



Commonwealth-State Regulatory Impact Statement status, 2022-23

The Office of Impact Analysis (OIA) publishes Regulatory Impact Statements (RISs) and the OIA's assessment of each IA on its website as soon as practicable after a regulatory announcement is made, in consultation with the relevant Ministerial Meeting or national standard-setting body (NSSB).

Please note that all Department and Agency names in this report reflect their name at the time the RIS was published.

In 2022-23, 15 Commonwealth-State Decision RISs were finalised, assessed as compliant by the OIA and published.

In this period 5 Commonwealth-State Consultation RISs were assessed by the OIA and published.

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Compliance with the Commonwealth-State IA requirements 2017-18 to 2022-23

Figure 1. Compliance with the Commonwealth State AI requirements

Stage	2017-18 Ratio	%	2018-19 Ratio	%	2019-20 Ratio	%	2020-21 Ratio	%	2021-22 Ratio	%	2022-23 Ratio	%
Consultation stage ^a	6/6	100	15/15	100	24/25	96	13/14	93	14/14	100	15/15	100
Decision stage	6/6	100	15/15	100	23/25	92	13/14	93	14/14	100	15/15	100

^a The consultation stage figures relate to those decisions at the consultation stage for which a corresponding decision RIS at the decision-making stage has been announced.

Detailed information on RISs prepared for decision in 2022-23

Food Standards Australia New Zealand

Primary Production and Processing Requirements for Horticulture (Berries, Leafy Vegetables and Melons)

Figure 2. Food Standards Australia New Zealand

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
12 August 2022	Yes	Yes	20 November 2023

Fresh fruit and vegetables are an important part of a healthy diet, and horticultural produce in Australia is generally considered safe. However, in Australia and internationally, foodborne illness, deaths, product recalls and other food safety incidents continue to be associated with fresh horticultural produce. Foodborne illnesses can be reduced through appropriate food safety measures.

During 2011–2019, there were ten outbreaks of foodborne illness associated with the consumption of horticultural produce in Australia. Berries, leafy vegetables and melons were associated with seven of the ten.

The D-RIS prepared by FSANZ considered the following four options for reducing food safety risk in the berries, leafy vegetables and melons sectors:

- Option 1: maintaining the status quo such that the current food safety management environment for primary production and processing of horticultural products would continue

- Option 2: regulatory measures only. In this option, the proposed regulatory measures would take the form of three primary production and processing standards in the Australia New Zealand Food Standards Code (one standard each for berries, leafy vegetables and melons)
- Option 3: regulatory and non-regulatory measures. This option is an extension of option 2 (regulation only), and would also include development of non-regulatory measures through collaboration between government and industry. Proposed non-regulatory measures include guidelines, fact sheets, animations, webinars and face-to-face meetings created by FSANZ in consultation with jurisdictions and peak industry bodies
- Option 4: non-regulatory measures. This option would recommend non-regulatory measures only, the same as those outlined in option 3.

Option 3 was agreed. The new standards affect primary production and processing standards for berries, leafy vegetables and melons and will take effect from 12 February 2025. The standards aim to strengthen food safety management on-farm and during initial processing to reduce food safety risks along the supply chain. New regulatory measures are focused on primary production and processing activities strongly linked to food safety risk of each of the berries, leafy vegetables and melon sectors. The regulations are expected to better protect consumers and empower the government food regulators to support Australia's primary producers and processors and productively manage food safety. Regulations apply a nationally consistent set of requirements and are intended to help reduce outbreaks, illness, death and recall incidents for berries, leafy vegetables and melons.

Proposal P1053 – Food Safety Management tools

Figure 3. Food Standards Australia New Zealand

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
8 December 2022	Yes	Yes	15 December 2022

While the vast majority of food in Australia is safe, foodborne illness is an ongoing and sometimes serious problem that is largely preventable. Over the past decade, a significant proportion of foodborne illness outbreaks have been linked to food service and related retail businesses. However, the true nature and size of the problem is likely to be much larger as many cases are not reported.

Food Standards Australia New Zealand (FSANZ) has prepared a Decision Impact Analysis (IA) - formerly known as a Decision Regulation Impact Statement (RIS) - which analyses potential reform options to help to address these issues. These options include:

- Option 1: Maintaining the status quo such that the current regulatory environment would continue;
- Option 2: Self-regulation, which would involve food businesses putting their own systems that are not subject to regulatory oversight in place to improve food safety;

- Option 3: Regulate one or more food safety management tools. The sub-options identified include:
- Option 3.1: Requiring a certified food safety supervisor, and food handler staff to complete food handler training; and
- Option 3.2: Requiring a certified food safety supervisor, food handler staff to complete food handler training, and evidence to substantiate food safety management.

