



# National Electricity and Gas Rules

## Update 2025

## Introduction

This document outlines all rule change requests for the National Electricity Rules (the *NER*) and the National Energy Retail Rules (the *NERR*) (in section 1) and the National Gas Rules (the *NGR*) (in section 2) currently under consideration by the Australian Energy Market Commission (the *AEMC*), as well as completed rule changes regarding which the final rule has not yet commenced in full. The status of each proposed rule is regularly updated on the AEMC's website and this document is amended on a monthly basis to reflect those changes.

## National Energy Retail Rules

Since 1 July 2012, the AEMC has held the role of rule maker for the Australian retail energy markets. This includes the power to amend the NERR that are part of the National Energy Customer Framework (the *NECF*). The NECF has commenced in South Australia, New South Wales, Queensland, Tasmania and the Australian Capital Territory. Victoria has implemented the NECF in so far as it applies to Chapter 5A of the NERR. Western Australia and the Northern Territory do not propose to implement the NECF. The AEMC may amend the NERR independently to, or in conjunction with, amendments to the NER.

## The NER and NERR

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New rule change requests	Early application of a revised transmission Service Target Performance Incentive Scheme Optimising contingency size in dispatch, Allocating FCAS contingency costs
New draft determinations	There have been no new draft determinations since the last update
Completed rule changes	Minor changes 2 2025

## The NGR

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There have been no new rule change requests, draft determinations or completed rule changes since the last update

## Opportunities for stakeholders

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Due by	Opportunities for submissions
11 December 2025	Early application of a revised transmission Service Target Performance Incentive Scheme
18 December 2025	Optimising contingency size in dispatch, Allocating FCAS contingency costs
15 January 2026	Establishing a regulatory framework for retail customer initiated gas abolishment/Establishing a regulatory framework for retail customer initiated gas abolishment (Retail)

## Energy reform

### Securing the grid: AEMO's strategy for managing the transition

On 1 December 2025, AEMO published its inaugural Transition Plan for System Security (*the Plan*), consolidating previous reporting on system strength, inertia and ancillary services. The Plan outlines how AEMO will manage increasing risks to system security as coal-fired generation retires and responsibility shifts to synchronous condensers, hybrid gas turbines and grid-forming batteries. Central to the Plan is the identification of key 'transition points', which are events such as major plant closures or changes in system conditions that could materially impact system security.

- **Accelerated coal retirements:** following the retirement of ten coal-fired plants since 2012 and further closures on the horizon, AEMO warns that delivering replacement system security services such as synchronous condensers and grid-forming batteries is critical to prevent escalating reliability risks and costly market interventions. With lead times of five or more years for procurement, timely investment in these assets will be critical.
- **Minimum system load (MSL) challenges:** the rapid growth of distributed energy resources (*DER*) is pushing operational demand to record lows and making system security increasingly complex. With more than one-third of Australian homes now equipped with behind-the-meter rooftop solar, AEMO emphasises that urgent investment in large-scale storage, active DER management and greater flexibility in consumer energy resources is essential to maintain stability and avoid emergency backstop curtailment of solar exports.
- **Regional readiness:** while AEMO has identified several transition points that are currently 'on track', there are still 'unresolved issues' linked to two key transitions. Namely, Queensland is expected to face significant MSL risks as early as 2026, compounded by the scheduled closure of Gladstone Power Station in 2029. Similarly, New South Wales faces looming system strength and inertia gaps following the planned retirement of Eraring Power Station in 2027. AEMO cautions that any delay in delivering synchronous condensers in NSW could lead to frequent and costly market interventions and increasing risks of unserved energy.
- **Transitional Services framework:** looking forward, AEMO states that it will leverage its new powers under the *Improving security frameworks for the energy transition* (ERC0290) rule change which allows AEMO to procure 'Transitional Services' to address near-term (Type 1) and longer-term (Type 2) security needs, including trials of advanced inverter technologies and black start capability from inverter-based resources.

The 2026 Transition Plan will incorporate further detail on system restart requirements, grid-forming inverter capability, and the integration of DER, as well as lessons from international collaboration through AEMO's work with the International System Operator Network. AEMO is seeking ongoing stakeholder feedback to refine its approach by 2 February 2026.

[READ MORE HERE.](#)

# National Electricity Rules and National Energy Retail Rules

## Rule change requests

New rule change requests (since last update, 1 November 2025)

<b>Rule name</b>	<b>Early application of a revised transmission Service Target Performance Incentive Scheme</b>
Proponent	AER
Key dates	<a href="#">Initiation date</a> : 13 November 2025 <a href="#">Deadline for submissions</a> : Deadline passed (11 December 2025)
Stage	Consultation on consultation paper

### [Summary of request](#)

The AER is seeking to amend the NER to allow it to reopen a TNSP's revenue determination for the purpose of applying a revised service target performance incentive scheme (STPIS) during a regulatory control period. The AER is currently finalising a review of the STPIS, with the revised scheme expected to better reflect contemporary transmission network performance and stakeholder expectations. Under the current NER, a revised STPIS can only be applied to a TNSP at the start of its next regulatory control period, which may result in significant delays before improvements are realised.

The proposed amendments:

- allow the AER to apply a revised STPIS to a TNSP before the start of its next regulatory control period, subject to consultation and agreement with the affected TNSP;
- are intended to ensure that consumers and the market benefit from improved transmission service standards as soon as practicable, rather than waiting up to five years for the next applicable regulatory reset; and
- include safeguards to ensure that early application is only made where it is appropriate and after consultation with stakeholders.

The AEMC is seeking stakeholder feedback on the issue (including any alternative solutions to consider), the appropriateness of early application, and the effectiveness of the proposed safeguards. Submissions on the consultation paper are due by 11 December 2025.

[READ MORE HERE.](#)

<b>Rule name</b>	<b>Optimising contingency size in dispatch, Allocating FCAS contingency costs</b>
Proponent	Grids Energy
Key dates	<a href="#">Initiation date</a> : 20 November 2025 <a href="#">Deadline for submissions</a> : Deadline passed (18 December 2025)
Stage	Consultation on consultation paper

### [Summary of request](#)

The AEMC is seeking stakeholder views on the proposals to optimise contingency size in dispatch and allocate contingency frequency control ancillary service (FCAS) costs through 'runway' cost allocation. The consultation paper relates to a package of rule changes previously proposed by Grids Energy to efficiently manage the size of the largest credible load and generation contingency event, which influences the volume of contingency FCAS that AEMO is required to procure.

The proposed amendments include:

- **(optimising contingency size in dispatch)** this rule change proposal seeks to automate and optimise the determination of contingency size in dispatch. Grids Energy proposes that central dispatch should constrain the output of the largest scheduled or semi-scheduled generators or loads when it reduces the amount of contingency FCAS requirements, which leads to overall cost savings to the system, does not reduce system security, and maintains market integrity; and
- **(allocating contingency FCAS costs)** this proposal recommends adopting a 'runway' cost allocation approach. Under this approach, contingency FCAS costs are recovered in proportion to the size of the unit's dispatch, rather than total generation, resulting in a more cost-reflective allocation of costs.

The AEMC is seeking feedback on each of the above proposals. Submissions on the consultation paper are due by 18 January 2025.

[READ MORE HERE.](#)

## Existing rule change requests

<b>Rule name</b>	<b>Amending the Cumulative Price Threshold Methodology / CPT calculation during administered scheduled pricing</b>
Proponent	Delta Electricity / Snowy Hydro
Key dates	<a href="#">Initiation date</a> : 16 October 2025 <a href="#">Deadline for submissions</a> : Deadline passed (20 November 2025)
Stage	Preparation of draft determination

### Summary of request

The AEMC is consulting on two rule change requests relating to the calculation of the cumulative price threshold (CPT) in the NEM, prompted by market events leading to the suspension of the NEM in 2022. The first request, from Delta Electricity, proposes changes to the methodology for calculating the CPT when one or more regions have reached the threshold. The second, from Snowy Hydro, proposes suspending the calculation of the CPT during periods when the market suspension pricing schedule (MSPS) is in use.

