

Compliance and enforcement update

July to December 2025



The Australian Energy Regulator (AER) continues to deliver outcomes and actions in line with the [AER compliance and enforcement priorities](#) and [strategic objectives](#). This report highlights the AER's key compliance and enforcement activities from 1 July to 31 December 2025.

Compliance and enforcement outcomes remain one of the key tools in the AER's regulatory toolkit, which are deployed to ensure energy consumers are better off, now and in the future. As our energy market transitions, the AER remains vigilant and is taking timely and proportionate enforcement action.



Protecting energy consumers

The AER remains focused on protecting consumers, including consumers experiencing vulnerability, in the context of continued pressure on cost of living and energy affordability. In July to December 2025, the AER:

- received judgment in the Federal Court against CAM Engineering and Construction Pty Ltd (CAM Engineering) for failing to become a member of the Energy and Water Ombudsman NSW scheme, resulting in a breach of section 112(2) of the National Energy Retail Law (Retail Law). The [Federal Court ordered CAM Engineering to pay a penalty of \\$250,000](#).
- received payment of \$1,089,000 for [15 infringement notices](#) issued to Alinta Energy Retail Sales Pty Ltd for overcharging Centrepay customers and then allegedly failing to refund and inform them within the required timeframe under the National Energy Retail Rules (Retail Rules).
- [instituted proceedings](#) against 4 Origin Energy subsidiaries (together, Origin) for alleged failures to comply with overcharging obligations under the Retail Rules related to Centrepay payments. It is also alleged that Origin breached the Retail Law by failing to establish policies, systems and procedures to monitor compliance with the Retail Rules.

- continued proceedings in the Federal Court after subsidiaries of AGL Energy (together, AGL) [appealed against the Court's findings](#) that they pay [penalties totalling \\$25 million](#) for failing to comply with their overcharging obligations under the Retail Rules related to Centrepay payments. The AER filed a cross appeal and a notice of contention in response to AGL's appeal. The Full Court of the Federal Court heard the matter on 27 and 28 November 2025, and the judgment is currently reserved.
- [wrote to retailers and distributors](#) to inform them about the recent enforcement outcome involving Powershop Australia Pty Ltd (Powershop) concerning contraventions of various life support obligations under the Retail Rules and outlined the AER's expectations of retailers and distributors concerning compliance with these obligations.
- continued to take steps to deliver the safe, timely, cost effective and fair rollout of smart meters in accordance with the accelerating smart meter deployment rule change, including:
 - [issued guidance to electricity retailers](#) about their obligations and responsibilities to customers related to site defects, tariff structure changes and shared fusing arrangements. The AER also encouraged good practice to help maintain social licence for the accelerated smart meter rollout.
 - [approved 13 distributor Legacy Meter Replacement Plans](#) (LMRPs) against the requirements of the [National Electricity Rules](#) (NER). The AER also provided guidance to distributors on key matters relating to the implementation of the LMRPs, including safe installation of meters, life support equipment registered customers, shared fusing arrangements, amending LMRPs and engaging with retailers and metering coordinators.
- released version 7 of the [Network Exemptions Guideline](#) and the [Retail Exempt Selling Guideline](#), extending new consumer protections to embedded network customers, including family violence protections for all residential and small business customers and exempt seller pricing visibility obligations for residential customers residing in apartment complexes or retirement villages.
- [issued guidance to assist exempt sellers](#) to understand new family violence obligations under version 7 of the Retail Exempt Selling Guideline, including 3 practical case studies and a quick reference checklist.
- approved the expiry of a [court-enforceable undertaking](#) provided by Origin after completing its obligations in the undertaking, including Origin making a \$1 million community-based contribution to organisations that assist sections of the community who rely on life support equipment.



Ensuring wholesale and network compliance

As the energy sector continues to undergo a major transition, the AER is focused on monitoring compliance to ensure a secure and reliable energy supply and that electricity and gas markets operate efficiently and competitively. The AER:

- [instituted proceedings](#) against Electricity Transmission Ministerial Holding Corporation Limited (Transgrid) for alleged breaches of the NER following a significant weather event

in Broken Hill and surrounding areas that resulted in loss of electricity supply to approximately 12,700 properties. The AER also alleges that Transgrid failed to institute and maintain a compliance program for its 2 backup generators.

- published its [final decision to amend the interim Contracts and Firmness Guidelines](#) to reflect the [Retailer Reliability Obligation](#) exemption for scheduled bi-directional units rule change to the NER.
- published the [Projected Assessment of System Adequacy \(PASA\) Compliance Bulletin and checklist](#) to assist wholesale electricity market participants in providing high-quality and timely availability information to the Australian Energy Market Operator (AEMO). The PASA Compliance Bulletin replaces previous messaging on PASA obligations outlined in the AER's [NEM Readiness Guide and Checklist](#) and is a standalone guidance document relating to PASA.
- published its [Compliance Bulletin on Short Term Gas Transaction Reporting](#), which provides AER guidance on how to report short term gas transaction information to the Bulletin Board under the National Gas Rules.
- wrote to wholesale electricity market participants outlining the AER's summer readiness messaging for 2025–26. This messaging reminds participants to stay alert and continually monitor factors affecting normal maintenance activities and plant performance. This includes maintaining situational awareness, meeting generator performance standards and providing accurate information to AEMO.
- wrote to industry about new and updated obligations applying to metering coordinators under the [accelerating smart meter deployment rule change](#). Key messaging emphasised the safety of workers and communities as a priority and addressed the importance of engaging in good practice to help maintain social licence for the accelerated smart meter rollout.

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