The preferred option identified by the Decision IA is a targeted regulatory approach that applies food safety management tools based on risk, cost–benefit and appropriateness, that is:

- Option 3.2 for Category 1 businesses (food service businesses, such as caterers, restaurants, takeaway; and retailers who make and serve potentially hazardous food);
- Option 3.1 for Category 2 businesses (retailers of unpackaged ready-to-eat, potentially hazardous food); and
- No additional regulatory measures for Category 3 businesses (retailers of pre-packaged ready-to-eat, potentially hazardous food).

Australian Building Codes Board

National Construction Code (NCC) 2022 Residential Energy Efficiency

Figure 4. Australian Building Codes Board

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
1 September 2022	Yes	Yes	12 September 2022

The residential building sector is a major source of energy demand and use. While Australia has made considerable progress in the energy performance of residential buildings, there is still opportunity to implement actions that could further reduce the energy consumption of the sector.

Options the IA examined included:

- Maintaining the status quo (which is the required benchmark option in regulatory impact analysis)
- Option A: A minimum level of thermal performance equivalent to 7 stars NatHERS, plus a whole-of-home annual energy use budget applicable to the home’s space conditioning, hot water, lighting, pool and spa pumps, and on-site renewables (typically rooftop photovoltaics – PV)
- Option B: Similar to Option A, but with a larger whole-of-home annual energy use budget, which permits lower performing, energy efficient equipment and/or less PV to be installed. Option A’s annual energy use budget is 70 per cent of Option B’s.

The RIS found a combination of these options, i.e. being Option A for Class 1 buildings and Option B for Class 2 buildings, to be the most effective way to meet the objectives by:

- achieving the highest greenhouse gas abatement at lowest cost to the economy

- lowering the cost of household energy bills and
- improving occupant comfort and resilience to extreme weather.

Australian Energy Market Commission

National Electricity Amendment (Enhancing Information on Generator Availability in MT PASA) Rule 2022 no. 7

Figure 5. Australian Energy Market Commission

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
18 August 2022	Yes	Yes	18 August 2022

The ongoing transition of the power system has contributed to a lack of detailed information on generator availability, which is becoming an increasing issue as older generators approach the end of their technical life. As a result, the operators may shift to cyclical operating regimes where they only generate energy for certain periods of the year. This causes uncertainty amongst participants and stakeholders on why and for how long particular generators are unavailable. Without comprehensive, standardised and public information to provide a more nuanced view of future unit availability participants will likely face increasing time and resource costs.

On 15 December 2021, the AEMC received a rule change request from the Australian Energy Market Operator (AEMO). It requested increasing the scope of information that is gathered from generators regarding their availability under the existing medium term projected assessment of system adequacy (MT PASA). The final rule is consistent with the main purpose of PASA by ensuring that participants are sufficiently informed about generator availability to help them make decisions about supply, demand and outages of transmission networks which. The final rule builds on existing MT PASA requirements and actions one of the Energy Security Board's (ESB) post-2025 recommendations to improve resource adequacy in the National Energy Market.

AEMC – Declared Wholesale Gas Market (DWGM) Distribution Connected Facilities

Figure 6. Australian Energy Market Commission

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
8 September 2022	Yes	Yes	12 September 2022

The Declared Wholesale Gas Market (DWGM) was established by the Victorian Government in 1999 to support retail competition and encourage diversity of supply and upstream competition. Only gas facilities that are connected to the declared transmission system (DTS) are able to participate in the DWGM, which excludes the participation of distribution connected production and storage facilities. As distribution connected facilities may include hydrogen, biomethane and renewable gas facilities, existing arrangements were not consistent with Victoria's goals of unlocking alternative gases and establishing a hydrogen industry as outlined in Victoria's Gas Substitution Roadmap.

The Australian Energy Market Commission (AEMC) has made a final rule to allow distribution connected facilities to participate in the Victorian declared wholesale gas market (DWGM). These facilities will be able to supply natural gas, low-level hydrogen blended gas, biomethane and other renewable gases.

This work addresses that by amending the National Gas Rules (NGR) to also recognise facilities connected at the distribution level.