The proposed amendments include:

- **(use of settled prices for CPT calculation)** Delta Electricity proposes that, when a region is not under administered pricing but is exporting to a region that is, the CPT should be calculated using the settled prices actually received by generators, rather than the higher dispatch prices. This aims to ensure generators receive adequate price signals and that investment incentives are maintained, particularly when multiple regions are under administered pricing;
- **(consistency across regions)** Delta Electricity suggests the change would ensure that all regions are treated consistently in how the CPT is calculated, so that the full CPT value is available to generators in each region, regardless of the status of neighbouring regions; and
- **(suspension of CPT calculation under MSPS)** Snowy Hydro proposes that, during periods when the market is suspended and the MSPS is in use, the calculation of the CPT should be suspended. This is to prevent the CPT from being artificially reduced by scheduled pricing, which could otherwise lead to the premature end of administered pricing and a return to extreme spot prices.

The AEMC is progressing these rule changes in parallel but has not consolidated them at this stage. The AEMC is planning to release its draft determination on 29 January 2026.

[READ MORE HERE AND HERE.](#)

<b>Rule name</b>	<b>Enhancing access for registered participant representatives (Electricity)</b>
Proponent	AEMO
Key dates	<a href="#">Initiation date</a> : 9 October 2025 <a href="#">Deadline for submissions</a> : Deadline passed (6 November 2025)
Stage	Preparation of draft determination

### Summary of request

The AEMC is consulting on a rule change request from AEMO to clarify and enable AEMO's ability to disclose confidential information directly to authorised representatives of registered participants and other specified market entities, consistent with existing confidentiality obligations. The rule change request is expected to enhance operational efficiency and strengthen data security as AEMO upgrades the platforms by which it exchanges information with registered participants.

The proposed rule seeks to:

- **(authorisation to disclose confidential information)** explicitly authorise AEMO to disclose confidential information to authorised representatives of registered participants (or other specified entities) entitled to receive that information;
- **(responsibility for accessing confidential information)** require registered participants to remain responsible for determining which representatives may access confidential information and for compliance with all legal and regulatory obligations;
- **(authorisation and access)** empower AEMO to establish procedures for authorisation and access processes, developed in consultation with stakeholders; and
- **(limits on proposal)** clarify that the proposal does not extend to retail customers or their representatives, whose access is governed by other frameworks.

The AEMC is seeking stakeholder feedback on whether the current rules are restrictive, the benefits and costs of the proposed solution, privacy/confidentiality issues, and the proposed assessment criteria.

The AEMC is planning to release its draft determination on 5 February 2026. A parallel rule change has been opened in respect of the NGR, which relies upon the same consultation paper.

[READ MORE HERE.](#)

<b>Rule name</b>	<b>Clarifying the treatment of jurisdictional policies and system costs in the ISP</b>
Proponent	Centre for Independent Studies
Key dates	<a href="#">Initiation date:</a> 9 October 2025 <a href="#">Deadline for submissions:</a> Deadline passed (6 November 2025)
Stage	Preparation of draft determination

#### [Summary of request](#)

The AEMC is consulting on a rule change request from the Centre for Independent Studies that seeks to improve the robustness and transparency of the Integrated System Plan (*ISP*) by clarifying how jurisdictional policies and system costs are treated in the ISP.

The proposed amendments include:

- **(baseline scenario without policy constraints)** requiring AEMO to model and publish a 'baseline' scenario in the ISP that does not include any binding jurisdictional emissions reduction or renewable energy policy constraints, to show the system and costs without additional government policies;
- **(scenarios for plausible policy changes)** requiring AEMO to model and publish scenarios that reflect 'plausible changes in government policies', such as emissions reduction or renewable generation targets being missed, reduced or removed, to ensure the ISP is robust to policy uncertainty;

- **(whole of system costs)** requiring AEMO to explicitly assess and publish the ‘whole of system’ costs faced by consumers, including costs currently excluded such as consumer energy resources, distribution network upgrades, recycling and disposal of renewables, and payments to coal generators for life extensions;
- **(cost impact of individual policies)** requiring the ISP to state the cost impact of each individual jurisdictional policy on the whole system, to improve transparency for consumers and policymakers; and
- **(transitional arrangements for immediate transparency)** requiring AEMO to publish an addendum to the 2024 ISP within three months of the rule change, providing an assessment of whole of system costs and the cost impacts of each policy.

The AEMC’s consultation on the proposed rule change will include consideration as to whether the existing requirements on AEMO to consider policy uncertainty are sufficient to address this risk, and what objective assessment criteria could be used to assess a baseline scenario and ‘plausible changes in government policies’. The AEMC is planning to release its draft determination on 16 April 2026.

[READ MORE HERE.](#)

<b>Rule name</b>	<b>Clarifying registration for non-generating units providing system security services</b>
Proponent	CS Energy
Key dates	<b>Initiation date:</b> 5 June 2025 <b>Deadline for submissions:</b> Deadline passed (23 October 2025)
Stage	Preparation of draft determination

#### Summary of request

This draft rule determination takes a different approach to the initial rule change request from CS Energy, opting to clarify the application of the existing Integrated Resource Provider (IRP) registration category to standalone synchronous condensers connected at a market connection point, rather than introducing a new registration category.

Specifically, the draft rule proposes to add a note to clause 2.3.4(b) of the NER to make explicit that the connection point for a standalone synchronous condenser may be registered as a market connection point (which enables registration as an IRP under clause 2.1B.2(a)(2) of the NER). The AEMC considers that this minimalist approach delivers timely clarity, supports near-term investment in non-network system strength solutions, and avoids unnecessary complexity.

Stakeholder feedback to the consultation paper indicated broad support for greater clarity in registration arrangements, with most stakeholders favouring a new registration category. However, the AEMC determined that the existing IRP category was always intended to be technology neutral and, with explicit clarification, it is sufficient to address the identified issue. The AEMC noted that further reforms may be considered in the future as the market evolves.

Submissions on the draft determination were due by 23 October 2025.

[READ MORE HERE.](#)

<b>Rule name</b>	<b>Real-time data for consumers</b>
Proponent	Energy Consumers Australia
Key dates	<b>Initiation date:</b> 10 October 2024 <b>Deadline for submissions:</b> Deadline passed (23 October 2025)

### Summary of request

The AEMC's draft rule determination adopts a different approach to the rule change request proposed by Energy Consumers Australia (ECA), requiring all new smart meters installed from 1 January 2028 to include embedded wireless and real-time data communication functionality. Under the draft rule, consumers with these new meters would be able to access real-time data at no charge, with costs spread across all consumers via their electricity bills. The proposed draft rule would only apply to small customers (less than 100 MWh/year), not large customers or embedded networks.

The draft rule proposes the following:

- **(definition of 'real-time')** departing from the rule change request, the AEMC proposes that 'real-time data' will have a more technical definition based on measurements of voltage, current, and phase angle. These measurements would be made available by a type 4 or 4A smart meter at a resolution of no less than once per second. Further technical details will be specified in forthcoming AEMO procedures, expected by July 2026;
- **(data sharing arrangements)** all new smart meters installed from 1 January 2028 must have embedded wireless and wired communications functionality to enable real-time data access;
- **(costs associated with access)** access to real-time data from new meters (installed from 2028) will be provided at no charge to consumers, with costs spread across all customers via retail bills. Customers with meters installed before 2028 may still access real-time data, but may be required to pay a reasonable charge to retrofit or replace their meter. Retailers may only charge once per premises to enable access to real-time data;
- **(real-time data interoperability)** the draft rule requires open standards-based protocols for real-time data access, with AEMO to specify technical and interoperability standards in the AEMO procedures;
- **(privacy and cyber security safeguards)** real-time data is classified as confidential information, and access is subject to customer consent. The draft rule also introduces accreditation requirements for third parties, as well as family violence safeguards;
- **(retailers to provide and allow access to real-time data)** additional obligations on retailers to provide access to real-time data following a customer request within 15 business days of a request (or after payment or agreement if a retrofit is required);
- **(metering coordinators):** new obligations will be introduced for designated metering coordinators (MCs) to facilitate access, maintain security, and cooperate with dispute resolution processes;
- **(reporting and transparency)** the draft rule does not require the AER to publish annual reports on smart metering costs, as proposed in the Directions Paper, citing administrative burden and limited benefit; and
- **(consent requirement to access real-time data)** consistent with the Directions Paper, consent must be obtained from the customer to obtain access to a customer's real-time data.

