national energy laws.

Queensland's energy legislation includes the *Electricity Act 1994*, *Gas Supply Act 2003*, *Energy and Water Ombudsman Act 2006* and *Liquid Fuel Supply Act 1984*. The department has reviewed the energy legislation to identify changes needed for a modern energy framework and to meet review requirements of the *Statutory Instruments Act 1992*.

A consultation RIS has been prepared to invite feedback on proposed options, particularly recommended options for change to Queensland's state-based energy laws. The RIS covers 11 topics outlined in **Attachment A**.

Assessment

In undertaking its assessment of whether a RIS is adequate, the Queensland Productivity Commission (the Commission) has regard to the 'adequacy criteria' in the Queensland Government Guide to Better Regulation (the guidelines). Based on these criteria, the Commission considers the RIS adequately presents the department's assessment of the issues and provides analysis and quantification of options and their impacts on potentially affected stakeholders.

Given these points, the Commission considers the consultation RIS is adequate for the purposes of public consultation. Consultation with stakeholders will likely assist the department to further develop the legislation, including:

- whether any alternative options, which achieve the aims of the legislation, should be considered



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- verifying the analysis undertaken and whether the proposals will have any unforeseen adverse impacts on business or the community
- whether the proposals are likely to provide a net benefit to the community.

Consistent with the guidelines, once a Consultation RIS has been approved for release it is published on the Commission's website along with this letter. After consultation has concluded, a Decision RIS, incorporating the consideration of public comments should be provided to the Commission for assessment before the matter is finally referred to Cabinet for decision.

Please contact Robert Sugden, Senior Analyst on (07) 3015 5113 if you require any additional information or guidance in relation to the above comments or the guidelines in general.

Yours sincerely



Christine Tozer
Team Leader

Attachment A

Consultation Regulatory Impact Statement outline.

The Review of Queensland Energy Legislation encompasses a RIS for each of the 11 topics listed below:

1. Purpose of state energy laws (i.e. Objectives of the Acts)
2. Energy efficiency and demand management
3. Interactions with other laws
4. Licensing
5. Powers of entry and resumption
6. Technical requirements
7. Price control
8. Dispute resolution*
9. Customer protections
10. Emergency powers
11. Offences and enforcement

***Note:** Section 2.8.1 *EWOQ embedded network issue* has previously received a RIS Letter of Adequacy dated 20 June 2019 (RIS reference: DNRME957-1218—Enabling embedded network customers access to the Energy Ombudsman).