The changes primarily apply to distribution connected facilities with minor changes being made to existing facilities where a cohesive approach was required. The changes are categorised across three key areas:

- Market operations, including registrations, scheduling and bidding
- Market settlements, including title, custody and risk, and allocations
- System operations, including connections, metering, and gas quality.

The new framework will commence on 1 May 2024.

AEMC Primary frequency response incentive arrangements

Figure 7. Australian Energy Market Commission

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
8 September 2022	Yes	Yes	5 October 2022

Frequency varies whenever electricity supply does not exactly match consumer demand and uncontrolled changes in frequency can cause blackouts. Primary frequency response (PFR) is an essential system service

that helps to control system frequency close to 50Hz. It is delivered through an automatic change in the generation or consumption of electricity from a generator or load in response to changes in system frequency.

The ability to provide frequency response to keep the grid stable is becoming increasingly important, as lower cost, variable inverter connected generation such as batteries, wind and solar displace thermal generators in the system.

On 8 September 2022, the Australian Energy Market Commission (AEMC) published a final determination and a final rule for enduring arrangements to support the control of power system frequency and incentivise plant behaviour that reduces the overall cost of frequency regulation during normal operation

The new incentive arrangements will complement the existing obligation for large generators to support the secure operation of the power system by responding automatically to changes in power system frequency.

AEMC Material change in network infrastructure project costs – final determination

Figure 8. Australian Energy Market Commission

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
27 October 2022	Yes	Yes	31 October 2022

This determination process responds to concerns with the implementation of the Regulatory Investment Test (RIT) process, which is a form of cost benefit analysis. The purpose of the RIT is to identify network investments that maximise the present value of net economic benefits in the market. Before investing in a significant transmission or distribution project to meet an identified need on the network, a proponent must consider all credible options (including potential non-network solutions) to meet that need, before selecting the option that maximises the net economic benefit across the market.

Under existing arrangements, the RIT must only be reapplied where, in the reasonable opinion of the project proponent, there has been a material change in circumstances. However, there are examples of where the RIT has not been triggered, despite significant increases in transmission costs.

The Australian Energy Market Commission announced on 27 October 2022 that they have made a more preferable final rule that seeks to add clarity to the process for determining whether a material change in circumstances has occurred by requiring certain Regulatory Investment Test (RIT) proponents to develop reopening triggers which, if met, would require the RIT proponent to consider if and how to reconsider the extent to which the previously identified preferred option is likely to remain the most net beneficial option in light of the changed circumstances.

AEMC Amending the administered price cap – final determination

Figure 9. Australian Energy Market Commission

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
17 November 2022	Yes	Yes	21 November 2022

The Administrative Price Cap (APC) is an important market setting under the National Electricity Rules which operates to stabilise the electricity market during periods of volatility and sustained high prices. If market prices in a region rise to levels which are likely to cause substantial financial stress, then those prices are capped at the APC until they return to lower levels. In June 2022, the APC was applied, however due to international events and local fuel constraints, market fuel prices for peaking generators rose to unprecedented levels, causing some gas and liquid-fuelled generation to be more expensive to operate than the price allowed for under the previous level of the APC. This ultimately led to AEMO's suspension of the spot market.

Two rounds of consultation were conducted during the rule change process, with feedback on support including a focus on the benefits to security and reliability, and opponents concerned with potential increases in financial stress on retailers and end users.

The final determination included assessment of the proposal against five criteria, including consideration of the outcomes for consumers. A key element of these impacts are likely avoidance of some compensation costs.

The Australian Energy Market Commission announced on 17 November 2022 that they have made a final rule on introducing a transitional arrangement of increasing the APC from \$300/MWh to \$600/MWh from 1 December 2022 to 30 June 2025.

Efficient reactive current access standards for inverter based resources ERC0272 (DRIS)

Figure 10. Australian Energy Market Commission

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
23 April 2023	Yes	Yes	26 February 2025

Inverter connected resources such as batteries currently have to demonstrate that they comply with the minimum access standards specified in Schedule 5.2.5.5 of the National Energy Rules (NER) – including reactive current fault-response minimum access standard. Network service providers are not able to provide connection approval to parties that do not meet this minimum standard.

The Australian Energy Market Commission (AEMC) initiated consultation on a consolidated rule change to the minimum access standards based on requests from two proponents, one from a consortium of wind turbine original equipment manufacturers (OEMs) and the other from the Renewable Energy Revolution (RER) on 26 May 2022.

