

2012

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

NATIONAL ENERGY RETAIL LAW (CONSEQUENTIAL AMENDMENTS) BILL 2012

SUPPLEMENTARY EXPLANATORY STATEMENT

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SUPPLEMENTARY EXPLANATORY STATEMENT FOR GOVERNMENT AMENDMENTS

These Government amendments are minor and technical in nature (refer to Assembly Standing Order 182A).

Overview

The purpose of the *National Energy Retail Law (Consequential Amendments) Bill 2012* is to amend existing ACT legislation because of the enactment of the *National Energy Retail Law (ACT) Act 2012*.

This amendment includes a new Part 7A into the *National Energy Retail Law (Consequential Amendments) Bill 2012*. Part 7A amends the *Energy Efficiency (Cost of Living) Improvement Act 2012* (effective 17 May 2012) which requires **electricity suppliers** in the ACT to meet emissions reduction targets through energy efficiency activities. The purpose of the amendments contained in new Part 7A is to make amendments to that Act consequential to the repeal of electricity retail (supply) licensing under the *Utilities Act 2000* (see Part 13 of the Bill), which removes the definition of **electricity supplier**.

The effects of the amendments below are to create a direct statutory obligation for retailers authorised to retail under the *National Energy Retail Law (ACT)* to comply with the *Energy Efficiency (Cost of Living) Improvement Act 2012*.

AMENDMENT 1: Amendment to Clause 5

The first amendment inserts a new part 7A into the Bill that outlines the amendments to be made to the *Energy Efficiency (Cost of Living) Improvement Act 2012* (the **Act**). Part 7A includes new clauses 39A -39L into the Bill, each of which amends the Act.

New **clause 39A** amends Note 1 to section 3 of the Act to remove the reference to the definition of **utility**, now that this definition has been removed because it is redundant in this Act (see further below new **clause 39K**).

New **clause 39B** amends section 15(2)(b) to update the formula component SESO to RESO, consistent with the amendment made to the definition of SESO (see new **clause 39C**).

New **clause 39C** amends section 15(2)(b) to update the definition of SESO. This is a consequential change to the repeal of the definition of **electricity supplier** from the *Utilities Act 2000* and is part of establishing direct statutory obligations for NERL retailers to comply with the Act.

New **clause 39D** amends section 20(2)(b) to update the formula component SESO to RESO, consistent with the amendment made to the definition of SESO (see new **clause 39E**).

New **clause 39E** amends section 20(2)(b) to update the definition of SESO. This is a consequential change to the repeal of the definition of **electricity supplier** from the *Utilities Act 2000* and is part of establishing direct statutory obligations for NERL retailers to comply with the Act.

New **clauses 39F – 39K** updates the Dictionary in this Act to:

- a) remove the definition of **electricity supplier** which is now redundant;
- b) include a new definition of **NERL retailer** as meaning a person who holds a retailer authorisation under the *National Energy Retail Law (ACT)* to sell electricity to premises in the ACT for consumption;
- c) amend the definitions of **supplier energy savings results** and **supplier priority household result** to **retailer energy savings results** and **retailer priority household result** respectively, both being a consequential change to the repeal of the definition of **electricity supplier** from the *Utilities Act 2000*;
- d) amend the definition of a **tier 1 electricity supplier** to a **tier 1 NERL retailer** and make reference to a NERL retailer. This consequential to the repeal of the definition of **electricity supplier** from the *Utilities Act 2000* and is part of establishing direct statutory obligations for NERL retailers to comply with the Act;
- e) amend the definition of a **tier 2 electricity supplier** to a **tier 2 NERL retailer** and make reference to a NERL retailer. This consequential to the repeal of the definition of **electricity supplier** from the *Utilities Act 2000* and is part of establishing direct statutory obligations for NERL retailers to comply with the Act;
- f) remove the definition of **utility** which is redundant for the purposes of the Act.

New **clause 39L** amends all references in the Act to an **electricity supplier**, or **supplier** (wherever they occur) to a **NERL retailer** or **retailer** respectively. Each of these amendments are consequential to the repeal of the definition of **electricity supplier** from the *Utilities Act 2000* and are part of establishing direct statutory obligations for NERL retailers to comply with the Act.