Submissions on the draft determination are due by 23 October 2025. A final determination is expected by 18 December 2025.

[READ MORE HERE.](#)

<b>Rule name</b>	<b>Updating the regulatory framework for gas connections (Retail)</b>
Proponent	Energy Consumers Australia
Key dates	<a href="#">Initiation date</a> : 12 June 2025 <a href="#">Deadline for submissions</a> : Deadline passed (30 October 2025)
Stage	Preparation of final determination

#### Summary of request

For further information, please refer to the rule change request with a corresponding title under the National Gas Rules section below. This rule change request (RRC0069) supported consequential changes to the NERR that are required as a result of the main NGR rule change request (GRC0085).

The draft determination for the corresponding NGR rule change request determined that no rule change is required to amend the NERR.

[READ MORE HERE.](#)

<b>Rule name</b>	<b>Improving life support processes</b>
Proponent	Essential Energy & SA Power Networks
Key dates	<a href="#">Initiation date</a> : 31 July 2025 <a href="#">Deadline for submissions</a> : Deadline passed (4 September 2025)
Stage	Preparation of draft determination

#### Summary of request

This rule change request aims to improve processes related to the registration and deregistration of life support equipment and communication with life support customers. The rule change request covers three broad themes:

- **(Improving the definition of life support customers)** the proposed changes seek to clarify the distinction between customers using life support equipment as an essential tool to sustain life and those using it to improve quality of life. The rule change request proposes new defined terms like 'life support user', 'assistive life support equipment', 'critical life support equipment' and 'registered medical practitioner' to help retailers and DNSPs identify the customers with the most critical needs. The proponents suggest that these changes will help triage risk and allocate resources appropriately between life support customers.
- **(Improving the registration and deregistration process)** the proposed changes also aim to improve registration and deregistration of life support customers so that retailers and DNSPs are better equipped to prepare back-up plans to support customers and receive clearer guidance about how and when to deregister premises. The rule change request seeks to amend the NERR to clarify deregistration roles and mandate deregistration of a customer from the register when requested by the customer or the DNSP/retailer. It also proposes that life support premises must provide updated medical confirmations in a uniform format every four years, with a view to retailers and DNSPs being empowered to deregister customers who do not provide medical confirmations. Medical practitioners may be involved in identifying a permanent need for Critical Life Support Equipment, such that a repeat medical confirmation will not be required. Medical practitioners will also be involved in developing more robust back-up plans for energy supply.
- **(Improving communication with life support customers)** to ensure that life support customers are contactable in the case of planned and unplanned outages, the proponents suggest that a secondary contact person should be nominated in the registration process. The proponents also suggested that

a central database for registrations should be created, but the AEMC will not be consulting on this change as it is outside the scope of the rule change process.

The Essential Services Commission (*ESC*) of Victoria is currently considering similar issues in its life support framework under the Energy Retail Code of Conduct. The AEMC will work closely with the ESC Victoria to align any changes to life support processes.

The AEMC has released a consultation paper seeking feedback on the proposal. Submissions on the consultation paper were due by 4 September 2025. The AEMC expects to issue a draft determination on 16 February 2026.

[READ MORE HERE](#)

Rule name	Integrated distribution system planning
Proponent	Energy Consumers Australia
Key dates	<b>Initiation date:</b> 26 June 2025 <b>Deadline for submissions:</b> Deadline passed (13 November 2025)
Stage	Preparation of draft determination

#### Summary of request

This rule change request proposes amendments to the NER to replace the current Distribution Annual Planning Report (*DAPR*) process with a new Integrated Distribution System Planning (*IDSP*) framework akin to the transmission Integrated System Planning (*ISP*) framework undertaken by AEMO. Energy Consumers Australia considers that the existing distribution network planning processes are not effective to integrate and co-ordinate the significant uptake of CER into the distribution network in the long term.

The proposed amendments include:

- **(Integrated planning requirement):** replacing the five-yearly DAPR with a biennial IDSP, on an alternating cycle to the ISP, to increase the comprehensiveness of distribution planning, and create a more harmonised feedback loop between distribution and transmission planning;
- **(Data use and roadmap)** requiring each distribution network service provider (*DNSP*) to prepare a Network Data and Insights Roadmap that sets out how the DNSP will meet the requirements of the IDSP process over an initial seven-year period. The roadmaps would be first published in July 2027;
- **(Public access and transparency)** mandating greater transparency in relation to network utilisation metrics, including requiring data, modelling and the outputs of that modelling to be made publicly available by 1 July 2027 with increasing detail made available over time;
- **(Additional benchmarking between distributors)** requiring the Australian Energy Regulator (the *AER*) to carry out additional benchmarking of the modelling and methodologies used by DNSPs to prepare their IDSPs, to identify best practice and assess compliance with reporting requirements;
- **(Stakeholder engagement)** requiring DNSPs to engage with consumers, governments and service providers to inform planning and improve resilience; and
- **(Forecasting and hosting capacity)** requiring DNSPs to forecast demand and CER growth over the next 20 years, for the purpose of assessing hosting capacity and constraints, and identifying the areas most in need of energy storage.

The AEMC's consultation paper sought feedback on 14 questions, including in relation to the shortcomings of the distribution annual planning process, whether there is a lack of consistency between modelling and stakeholder engagement practices across DNSPs, and whether the distribution and transmission planning processes should be integrated. Submissions were due by 24 July 2025.

On 16 October 2025, the AEMC published a directions paper which outlines three alternative policy options that can address the shortcomings identified in the current distribution and annual planning process. Submissions on the directions paper closed on 13 November 2025.

The AEMC has also extended the timeframe for publishing its draft determination by six months to 19 March 2026, due to the complexity of the issues raised by this rule change request.

[READ MORE HERE.](#)

<b>Rule name</b>	<b>Establishing a regulatory framework for retail customer initiated gas abolishment (Retail)</b>
Proponent	Justice and Equity Centre
Key dates	<a href="#">Initiation date:</a> 12 June 2025 <a href="#">Deadline for submissions:</a> 15 January 2026
Stage	Consultation on draft determination

#### [Summary of request](#)

For further information, please refer to the rule change request with a corresponding title under the National Gas Rules section below. This rule change request (RRC0068) supports consequential changes to the NERR that are required as a result of the main NGR rule change request described below (GRC0086).

The AEMC published a draft determination on 30 October 2025. Submissions on the joint draft determination for this rule change request, and the rule change request in respect of the NGR, are due by 15 January 2026.

[READ MORE HERE.](#)

<b>Rule name</b>	<b>Improving the NEM access standards – Package 2</b>
Proponent	AEMO and Rod Hughes Consulting
Key dates	<a href="#">Initiation date:</a> 8 May 2025 <a href="#">Deadline for submissions:</a> Deadline passed (19 June 2025)
Stage	Preparation of draft determination

#### [Summary of request](#)

The AEMC has consolidated three rule change requests relating to improvements to NEM access standards. One rule change request proposed by AEMO seeks amendments to schedule 5.3 of the NER to facilitate the planning and design of large loads in a way that supports future power system security, and the other two rule change requests from Rod Hughes Consulting relate to the conditions for generator protection systems and the definitions applicable to protection system requirements.

The proposed amendments include:

- **(Protections systems for loads)** Creating a new access standard applicable for detection and response to instability for loads and requiring cooperation between NSPs and Schedule 5 participants on the design and implementation of protection system and settings so as to maintain operation in accordance with the performance standards.
- **(System strength)** Permitting owners of high-voltage direct current links to procure system strength under a third party arrangement if they are otherwise unable to operate stably and remain connected at a short circuit ratio of 3.0 or lower;
- **(Testing non-registered participants)** Extending mutual testing and commissioning provisions to allow registered participants to request testing of non-registered Schedule 5 participants whose plant and equipment which may have a material impact on other power system equipment; and
- **(AEMO extension of time)** Allowing an extension of the 12-month window for AEMO's review of the access standards every 5 years under r 5.2.6A due to complexity or a material change in circumstances.

Submissions on the consultation paper were due by 19 June 2025.