The rule change requests were considered together as they both propose changes to the standards with which connecting generators must comply, with the aim of ensuring the needs of the power system are met without connecting generators being subject to undue requirements.

The Decision Regulatory Impact Statement proposes a final rule and determination that revises the minimum access standards that specify the nature of the reactive current response that inverter-connected generators must provide in response to a fault.

The final rule will:

- lower the reactive current capability requirement to a level that is greater than (but not equal to) zero
- reformulate existing requirements to incentivise a fast and stable response by requiring that responses commence within 40 milliseconds and lengthen the rise time requirement from 40 ms to 80 milliseconds
- further clarify several other aspects of the rules, on matters such as active power recovery and the voltage at which reactive current responses should commence, to support faster connection negotiations between connecting generators, network service providers (NSPs) and the Australian Energy Market Operator (AEMO)
- address several issues with the definitions for maximum continuous current, continuous uninterrupted operation raised by stakeholders through consultation on the draft rule and determination.

Key benefits of the final rule include:

- lowering the cost of connecting renewable generators by lowering the amount of reactive current capability they would need to provide
- improving system security outcomes by establishing a better balance between response speed and stability
- ensuring the provision of voltage support equipment at least cost over time by acknowledging the role of network service providers (NSPs) in assessing the costs and benefits of these investments.

Department of Agriculture, Fisheries and Forestry

Animal Welfare Standards for Poultry

Figure 11. Department of Agriculture, Fisheries and Forestry

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
19 August 2022	Yes	Yes	23 August 2022

The three existing Model Codes of Practice (MCOPs) that cover the welfare of domestic poultry (including emus and ostriches) do not reflect contemporary animal welfare science, contemporary industry practices, and new technologies. There is evidence that the MCOPs are inconsistently implemented in states and territories and are largely voluntary rather than mandatory.

The Decision IA considers the impacts of four key policy options:

- Option 1: maintain the existing MCOPs
- Option 2: introduce the proposed Standards and Guidelines as voluntary
- Option 3: introduce the proposed Standards as compulsory and Guidelines as voluntary
- Option 4: introduce the proposed Standards as compulsory and Guidelines as voluntary, with an extended phase out period of conventional cages until 2046.

The Decision IA recommends Option 3 as the option which most substantially addresses the policy problem. The Decision IA estimates the costs of implementation to be \$261 million over the next 10 years. At a consumer level, it is expected to cost at most \$1.51 per egg consumer per year.

Department of Infrastructure, Transport, Regional Development, Communications and the Arts

Heavy Vehicle Charges

Figure 12. Department of Infrastructure, Transport, Regional Development, Communications and the Arts

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
8 May 2023	Yes	Yes	1 December 2023

The heavy vehicle cost base has increased and is expected to exceed the heavy vehicle charges revenue, leaving an expected revenue gap, including a gap of \$575.8 million in 2022-23. This means that charges do not fully recover the share of road construction and maintenance costs that can be allocated to heavy vehicles.

The D-RIS outlines a range of options for setting heavy vehicle charges that would apply from 2022–23 onwards. At the December 2021 Infrastructure and Transport Ministers Meeting (ITMM), ministers identified a preference for increasing heavy vehicle charges by 2.75 per cent in 2022–23. At the same meeting, ministers also decided that they would again consider heavy vehicle charges in late 2022, including the possibility of a multi-year price path. The supplementary paper to the D-RIS outlines options for setting heavy vehicle charges from 2023–24 onwards for consideration by ministers. At the April 2023 ITMM, ministers agreed to a proposal to set charges for a three-year period, rising by six per cent each year.

Health Minister's Meeting

Medical practitioners' use of the title "surgeon" under the National Law

Figure 13. Health Minister's Meeting

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
14 December 2022	Yes	Yes	20 December 2022

At the time, all registered medical practitioners in Australia can use the title "surgeon", including "cosmetic surgeon", even when they have completed different levels of training or hold different qualifications. This may be confusing for members of the public, who may not have knowledge of medical practitioner qualifications and training. There is also a concern that this confusion may be leading to avoidable and disproportionate risks and harms to the public, resulting from poor cosmetic surgical outcomes.

