



# **MEDIA RELEASE**

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## **ENERGY REGULATOR CALLS FOR BETTER RELATIONSHIP**

### **WITH INDUSTRY TO PRODUCE IMPROVED OUTCOMES**

The Australian gas infrastructure companies and the national energy regulator need a fresh start in their relationship if higher costs and regulatory delays are to be avoided, the Australian Pipeline Industry Association (APIA) convention has been told.

Addressing APIA delegates in Alice Springs, Australian Energy Regulator (AER) Chairman, Mr Steve Edwell, said the current relationship included “angst” and the “throwing of hand grenades”.

“The AER wants a cooperative relationship with the gas industry as a means of ensuring quality regulatory outcomes,” Mr Edwell said.

“We understand that there will always be some asymmetry of interests, but given a new gas regulatory framework and a fresh AER approach we are looking at better regulatory processes,” he said.

“If the AER and industry are unable to develop professional, trustworthy relationships then this will increase regulatory costs and lead to delays in regulatory assessments.

“The current regulatory reform program and commercial changes in parts of the gas supply industry clearly indicate we are entering a new phase for the industry and it represents an opportunity for a clean start for regulators and infrastructure owners.”

APIA Chief Executive, Ms Cheryl Cartwright, welcomed Mr Edwell’s desire for improved communication with the infrastructure companies.

“We were particularly encouraged by Mr Edwell’s support for the industry, through APIA, to make a strong contribution to the development of the new gas access regime when the draft legislation becomes available,” Ms Cartwright said.

“Mr Edwell said the industry needs to argue very forcefully the industry position when the draft legislation comes out, and we will certainly be doing so.

“The APIA members were also pleased to hear Mr Edwell’s commitment to eliminate the element of surprise in AER regulatory decisions by signalling its policy or views ahead of decisions being made.”

Ms Cartwright also welcomed an acknowledgement by Mr Edwell that the current gas legislation had drawn too many companies into the regulatory net when it was first introduced, a situation that has, over time, been corrected.

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