The AEMC has established a Technical Working Group to explore the complex system security impacts of large load connections to the NEM, with meetings scheduled for 29 October and 19 November 2025. Due to the need for further technical analysis and stakeholder input, the draft rule determination has been deferred to 12 March 2026.

[READ MORE HERE.](#)

# Completed rule changes

Final rule determinations (since last update, 1 November 2025)

Rule name	Minor changes 2 2025
Proponent	AEMC
Date of final determination	27 November 2025
Commencement date	27 November 2025

## [Summary of request](#)

The AEMC initiated this rule change to correct minor errors to and make non-material changes to the NER, in an effort to make the rules clearer to stakeholders.

The rule seeks to correct minor formatting and typographical issues, including punctuation, numbering, indentation and italicisation, ensure consistent referencing of provisions throughout the NER, fix minor cross-referencing errors, eliminate duplication and amend minor drafting errors in the amending rules to accurately reflect the policy positions outlined in the Commission's final determinations.

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## Other rules not yet commenced

Rule name	Improving the ability to switch to a better offer
Amending rule	NER 2025 No. 4
Date of final determination	11 September 2025
Commencement date	30 December 2026 (Schedule 1) 11 September 2025 (Schedule 2)

### Summary of request

The final rule aims to increase the number of customers switching to lower-cost electricity plans by improving the visibility of potential savings, rather than by changing the switching process itself. Retailers will be required to include a 'deemed better offer' message not only on bills, but also in any written communications sent with a bill. The rule responds to findings that a significant proportion of customers could save money by switching plans, but many do not do so, often because they are unaware of better offers.

Key features of the final rule include:

- **(extension of the Better Bills Guideline (BBG))**: expanding the BBG to require retailers to include comparative information (such as the 'deemed better offer' message) not only on bills, but also in any written communications that relate to and are sent at the same time as a bill (eg cover emails, bill summary letters). The BBG will specify details such as formatting requirements, wording for 'deemed better offer' messages and exemptions, drawing upon the AER's researching into bill formatting with BETA.
- **(communication channels)**: clarifying that comparative information is only required to be included in communications customers have already opted to receive (new communication channels are not required).
- **(communications in scope)**: clarifying that only written communications accompanying a bill are included (not all customer communications), and explicitly excludes certain notices (eg overcharge, undercharge, tariff change, end of contract, and benefit change notices).
- **(consent requirements)**: maintaining the requirement that customers must provide explicit informed consent before being switched to a new contract.

The final rule will commence on 30 December 2026. The AER must update the BBG by 30 September 2026.

[READ MORE HERE.](#)

Rule name	Improving the application of concessions to bills
Amending rule	NER 2025 No. 5
Date of final determination	25 September 2025
Commencement date	1 July 2026 (Schedule 1) 2 October 2025 (Schedule 2)

### Summary of request

The final rule seeks to ensure that consumers receive concessions and rebates for which they may be eligible for by shifting the onus onto retailers to ensure that applicable concessions and rebates are applied. Under the final rule, retailers are required to:

- proactively seek information from consumers in relation to their eligibility for various concessions and rebate schemes whenever establishing a new contract (subject to carve-outs for product-switching with the same retailer if the retailer is aware that the consumer is already receiving a concession, rebate or relief scheme, or if the retailer has asked the consumer about their eligibility within the last 30 days); and
- provide residential customers with information about all relevant concessions, rebates and relief schemes available in that customer’s jurisdiction.

The rule provides flexibility in relation to the level of detail that must be provided. The final rule will commence on 1 July 2026.

[READ MORE HERE.](#)

Rule name	Improving consumer confidence in retail energy plans
Amending rule	NER 2025 No.3
Date of final determination	19 June 2025
Commencement date	26 June 2025 (Schedule 3 and 4) 1 July 2026 (Schedule 1 and 2)

### Summary of request

The final rule comprises four distinct components, each of which is summarised below.

- **Improving protections for customers on contracts with benefits that expire or change:** From 1 July 2026, customers cannot be charged more than the standing offer price if their benefits change or expire. Retailers are prevented from de-energising carry-over customers on deemed customer retail arrangements where they do not engage with the retailer. Retailers must notify affected customers of the new rules by 1 July 2026.
- **Removing unreasonable conditional penalties:** Customers with high discounts linked to payment conditions will receive their discount, even if they do not meet the payment condition, and customers with high fees linked to payment conditions will have their fees reduced to a reasonable level. Retailers must notify customers of changes in writing between 20 to 40 business days before they take effect.

- **Restricting price increases under market retail contracts:** Price increases under market contracts are restricted to once every 12 months (typically in July). If a contract fixes a period without price changes or decreases in energy payments, then the retailer must provide 20 business days' notice of a price change outside that period. Retailers must provide five business days' notice of any price increases or energy payment decreases for price increases or energy payment decreases that occur in the month of July.
- **Restricting fees and charges:** Retailers will no longer be able to charge fees (except network charges) to hardship customers, customers experiencing payment difficulties and customers experiencing family violence. Account establishment fees, special meter read fees at the start and end of contracts, and re-energisation and de-energisation fees are prohibited for all customers (excluding where those fees are network charges) and at least one free payment method must be offered to customers.

The final rule will commence on 1 July 2026. Retailers have 12 months to update their contracts accordingly and apply the discount unconditionally.

[READ MORE HERE.](#)

Rule name	Assisting hardship customers
Date of final determination	19 June 2025
Commencement date	26 June 2025 (NER Schedule 2) 30 December 2026 (NER Schedule 1)

### Summary of request

The final rule will support retail energy customers experiencing hardship by providing credit on their bill where a deemed better offer is available. The rule change forms part of the Energy and Climate Change Ministerial Council (*ECMC*)'s suite of proposed rule changes aimed at supporting energy consumers through changes to the regulatory requirements regarding retail energy contracts.

The proponent for the initial rule change request adopted a proposal that provided consumers with a credit on their retail account where a deemed better offer is available to the customer.

The final rule will:

- require that retailers ensure hardship customers are not financially worse off than the deemed better offer applicable to that customer. The retailer will have flexibility to provide financial benefit under the current plan, or (with the customer's explicit informed consent) move the customer to the deemed better offer;
- strengthen retailer obligations to notify customers of better offers on an ongoing basis (offers will be presented upfront when a customer joins a hardship program, and at least once every 100 days thereafter); and
- introduce new indicators for hardship programs that retailers must report on to the AER. Statistics relating to these hardship programs will be published in the AER's annual retail market report.

The substance of the final rule will commence on 30 December 2026; however, Schedule 2 of the final rule took effect on 26 June 2025, requiring the AER to update the Better Bills Guideline by 30 September 2026 to reflect the terms of the final rule.

[READ MORE HERE.](#)

Rule name	Allowing AEMO to accept cash as credit support
Amending rule	NER 2025 No.8
Date of final determination	26 June 2025
Commencement date	3 July 2025 (NER Schedule 2) 1 November 2026 (NER Schedule 1)

### Summary of request

The final rule enables cash to be allowed as credit support under the prudential requirements of the NER. Formerly, the NER required market participants to provide bank guarantees or letters of credit to AEMO. The rule change proponent submitted this may have resulted in profitable and solvent participants being unable to provide acceptable forms of credit support because of a lack of willingness from financial institutions to enter into financing arrangements with businesses involved with fossil fuels (due to those institutions' evolving environmental, social and governance policies).

The final rule allows participants to provide cash as credit support up to a limit of \$20 million (which was increased from the \$5 million limit proposed under the draft determination) for each participant on terms and conditions prescribed by AEMO. In order to mitigate the risk that a liquidator appointed to an insolvent market participant may seek to claw back any cash used as credit support as an unfair preference payment, the final rule includes several layers of protection including granting AEMO first ranking charge over that cash.

Following stakeholder consultation, the final rule was also revised to exclude surety bonds as an acceptable form of credit support and to retain the existing limitations on eligible credit support providers.

The commencement date for the rule change is 1 November 2026, to provide AEMO with sufficient time to implement any necessary changes to its processes and to align with the commencement of the *Shortening the settlement cycle* rule change, which will amend the settlement and prudential systems (including shortening the settlement cycle to nine business days following the end of a billing period).