The Decision Impact Analysis (IA) provides an analysis of the regulatory impacts of title restriction and alternative options, and recommends a preferred option. The Decision IA follows a Consultation IA - formerly known as a Consultation RIS - released in December 2021 that explained the current regulatory framework and the potential issues that may be arising from it, and sought feedback on the potential reform options. The three options detailed in the Decision IA include:

- Option 1: Maintaining the status quo.
- Option 2: Strengthening guidance on the use of the title 'surgeon' using existing mechanisms in the National Scheme.
- Option 3: Restricting the title 'surgeon' in the National Law.
 - Option 3.1: Restricting the title 'surgeon' to the 10 surgical specialty fields of practice.
 - Option 3.2: Restricting the title 'surgeon' to medical practitioners with significant surgical training.

The Decision IA recommends Option 3.2 as the option that is anticipated to have the greatest impact in addressing the policy problem.

NSW Department of Education

National Qualifications Framework Review

Figure 14. NSW Department of Education

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
10 June 2022	Yes	Yes	8 July 2022

The National Quality Framework (NQF) provides a national approach to the regulation of the quality of education and care services across Australia. The review identified three areas for improvement to ensure the NQF continues to support quality, safe early childhood education: poor information accessibility; administrative and regulatory compliance burdens; and unacceptable hazards or risks to children. In December 2018, Commonwealth, state and territory education ministers agreed to commission the review to ensure the NQF is fit for purpose and complies with best practice regulatory standards.

The 2019 NQF Review recommended changes to Education and Care Services National Law and National Regulations, as well as additional guidance for the sector to enhance children's health, safety and wellbeing. In May 2022, Commonwealth, state and territory education ministers agreed to the recommended changes in the review.

Queensland Health

Menu Labelling in Australia and New Zealand

Figure 15. Queensland Health

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
25 November 2022	Yes	Yes	1 June 2023

Overweight and obesity is a significant public health issue in both Australia and New Zealand, as it affects most of the population, is a leading risk factor for chronic diseases and has an economic cost for government and society. Menu labelling, which refers to the provision of nutritional information about food and drinks on menus to inform purchasing and consumption decisions, may be a cost-effective mechanism which can support people to make more informed choices about ready-to-eat foods. A 2017 review of menu labelling in Australia identified the following issues:

- a nationally inconsistent menu labelling legislation (for example, differences in how and when to display energy information, and differences in businesses exempt from menu labelling)
- an uneven playing field with respect to menu labelling for businesses selling standard food items due to legislated exemptions of specific business types

- gaps in legislation from emerging trends for promoting, offering, and selling standard food items (for example, digital panel menus and self-service kiosks; third-party food delivery platforms; build your own menu items (customised) from a range of standardised ingredients; pop-up/hover advertising, digital links to off-menu information)
- the current approach to menu labelling is not achieving the greatest public health benefit.

The Decision RIS assessed options for enhancing menu labelling to facilitate informed purchase decisions by providing all Australians and New Zealanders with access to information at the point-of-sale about the energy content of ready-to-eat food and drinks.

Four options for developing a food regulatory measure in the Australia New Zealand Food Standards Code were considered:

- Option 1 (Status quo): Allow jurisdictions to choose how to implement menu labelling that is consistent with the 2011 Principles
- Option 2: Encourage all jurisdictions to consistently implement menu labelling schemes in their own legislation, in accordance with amended Principles
- Option 3: Develop a mandatory food regulatory measure for menu labelling in the Australia New Zealand Food Standards Code
- Option 4: Encourage industry to voluntarily implement enhancements to menu labelling.

In addition, consumer education about kilojoules, ready-to-eat foods, making healthier food purchase choices, and using menu labelling is proposed to complement any of the options.

Option 3 was the recommended option.

Safe Work Australia

Managing the risks of respirable crystalline silica at work

Figure 16. Safe Work Australia

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
28 February 2023	Yes	Yes	1 Mar 2023

Workers in a broad range of industries including manufacturing, stonemasonry, construction, tunnelling, demolition, mining and quarrying are exposed to respirable crystalline silica (RCS). In 2011, an estimated 6.6 per cent of Australian workers were exposed, and 3.7 per cent of workers were heavily exposed, to RCS. There are also multiple reports of personal exposure above the current workplace exposure standard across industry sectors, where adequate engineering controls are not employed. Stakeholder consultation highlighted that a lack of awareness of the risks associated with RCS and a lack of clarity on how to comply with the model WHS laws contributes to the number of cases of silicosis and silica-related diseases.

