

Feedback invited on guideline for energy innovation sandbox

The state's energy regulator is encouraging innovation from businesses in the energy sector through its new regulatory sandboxing function.

From June, under new regulatory sandboxing powers, the Essential Services Commission will be able to grant time-limited waivers from existing rules to businesses that sell, supply, generate or transmit electricity or gas, to trial innovative products or services.

Today the commission has [released a draft guideline](#) for businesses interested in using the sandbox to trial technologies, approaches, business models, products and services in Victoria's energy markets.

The commission's Executive Director of Energy Sarah Sheppard said the regulatory sandbox will allow testing, in a controlled setting, of whether permanent changes to particular energy rules would benefit Victorian consumers.

"The regulatory sandbox will encourage new and innovative technologies that can help reduce the costs of providing secure and reliable energy, as well as carbon emissions," she said.

The commission is working alongside the Australian Energy Regulator in the development of guidelines for [sandboxing in the national energy markets](#).

"We are working closely with the Australian Energy Regulator to ensure the Victorian guideline complements the national regulatory sandbox guideline," Ms Sheppard said.

"Our guideline is also informed by what we've learned from involvement in their initial consultation."

Additionally, the two regulators, along with other market bodies, are developing centralised online resources for regulatory sandboxing, including an Innovation Enquiry Service and web portal. Innovators will be able to submit an online enquiry to the Innovation Enquiry Service and seek informal feedback specific to their trial project, and apply for a trial waiver via the web portal.

The commission's draft guideline provides Victoria-specific guidance to innovators on the requirements to operate a project in Victoria, and how decisions will be made.

Feedback on the draft guideline is invited via [Engage Victoria](#) until 17 May 2022. The commission's final guideline will be published in June 2022.

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