[READ MORE HERE.](#)

Rule name	Including distribution network resilience in the National Electricity Rules
Amending rule	NER 2025 No.5
Date of final determination	8 May 2025
Commencement date	22 May 2025 (NER Schedule 3) 2 October 2025 (NER Schedule 2) 1 July 2027 (NER Schedule 1)

### Summary of request

This final rule will enhance how DNSPs and the AER account for distribution network resilience in the economic regulatory framework of the NER, with a view to enabling DNSPs to undertake efficient expenditure on network resilience measures to prepare for, manage and recover from long-duration outages.

The rule was introduced in response to the increasing frequency of severe weather events, which are, in turn, increasing the likelihood of widespread long-duration outages. As there is currently no formal framework for distribution network resilience expenditure (which is usually recovered as an ex post cost pass through after a long-duration event), consumer outcomes may not be sufficiently prioritised in the existing regulatory arrangements. The AEMC agreed that explicitly recognising distribution network resilience in the NER would increase a DNSP's ability to plan and deliver network resilience, improving consumer outcomes.

The rule will:

- include resilience as an expenditure factor in the NER, meaning that DNSPs can plan their resilience expenditure, and the AER must have regard to resilience when determining whether to accept a DNSP's forecast capex and opex for a regulatory control period. Resilience expenditure should focus on reducing the impact of power outages on consumers before *and* after severe weather events (that is, it should focus on risk reduction and impact mitigation);
- require the AER to develop and publish binding distribution network resilience guidelines that address how DNSPs may propose, and how the AER may assess, expenditure for improving network resilience; and
- introduce requirements for annual resilience planning and reporting.

The rule is limited to outages caused by weather events; outages resulting from other events such as cyber-attacks and terrorism are not captured, as they are governed by other regimes in the NER and other regulatory frameworks.

[READ MORE HERE](#).

Rule name	Integrating price-responsive resources into the NEM
Amending rule	NER 2024 No.24
Date of final determination	19 December 2024
Commencement Date	19 December 2024 (NER Schedule 5) 1 January 2026 (NER Schedule 3) 31 March 2026 (NER Schedule 2) 23 May 2027 (Schedule 4) 27 May 2027 (Schedule 1)

### Summary of request

This final rule implements a new framework to allow aggregated CER to volunteer to be scheduled and dispatched into the NEM by permitting small and medium size price-responsive resources to be active players in the market. Previously, these types of resources were not fully integrated into the NEM's planning and operation functions, and were therefore not adequately accounted for when determining the level of energy demand, how the demand should be met and the

price for energy. These features allow energy service providers that use CER (eg batteries, rooftop solar, electric vehicles and home energy management systems) and other price-responsive resources to participate in NEM scheduling and dispatch processes.

The AEMC argues that the framework, named 'dispatch mode' will lower electricity costs, emissions and prices for consumers. Key features of the framework are:

- establishing a framework for financially responsible market participants to nominated aggregated CER as voluntary scheduled resources (**VSR**) to participate in central dispatch processes akin to traditional generators;
- creates a time-limited incentive mechanism to encourage VSR participation wherein AEMO will run at least two tenders between 1 April 2026 and 31 December 2031 to pay eligible participants to enter into dispatch processes; and
- imposes new monitoring and reporting obligations to allow AEMO and the AER to evaluate the flow-on consequences of price-responsive CER for AEMO's short-term demand forecasts.

The AEMC made a number of changes incorporating the considerable stakeholder input since the rule change was initiated in August 2023, with the key changes outlined below:

- the implementation date for dispatch mode has been extended from November 2026 to May 2027 to ensure success of the rollout;
- the commencement date for incentive tenders was brought forward from January 2027 to April 2026 allowing earlier investment certainty for VSR providers;
- increased flexibility for VSR participants to select to deactivate or hibernate for longer periods; and
- introduction of a requirement for DNSP's to engage in consultation with VSR providers when designing flexible export limits.

[READ MORE HERE.](#)

Rule name	Shortening the settlement cycle
Amending rule	NER 2024 No.22
Date of final determination	12 December 2024
Commencement Date	19 December 2024 (Schedules 2) 9 August 2026 (Schedule 1)

### Summary of request

This final rule shortens the settlement cycle (the period during which AEMO and market participants settle transactions for the relevant billing period) from 20 business days after the end of a billing period to 9 business days. The final rule differs from both the draft determination (which suggested a settlement period of 11 business days) and the original rule change request (which suggested a settlement period of 10 business days) in response to stakeholder feedback. The AEMC considers that the 9 day settlement period will provide a range of benefits, including a reduction in the prudential requirements for market participants and the working capital required by market participants to manage hedge exposure, which will in turn lead to lower prices for consumers.

The final rule also introduces a new 'routine revised statement', which will be issued 20 business days after the end of a billing period to allow AEMO and market participants to manage market suspension and intervention settlement amounts, meter data exceptions, disputes and adjustments.

As such, the settlement cycle will operate as follows under the final rule:

- 3 business days after the end of a billing period – AEMO will issue preliminary statements;
- 7 business days after the end of a billing period – AEMO will issue final statements;
- 9 business days after the end of a billing period (or two business days after receiving a final statement, whichever is later) – settlement payment date;
- 15 business days after the end of a billing period – AEMO and market participants have until this date to use reasonable endeavours to resolve disputes regarding preliminary statements;
- 20 business days after the end of a billing period – AEMO will issue routine revised statement.

[READ MORE HERE.](#)

Rule name	Accelerating smart meter deployment
Amending rule	NER 2024 No.20 NERR 2024 No.6
Date of final determination	28 November 2024
Commencement Date	5 December 2024 (NER Schedule 4) 1 June 2025 (NERR Schedule 1) 1 December 2025 (NER Schedule 1; NERR Schedules 2 and 3) 31 May 2026 (NER Schedule 3) 1 July 2026 (NER Schedule 2)

### Summary of request

The final rule seeks to expedite the deployment of smart meters to all customers in the NEM by 2030 and to improve the metering framework. The final rule introduces two core reforms, implementing recommendations from the AEMC's Review of the Regulatory Framework for Metering Services:

- **(accelerated deployment of smart meters)** The AEMC considers the deployment of smart meters is a cost-effective decarbonisation strategy, which also reduces the costs of meter reads and metering installations borne by consumers. To achieve the AEMC's objective of universal uptake of smart meters by 2030, the AEMC will implement transitional rules during an 'acceleration phase' from 2025 to 2030, which implements the Legacy Meter Replacement Plan framework. The final rule also obliges retailers to achieve the 2030 target and to report on their progress to the AER, which will be monitoring compliance.
- **(access to power quality data)** This second component involves an expansion of the consumer data access and control requirements in the NER and NERR to allow local DNSPs, the AER and AEMO to access 'basic power quality data' (as defined in the final rule) at no cost. It is intended to assist DNSPs to maximise CER hosting capacity, reduce line losses and minimise costs within the distribution network.

The final rule also implements four supporting reforms that introduce new customer safeguards, seek to improve customer experiences, reduce barriers to installation and enhance meter testing and inspection requirements.

[READ MORE HERE.](#)

Rule name	RRO exemption for scheduled bi-directional units
Amending rule	NER 2024 No.19
Date of final determination	14 November 2024
Commencement Date	3 December 2024 (Schedules 1, 2 and 4) 1 November 2026 (Schedule 3)

### Summary of request

The final rule exempts large-scale batteries, pumped hydro energy storage and other forms of storage assets from being liable entities under the RRO. The RRO requires liable entities to enter into 'qualifying contracts' to cover their share of the peak demand forecast for their region during the relevant reliability gap period.

This rule overcomes an unintended operation of the prior rule, which incentivised storage assets to withhold the provision of system security services to avoid being liable under the RRO, which may in turn increase system security risks. The final rule aims to:

- **(improve security)** allow energy storage assets to prioritise security services without the risk of triggering RRO penalties. The exemption for pumped hydro energy storage unlocks additional capacity for grid-supporting services during periods with reliability gaps; and
- **(increase FCAS market health)** reduce the risk of inflating FCAS prices during reliability gap periods, which in turn prevents the increase of other market costs including RRO penalty risks, the cost to hedge against those risks, and the costs of AEMO issuing compensable directions when there is a risk to power system security.