The Decision IA considers the following options to address the outlined problem:

- national awareness and behaviour change initiatives
- national licensing framework for persons conducting a business or undertaking (PCBU) working with engineered stone
- regulation of high risk crystalline silica processes for all materials, including engineered stone
- regulation of high risk crystalline silica processes for all materials other than engineered stone
- a prohibition on engineered stone.

The Decision IA recommends national awareness and behaviour changes activities, and regulation of high-risk crystalline silica processes for all materials (including engineered stone). The Decision IA recommends further analysis and consultation with industry is required to understand the impacts of a prohibition on engineered stone.

On 28 Feb 2023 Work Health and Safety Ministers agreed to the following actions:

1. Delivery of national awareness and behaviour change initiatives, in partnership with employers and unions.
2. Stronger regulation of high-risk crystalline silica processes for all materials (including engineered stone) across all industries. This includes additional training requirements; a requirement to conduct air monitoring and report workplace exposure standard exceedances to the relevant regulator; and scoping new and updated model Codes of Practice for at-risk industries. In developing the regulations, Safe Work Australia is requested to further consider definitions to minimise any unintended consequences.
3. Further analysis and consultation on a prohibition of the use of engineered stone under the model WHS laws, including consideration of silica content levels and other risk factors and including consideration of a national licensing system for products that are not subject to a ban or legacy products. Safe Work Australia is requested to finalise a report as quickly as possible and within 6 months at the latest.

RISs prepared for consultation in 2022-23

The following consultation IAs have been published for consultation in 2022-23.

Decision-making body: Australian Energy Market Commission

Material change in network infrastructure project costs

Closing date: 1 September 2022

This determination process responds to concerns with the implementation of the Regulatory Investment Test (RIT) process, which is a form of cost benefit analysis. The purpose of the RIT is to identify network investments that maximise the present value of net economic benefits in the market. Before investing in a

significant transmission or distribution project to meet an identified need on the network, a proponent must consider all credible options (including potential non-network solutions) to meet that need, before selecting the option that maximises the net economic benefit across the market.

Under existing arrangements, the RIT must only be reapplied where, in the reasonable opinion of the project proponent, there has been a material change in circumstances. However, there are examples of where the RIT has not been triggered, despite significant increases in transmission costs.

The draft rule aims to provide clarity on the process for determining whether a material change in the circumstances has occurred for the RIT. In addition, the rule also seeks to improve cost estimate accuracy by clarifying the rules governing the guidelines for RITs in order to support strengthened guidelines for cost estimate development.

Improving security frameworks for the energy transition: National Electricity Amendment (Operational Security Mechanism) Rule ERC0290

Closing date: 17 November 2022

The National Electricity Market (NEM) is going through a significant transformation, with the generation mix changing due to decarbonisation, changing technology costs, and consumer preferences.

Power system security is becoming more challenging to manage through this energy transition process. Power system security relates to the technical parameters of the power system such as voltage and frequency, the rate at which these parameters might change and the ability of the system to withstand faults. The NEM's regulatory and market frameworks were originally designed around a power system made of primarily synchronous generation which inherently provide an abundance of security services as a by-product of energy generation. However, fewer of these services are being provided as the generation mix changes to inverter based resources, which connect to the power system through power electronics, and do not automatically provide all types of security services as a by-product of generation.

During the energy transition system security may be scarce as synchronous plant retires, and as the Australian Energy Market Operator (AEMO) learns about, and tests, the capabilities of new technology. AEMO requires additional tools to manage system security to ensure the integrity of the grid.

The Consultation Regulation Impact Statement considered a rule change to ensure that sufficient security services are operationally available and scheduled, in order to maintain power security without requiring market interventions. Specifically, the Consultation Regulation Impact Statement considered two rule changes requests from Hydro Tasmania and Delta Electricity, which each proposed operational procurement mechanisms to value, procure and schedule essential system services to help keep the system secure.

Decision-making body: Austroads

National Heavy Vehicle Drive Competency Framework Consultation RIS

Closing date: 28 October 2022

Heavy vehicles are overrepresented in casualty crashes particularly those involving a fatality – while making up approximately 5% of the total vehicle fleet, they are involved in 16% of road crash fatalities and 4% of injuries. It is the role of the NHVDCF and existing heavy vehicle licensing regimes to help protect all road users by ensuring heavy vehicle drivers are sufficiently competent to safely drive the vehicle they are seeking to operate.

