

# Guidance Note: fast-tracked sandboxing trial waivers

## Background

On 4 July 2025, the Treasurer asked Commonwealth regulators to suggest simple and useful ways to improve productivity. In response to this, the AER provided a response identifying regulatory reform opportunities.<sup>1</sup> One of which is to introduce fast-tracked sandboxing waivers for technical metering proposals.

The AER recognises the need for flexibility in approaches to assessing trial waivers, where small, targeted trials may be better suited to a fast-tracked approach in addition to the standard approach to the assessment of trial waiver applications. This guidance note is a complement to the existing [Trial Projects Guidelines and Explanatory Statement](#).

## Why fast-track waivers?

This fast-tracked approach to the assessment of trial waivers responds to stakeholder concerns that the burden of the trial waiver application process can outweigh the benefits of targeted waivers relating to technical requirements. The AER endeavours to assess trial waiver applications within 6 months of application lodgement, and typically completes consideration within much shorter timeframes. However, opportunities exist to fast-track this process where certain conditions are met – getting trials into the market sooner. The AER is open to working with stakeholders who consider that their technical waiver requirements align with the approach set out in this guidance note.

The AER sees this as a way to support innovation in the energy sector, and consider this approach may be particularly beneficial to parties seeking minor technical metering changes, minor waivers from AEMO's metrology procedures or technical, small-scale trials that do not impact other participants.

### *An example:*

An innovator wishes to utilise a type of metering installation in the market for a purpose beyond that which is currently provided for in the National Electricity Rules and AEMO's Metrology Procedure. The innovating party considers that extending the use of the current market arrangements is unlikely to materially impact the customer or potentially affected market participants, and that it could be safely tested in the market. The innovator identifies the areas of the Rules and Procedures considered to be restricting deployment.

The innovator contacts the AER through the Energy Innovation Toolkit website [contact form](#), and the AER arranges a meeting with AEMO to consider the impact of the variation on the system and the nature of the waiver required to proceed. With AEMO's support for the

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<sup>1</sup> More information on this work, including the AER's response, is available on the Department of Finance's website on [Regulatory reform to reduce red tape and ease burden on businesses](#).

trial, the innovator can lodge the application for a trial waiver under the fast-tracked process and enter the market sooner.

The AER has a flexible approach to assessing trial waivers. Our framework provides flexibility in two areas:

1. Approach to consultation.
2. Assessing trials and form of application.

How these issues are approached is outlined below. We encourage interested parties to engage with the Regulatory Sandbox team on any potential trials early to discuss different paths.

## Approach to consultation

As noted in the Trial Projects Guidelines, generally, the AER expects to consult on trial waiver applications except where a case is made by the trial waiver proponent that there is unlikely to be an impact on other Registered Participants or retail customers, other than on those who are participating in the trial.

If consultation is undertaken, as noted in section 4.7(d) of the Trial Projects Guidelines, the consultation period will be at least 20 business days. Under clause 8.16.3(a) of the NER<sup>2</sup>, the AER is able to flexibly assess whether consultation is required based on whether a trial waiver is unlikely to impact other Registered Participants or retail customers other than those who provide explicit informed consent to participate.

The AER is aware that a number of these trials may be in relation to arrangements for NEM metering installations and may impact AEMO operations and systems. While public consultation may not be necessary, the AER may still collect information, including by speaking to other parties. The AER is also required to consult AEMO on any proposed trial waiver and trial project (NER clause 8.16.3(b)). The AER will remain the first point of call for potential trial waiver applications.

Fast-tracked waivers can be approved without consultation where we are satisfied that the trial waiver and trial project is unlikely to have an impact on other Registered Participants or retail customers (other than those who provide consent). However, we reserve the right to conduct consultation on a fast-tracked waiver application if we consider it necessary to do so.

## Assessing trials and form of application

The AER will take a holistic approach to the consideration of the eligibility requirements and innovative trial principles when assessing each application. This flexibility, combined with the inherently low-risk nature of trials that may be considered under this fast-tracked process,

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<sup>2</sup> Also in the National Energy Retail Rules clause 177(a) and National Gas Rules clause 135MB(1).

means that the assessment period can be streamlined and faster than more complex trials, to get these smaller waivers operating more quickly and support increased innovation in the energy sector.

With shorter assessment timeframes, the AER is committed to making the process for considering these types of applications as streamlined as possible.

The trial waiver application form is available on the AER portal. Given the smaller scope of fast-tracked sandboxing trial waivers, it may be appropriate for a trial proponent to provide less detailed information in response to a question or to simply note if the question is not applicable.

## Contact us

We encourage early engagement on all potential trials. To find out more about regulatory sandboxing and trial waivers, please visit <https://energyinnovationtoolkit.gov.au/>.

To discuss lodging a sandboxing trial waiver, please contact [regulatorysandbox@aer.gov.au](mailto:regulatorysandbox@aer.gov.au).

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