The key points to note are:

- **(registration / classification)** storage assets will need register, or otherwise be classified, as part of an 'Integrated Resource System' and meet other specified requirements for the relevant connection point to qualify as an 'exempt market connection point';
- **(exemption)** load at an 'exempt market connection point' will be excluded from the calculation that determines (1) liability under the RRO at the end of the contract and (2) the liable load during the reliability-gap period. However, entities are not exempt at other connection points that are not captured under the RRO (e.g. end-user load connection points); and
- **(hybrid plants)** an entire connection point will be exempt where an asset shares its connection point with another generator or load centre and there is no other load. However, co-located storage with other load centres will only be exempt if total annual consumption at the connection point is less than 10 GWh.

[READ MORE HERE.](#)

Rule name	Unlocking CER benefits through flexible trading (Electricity and Retail)
Amending rule	NER 2024 No. 15; NERR 2024 No. 4
Date of final determination	15 August 2024
Commencement Date	29 August 2024 (NER Schedules 1 and 6; NERR Schedule 3) 31 May 2025 (NER Schedule 2) 1 November 2026 (NER Schedules 3, 4 and 5; NERR Schedules 1 and 2)

### Summary of request

These rule changes introduce new arrangements to promote a flexible trading market for CER, such as rooftop solar, batteries and electric vehicle chargers. Consumers can optimise the value of their CER by contracting on different terms (including price) with multiple financially responsible market participants for different components of their load, rather than having their CER connected at one connection point with one associated meter (as per the existing model). The rule change request was developed as part of the Energy Security Board's CER implementation plan.

The rules have three key elements:

- enabling large customers to select multiple energy service providers for their premises, without using the embedded network framework or establishing multiple connection points to the distribution network in order to obtain a second National Metering Identifier;
- allowing consumers, and retailers and aggregators acting as agents for consumers, to identify and manage their flexible CER separately from other 'passive' or inflexible consumer loads (such as lights and fridges), including by enabling the establishment of secondary settlement points without requiring a second physical connection to the distribution network; and
- creating two new meter types with lower minimum specifications to enable in-built measurement capability in technology (such as EV chargers) to be used for settlement and billing, instead of requiring additional meters.

[READ MORE HERE.](#)

Rule name	Enhancing reserve information (formerly Operating reserves)
Amending rule	NER 2024 No. 6
Date of final determination	21 March 2024
Commencement date	1 July 2025 (Schedule 1) 1 July 2027 (Schedule 2)

### Details

While the original rule change requests from Iberdrola and Delta Electricity sought to leverage the existing FCAS framework and introduce an operating reserve market or services specific to the provision of reserves to respond to unexpected changes in supply and demand, the AEMC's final determination resolved to not implement an operating reserve market. The key reason for this is that the AEMC considers an operating reserve market would not offer any significant improvements compared to the current arrangements, and would materially increase market costs.

Instead, the final rule improves the existing arrangements and increases transparency around energy availability in the NEM, to facilitate efficient responses from market participants to unexpected fluctuations in supply and demand, when reserves are required. Specifically, the final rule requires AEMO to publish energy availability information in the operational timeframe, including:

- **(state of charge)** the energy availability of batteries, aggregated by region, in close to real time and also on the following trading day by dispatchable unit identifier; and
- **(daily energy constraints)** the combined energy constraints of other scheduled plant types (hydro, gas and coal), aggregated by region and published on a daily basis.

The final rule also requires storage participants to provide their maximum storage capacity to AEMO in their bid and offer validation data.

[READ MORE HERE.](#)

Rule name	Amendment of the Market Price Cap, Cumulative Price Threshold and Administered Price Cap
Amending rule	NER 2023 No. 6
Date of final determination	7 December 2023
Commencement date	1 July 2025 (Schedule 1) 1 July 2026 (Schedule 2) 1 July 2027 (Schedule 3)

#### Details

This final rule amends the MPC, CPT and APC from 1 July 2025 to 30 June 2028, as follows:

Market price setting	1 July 2025	1 July 2026	1 July 2027
MPC	\$18,600/MWh	\$20,700/MWh	\$22,800/MWh
CPT	\$1,674,000/MWh	\$1,987,200/MWh	\$2,325,600/MWh
CPT hours at MPC	7.5	8	8.5
APC	\$600/MWh	\$600/MWh	\$600/MWh

The AEMC considered that existing market price settings were too low to support sufficient investment in generation, demand response and storage, to address shortages in supply and periods of high prices, and maintain the reliability of the system.

READ MORE [HERE](#).

# National Gas Rules

## Rule change requests

New rule change requests (since last update, 1 November 2025)

## Existing rule change requests

Rule name	Enhancing access for registered participant representatives (Gas)
Proponent	AEMO
Key dates	<a href="#">Initiation date</a> : 9 October 2025 <a href="#">Deadline for submissions</a> : Deadline passed (6 November 2025)
Stage	Preparation of draft determination

### Summary of request

For further information, please refer to the rule change request with a corresponding title under the National Electricity Rules section above. This rule change request (GRC0087) relies on the same consultation paper published in respect of the rule change request ERC0415.

Submissions were due on 6 November 2025. The AEMC is planning to release its draft determination on 5 February 2026.

[READ MORE HERE.](#)

Rule name	Gas Networks in Transition
Proponent	Energy Consumers Australia, Justice and Equity Centre
Key dates	<a href="#">Initiation date</a> : 18 September 2025 <a href="#">Deadline for submissions</a> : Deadline passed (30 October 2025)
Stage	Preparation of draft determination

### Summary of request

The AEMC is consulting on four interrelated rule change requests from ECA and JEC, which are being considered as a single package due to their overlapping subject matter. The proposals respond to the projected decline in residential and small commercial gas demand as electrification accelerates and governments pursue net zero emissions targets. The proponents argue that the current NGR framework, designed for an environment of growing gas demand, is no longer fit-for-purpose as the sector faces increasing risk of 'asset stranding'. The AEMC's consultation paper consolidates the proposals and seeks feedback on whether the regulatory framework should be reformed to better support the long-term interests of consumers as gas networks transition. The proposed rule changes include:

- **(Capital expenditure - GRC0083)** ECA seeks to amend the criteria that gas distribution networks must meet to justify capital expenditure to better account for uncertain demand outlooks and avoid investment in assets that may become underutilised. These changes would be implemented by imposing stricter capital expenditure criteria in the NGR, including:
  - requiring explicit consideration of declining demand and the impact of national and jurisdictional decarbonisation targets in all capex proposals;
  - mandating that distributors consider alternatives to investment (including non-network options and strategic decommissioning);
  - requiring an assessment of the value that customers place on reliability to ensure that the capex required to maintain reliability does not exceed this value;
  - including future abolishment (disconnection) costs in cost-benefit analyses;

- requiring the regulator to closely scrutinise replacement capex and ensure prudent investment decisions;
  - excluding capex on renewable gases from reference tariffs, so only customers who opt for renewable gas pay for related investments (implemented via non-reference tariffs); and
  - amending the definition of 'operating expenditure' by removing the limb that allows expenditure to increase long-term demand, as this is now considered obsolete.
- **(Depreciation - GRC0082)** ECA has called for stronger conditions on the circumstances in which a scheme pipeline that is a gas distribution network can seek an accelerated recovery of its capital base via accelerated depreciation shifts. ECA argues that the current approach allows distributors to recover costs more quickly from consumers in respect of assets that are at risk of becoming underutilised, without distributors sharing in the associated risks. The rule change proposes that:
    - accelerated depreciation should only be allowed if certain conditions are met (eg when no new connections are being funded by the general customer base, and strategic decommissioning is supported by jurisdictional policy);
    - gas distributors should be required to demonstrate actions consistent with facing stranding risk (eg conservative asset life assumptions and active consideration of non-network options);
    - depreciation allocated to customers should be limited to their 'fair and reasonable' share; and
    - as an alternative, changes to depreciation rates for existing assets should be prohibited.
  - **(Accelerated depreciation and redundancy - GRC0088)** similar to ECA's rule change proposal under GRC0082, JEC has proposed that accelerated depreciation should only be permitted if the regulator has undertaken a redundancy assessment and determined how the costs of redundant assets should be allocated between users and distributors. JEC shares ECA's concern about the use of accelerated depreciation but proposes a different solution, focusing on the need for a robust process to define and allocate the costs of stranded assets. This alternative approach is intended to ensure that the risks transition are more equitably shared. JEC proposes to:
    - prohibit the use of accelerated depreciation for managing stranded asset risk unless it is used in conjunction with a strengthened asset redundancy process;
    - broaden the definition of 'redundant assets' to include assets that are no longer economically efficient to use and introduce the concept of 'anticipated redundant assets';
    - require gas distributors to prepare a redundancy assessment as part of their access arrangement, with supporting information on asset utilisation and costs;
    - develop a principles-based framework for the regulator to guide decisions on redundancy and cost sharing, including a cap on the proportion of redundancy costs that can be allocated to consumers (no more than 50%); and
    - as an alternative, prohibit accelerated depreciation.
  - **(Planning requirements - GRC0084)** lastly, ECA proposes new planning and reporting obligations for gas distribution networks to equip stakeholders with the information required to minimise expenditure and system costs, including through the strategic decommissioning of parts of the network. ECA proposes the following enhanced transparency and forward planning measures:

- requiring gas distributors to publish a Gas Annual Planning Report (GAPR) with a 20-year planning horizon, scenario-based analysis, asset life expectations, demand forecasts, and information on potential augmentation, replacement, or decommissioning projects;
- mandating consultation with relevant stakeholders (including electricity networks, local councils, and state governments) as part of the planning process; and
- ensuring consistency and transparency in the methodologies used and information provided across networks.

The AEMC is consulting on these four rule change requests as a package, recognising their interrelated nature. Submissions were due by 30 October 2025. The AEMC will assess the proposals against criteria including consumer outcomes, safety and reliability, emissions reduction, market efficiency, implementation considerations, and good regulatory practice.

[READ MORE HERE](#)

Rule name	ECGS Supplier of last resort mechanism
Proponent	Energy Senior Officials/Victorian Minister for Energy and Resources
Key dates	<b>Initiation date:</b> 25 September 2025 <b>Deadline for submissions:</b> Deadline passed (30 October 2025)
Stage	Preparation of draft determination

#### Summary of request

This rule change request proposes to amend the NGR to introduce a supplier of last resort (*SoLR*) mechanism for the east coast gas system (*ECGS*), enabling AEMO to intervene as a last resort if threats to reliability and supply adequacy arise that market participants are unable to resolve. The SoLR mechanism would allow AEMO to procure both supply-side (eg storage, pipeline, compression) and demand-side (administered demand response) reserves, potentially replacing or supplementing the current trading function and \$35 million trading fund, depending on the policy option chosen.

The proposal forms part of stage 2 of the reliability and supply adequacy reforms for the ECGS, responding to projected gas shortfalls, from 2026 in southern jurisdictions and from 2029 system-wide, due to increased gas-powered generation demand and declining domestic production.

The AEMC is seeking submissions on the following aspects of a SoLR mechanism:

- the preconditions and triggers for AEMO intervention, linked to forecast breaches of a reliability standard or high-probability risk/threat signals;
- the development of principles-based guidance to ensure any actions take are the least distortionary, cost-effective actions available and do not exceed the value of gas customer reliability (VGCR);
- transparent cost recovery and proceeds distribution arrangements, with costs allocated to relevant entities based on their share of gas demand (potential in lieu of the \$35 million trading fund cap);
- enhanced transparency through action-based market notices, post-intervention reports, and regular activity reporting by AEMO; and
- options for integrating an administered demand response mechanism, modelled on the NEM's RERT, to contract with large gas users or retailers to reduce demand during shortfalls.

The AEMC is consulting on the proposed SolR mechanism, including its interaction with existing market tools, transitional arrangements for the Dandenong LNG facility, and implementation costs. Submissions on the consultation paper were due by 30 October 2025. A draft determination is expected in February 2026, with a final determination by June 2026.

[READ MORE HERE.](#)

<b>Rule name</b>	<b>Updating the regulatory framework for gas connections</b>
Proponent	Energy Consumers Australia
Key dates	<b>Initiation date:</b> 12 June 2025 <b>Deadline for submissions:</b> Deadline passed (30 October 2025)
Stage	Preparation of final determination

#### Summary of request

The draft rule responds to a request from ECA to address consumer risks associated with gas connection costs as gas demand declines due to electrification and net zero targets. The current rules allow costs of new connections to be mostly socialised across all customers, exposing remaining gas users (who are often renters and low-income households) to rising charges and stranded asset risk.

Under the draft rule, all newly connecting retail gas customers in jurisdictions covered by the National Energy Customer Framework (**NECF**) must pay the full, cost-reflective cost of their connection upfront (that is, the prudent, efficient and directly attributable costs of providing the connection service). This removes the Net Present Value (**NPV**) test, which previously allowed some connection costs to be added to the distributor's capital base and recovered from all customers over time. The AEMC considers that this new approach will ensure the risks and costs of new connections are borne by those best able to manage them (ie the connecting customer) rather than existing customers.

Additional aspects of the draft rule include:

- **(scope of application):** the draft rule applies only to retail customers connecting to scheme and nominated non-scheme gas distribution pipelines in NECF jurisdictions (ACT, NSW, SA, QLD). The draft rule does not extend to non-retail customers or to all non-scheme pipelines, as ECA had proposed;
- **(model standing offers retained):** departing from the proponent's proposal, distributors must continue to offer standardised connection charges for basic and standard services via model standing offers, in accordance with Part 12A of the NGR; and
- **(transparency)** the AER must continue to publish its decisions on whether or not to approve distributors' model standing offers. The draft rule also proposes to amend the matters the AER must consider in forming its decisions.

Submissions on the draft determination are due by 30 October 2025.

[READ MORE HERE.](#)

<b>Rule name</b>	<b>Establishing a regulatory framework for retail customer initiated gas abolishment</b>
Proponent	Justice and Equity Centre

Key dates [Initiation date:](#) 12 June 2025 [Deadline for submissions:](#) 15 January 2026

Stage Consultation on draft determination

### Summary of request

This rule change request proposes amendments to the NGR and NERR to establish a clear regulatory framework for gas disconnections (both temporary disconnection and permanent abolishment) and associated remediation services. The existing rules are silent about what different disconnection services should entail, who should provide those services and how much they should cost. This has led to inconsistent regulatory decisions, varied pricing, safety concerns and inefficient incentives that discourage electrification.

The proposed amendments include clear definitions for disconnection services, a minimum safe service standard, and providing for jurisdictions to elect for permanent disconnection services and remediation services to be contestable services.

The AEMC published its draft determination and draft rule on 30 October 2025. The AEMC decided to make a more preferable draft gas rule and retail rule, introducing a new framework for customer-initiated gas abolishment services and providing clarity on disconnection and abolishment services through new information requirements in the NGR and NERR.

The new framework would facilitate retail customer access to disconnection services on fair and reasonable terms by ensuring that customers only pay the prudent and efficient costs for a customer initiated abolishment. The rule change would accommodate the contestability of abolishment services, where permitted by the relevant jurisdiction, modelled on Part 12A of the NGR, which covers gas connections for retail customers.

The AEMC is seeking stakeholder feedback. Submissions now close on 15 January 2026, after the AEMC extended the date for making submissions.

A parallel rule change has been opened in respect of the NERR, which relies upon the same draft determination.

[READ MORE HERE](#).

**Rule name** ECGS Projected Assessment of System Adequacy

Proponent Energy Senior Officials on behalf of the ECOM and the Honourable Lily D'Ambrosio MP

Key dates [Initiation date:](#) 10 April 2025 [Deadline for submissions:](#) Deadline passed (28 August 2025)

Stage Preparation of final determination

### Summary of request

This rule change request proposes to amend the NGR to introduce both short-term (7 day outlook) and medium-term (12 month outlook) projected assessments of system adequacy for the ECGS. This rule change request forms part of a suite of reforms that seek to improve the reliability and supply adequacy of the ECGS.