The National Heavy Vehicle Driver Competency Framework (NHVDCF) was developed collaboratively by governments to establish minimum competency and assessment standards for heavy vehicle drivers across Australia. It is intended to provide a framework that is adopted by all Jurisdictions in their heavy vehicle licensing regimes to ensure a nationally consistent approach to heavy vehicle driver training and competency assessment. Reforms to the NHVDCF aim to deliver improved road safety outcomes whilst supporting the use of high productivity vehicles. The proposal also seeks to provide reasonable access to heavy vehicle licences for social and personal use.

Decision-making body: Department of Agriculture, Fisheries and Forestry

Improving the welfare of horses during land transport

Closing date: 28 October 2022

Horse welfare issues during transport were brought to the attention of regulators, stakeholders and the community after the ABC's 7.30 program 'The Final Race' aired in October 2019. Footage of horses, including retired thoroughbred and standard bred horses, treatment at a Queensland abattoir raised serious questions about the welfare and management of horses, including their transport across Australia. These incidents often relate to horses that have been transported loose in the back of a truck or trailer, and as a result, have sustained serious injuries or are dead at the time of unloading. Other horses arrive in poor condition. Problems including traumatic injuries, transport-related diarrhoea, heat stroke, muscular problems, colic, pneumonia and laminitis are also evidenced by data on animal welfare incidents involving horses in professional and amateur racing, equestrian sport, endurance racing, horse breeding and recreational non-competitive sectors. Risks to horses during transport have also been identified by experienced Australian equine veterinarians. Current regulatory requirements do not fully align with current science.

The Queensland Department of Agriculture and Fisheries, on behalf of the national Animal Welfare Task Group, has prepared a consultation Impact Analysis (IA) – formerly known as a Consultation Regulation Impact Statement (RIS) – to explain the current regulatory framework and the potential issues that may be

arising from it. The Consultation IA also proposes potential reform options which may help to address these issues. These options include:

- The status quo.
 - This option would result in the current standards and guidelines being maintained without any change or intervention by governments, including without any additional education or engagement.
- Enhance the existing non-mandatory guidelines (non-regulatory approach).
 - This option would result in the current standards being retained with the addition of new/revised non-mandatory guidelines. Education and promotion of the guidelines by government would complement this option.
- Revised mandatory standards, and non-mandatory guidelines (regulatory approach)
 - This option would involve the adoption of a package of amendments to the current standards and guidelines through amendments to state and territory animal welfare legislation. Education and promotion of the standards and guidelines by government would complement this option.

Decision-making body: Department of Climate Change, Energy, the Environment and Water

Commercial Ice Maker Energy Efficiency

Closing date: 12 June 2023

Commercial ice makers consume significant quantities of electricity – about 380 GWh per annum in Australia, more than the entire residential clothes dryer stock, for example (340 GWh). Product energy-efficiency varies widely and purchasers could make substantial lifetime savings if they compared the energy efficiency of alternative models and selected the more efficient models on offer. Information about energy performance is difficult to access; where information is provided, it is in a form that makes comparisons across models very difficult; and as a group, purchasers are relatively uninterested in operating costs, even though these make up at least two thirds of time-discounted lifetime ownership costs.

There is evidence of several categories of market failure. As a consequence, the users of ice makers are significantly worse off financially than if they had been aware and responded to information about energy efficiency. At a whole of economy level, this also results in an inefficient allocation of resources and higher negative externalities, in particular the emissions of greenhouse gases and other pollutants related to the production of electricity.

Several policy options have been identified in this C-RIS to address these problems and improve the energy efficiency of commercial ice makers. Options considered included no intervention, non-regulatory measures, mandatory disclosure of information, and Minimum Energy Performance Standards (MEPS). The C-RIS explores MEPS, supported by information measures to drive efficiency beyond the MEPS level, to addressing

excessive energy use in commercial ice makers. The C-RIS considers four feasible MEPS levels (in order of increasing stringency):

1. the MEPS levels in AS/NZS 4865.3:2008
2. the HE levels in AS/NZS 4865.3:2008
3. the United States of America's MEPS levels
4. the United States of America's Energy Star levels.

Each MEPS scheme assigns a maximum allowable energy consumption value (in kWh/100kg ice) to models depending on their production capacity (in kg/24hrs) as determined on a standard test. The MEPS rules classify ice makers in different ways according to their production capacity range, configuration (self-contained, modular, or split), cooling medium (air or water) and the method of ice production (batch or continuous).