The aim of the reliability and supply adequacy forecasts, which would be produced by AEMO on a rolling basis, is to provide a high-quality, systematically produced suite of information on gas supply, demand, and transport capability in the ECGS. The rule change proponents submit that the proposed forecasting mechanism will enhance stakeholders' ability to plan for gas supply shortfalls and emerging adequacy issues.

According to the feasibility assessment prepared by AEMO, existing data provided under parts 18-20 and 27 of the NGR would be largely sufficient in order for AEMO to produce the short-term and medium-term projected assessment of system adequacy reports, but some enhancements would be required to address specific data gaps and quality issues.

The AEMC published a draft determination on 17 July 2025. Submissions on the draft determination were due on 28 August 2025. The AEMC is working towards the publication of a final determination on 25 June 2026.

[READ MORE HERE.](#)

Rule name	ECGS Reliability standard and associated settings
Proponent	Energy Senior Officials, Victorian Minister for Energy and Resources
Key dates	<b>Initiation date:</b> 20 March 2025 <b>Deadline for submissions:</b> Deadline passed (25 September 2025)
Stage	Preparation of draft determination

#### Summary of request

This rule change request proposes building a new reliability standard for the ECGS and a review of market price settings to complement the standard. The proponents of the rule change consider that establishing a new reliability standard would enable more timely, informed and efficient market responses to threats in the ECGS.

The proposed changes form part of stage 2 of a suite of reforms initiated in response to a higher-than-expected gas demand and record-high wholesale gas prices during the winter of 2022. Forecasts from AEMO's 2024 GSOO and the ACCC predict ECGS gas shortfalls starting in 2026, primarily due to increased demand from gas-powered generators, slow electrification progress and infrastructure constraints.

The request rule changes build on stage 1 of the reform rollout, which expanded AEMO's powers under the NGL to enable better management of gas supply adequacy and reliability risks. Upcoming changes under the stage 2 reforms include establishing a supplier of last resort mechanism, enabling AEMO to take action to mitigate a forecasted reliability standard breach.

The proposed amendments to the rules include:

- establishing a new reliability standard for the ECGS that reflects customers' value on gas reliability. The proposed reliability standard would function as a benchmark to measure the sufficiency of gas supply, and infrastructure capacity for gas supply, and demand response in order to meet annual and peak day demands in the market. This will comprise two components:
  - an annual 'unserved gas' measure to assess capability against forecast demand and
  - a peak day deliverability measure for high-demand days;
- aligning market price settings (such as gas supply price caps and price floors) with the reliability standard, to be overseen by the AEMC;
- enhancing forecasting tools with reliability forecasts and assessments in the Gas Statement of Opportunities and Victorian Gas Planning Report; and

- creating a signalling mechanism to communicate the nature and severity of reliability threats, and introducing new governance responsibilities for the AEMC, the AEMO and the AER.

In its consultation paper, the AER sought feedback on the efficacy of the measures proposed in the rule change request to address the reliability issues identified by the proponent. Submissions on the consultation paper were due by 17 April 2025. The AEMC published a directions paper on 28 August 2025. Submissions on the directions paper were due by 25 September 2025. Given the complexity of the issues in this rule change request, the AEMC has extended the period for publishing a draft determination to 26 February 2026 and for making its final determination to 25 June 2026.

[READ MORE HERE.](#)

# Completed rule changes

Final rule determinations (since last update, 1 November 2025)

*There have been no final rule determinations since the last update.*

## Other rules not yet commenced

Rule name	Extension of the DWGM Dandenong LNG interim arrangements
Amending rule	NGR 2025 No. 3
Date of final determination	30 October 2025
Commencement Date	30 October 2025 (Schedule 1, 3 and 4) 1 April 2026 (Schedule 2)

### Summary of request

The AEMC has made a more preferable final rule to extend AEMO's interim buyer and supplier of last resort powers for the Dandenong Liquefied Natural Gas storage facility (DLNG facility) storage facility, located in Victoria's Declared Wholesale Gas Market (DWGM), for a period of four years. The final rule will also:

- implement a range of other measures to improve transparency and oversight of the Dandenong liquefaction facility, including requiring the DLNG facility to be treated as a standalone facility and to comply with its own targeted set of Gas Bulletin Board reporting obligations; and
- limit the costs that AEMO may otherwise incur under the interim arrangements, including by removing the mechanism in the NGR that permits variations to the LNG storage agreement for safety and reliability reasons (which mitigates against the cost of major upgrades being passed through to AEMO) and clarifying that AEMO is not required to contract unusable uncontracted storage capacity.

The purpose of extending the current DLNG arrangements under the NGR is to allow for the development and implementation of the proposed Stage 2 East Coast Reliability and Supply Adequacy reforms (which were originally planned for the end of 2025, but now may not operational until 2027).

The other proposed transparency measures aim to give AEMO and market participants operational visibility of the BOC liquefaction services that support the DLNG facility to allow AEMO to better deliver against its declared systems functions and allow the market to make better informed decisions on the refill and management of its LNG inventory. These measures include a range of Gas Bulletin Board reporting obligations, DWGM participant and LNG storage disclosure obligations, DWGM facility operator maintenance obligations and greater oversight for AEMO of changes to the declared LNG supply agreement.

[READ MORE HERE.](#)

Rule name	DWGM interim LNG storage measures
Amending rule	NGR 2022 No. 4
Date of final determination	15 December 2022
Commencement date	15 December 2022 (Schedules 1 and 2) 2 July 2026 (Schedule 3)

### Details

This final rule gives AEMO broader powers to address threats to system security and reliability of supply in the DWGM between 2023 and 2025, in light of the recent decline in the amount of liquefied natural gas (**LNG**) held in storage and the contracted capacity at the Dandenong LNG storage facility.

Under the final rule, AEMO will act as:

**1. Buyer of last resort:**

- AEMO must contract any storage capacity at the Dandenong LNG storage facility that is uncontracted by 1 March each year. AEMO may also procure any additional uncontracted storage capacity for winter that becomes available after 1 March each year.
- AEMO must aim to achieve the highest level of contracted capacity reasonably possible by the beginning of winter, or a lower amount as determined by AEMO and approved by the Victorian Minister.
- AEMO must relinquish contracted capacity if APA (as the LNG storage provider) requests it to do so in order to meet a request from a market participant, and may transfer LNG stock to a market participant if that participant has acquired relinquished capacity.

**2. Supplier of last resort:**

- AEMO may inject gas from its LNG reserve into the DWGM where it reasonably considers that a threat to system security is unlikely to subside without its intervention.
- AEMO may also dispose of LNG stock where it is obliged to do so under a contractual or regulatory obligation (using a bid price of \$0/GJ).
- AEMO's LNG reserve gas may only be included in a pricing schedule and an operating schedule after all available market participants' bids have been scheduled, and AEMO's injection bids from LNG reserve must be at a price equal to the value of lost load (ie, \$800/GJ).

The final rule also sets out processes for AEMO to recover its costs as buyer and supplier of last resort, and establishes a new cost-recovery proceeds distribution process. It also outlines the contractual arrangements between AEMO and APA (the owner and operator of the Dandenong LNG Facility) to facilitate AEMO's two roles.

The rule applies as an interim measure between 2023 and 2025 while the Energy Ministers develop broader reforms to system security and reliability in the DWGM.

[READ MORE HERE.](#)

## Glossary

In this document, the following definitions apply:

AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
APC	administered price cap
APP	administered price period
CER	consumer energy resources
CPT	cumulative price threshold
DER	distributed energy resources
DNSP	distribution network service provider
DWGM	declared wholesale gas market
ESB	Energy Security Board
FCAS	frequency control ancillary services
FRMP	financially responsible market participant
IRP	Integrated Resource Provider
ISP	Integrated System Plan
LNG	liquefied natural gas
MPC	market price cap
NECF	National Energy Customer Framework
NER	National Electricity Rules
NERL	National Energy Retail Law
NERR	National Energy Retail Rules
NEM	National Electricity Market
NGR	National Gas Rules
NSP	network service provider
PFR	primary frequency response
RIT-T	Regulatory Investment Test for Transmission
RRO	Retailer Reliability Obligation
TNSP	transmission network service provider
TUOS	transmission use of system

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