

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE FEDERAL ENERGY REGULATORY COMMISSION
OF THE UNITED STATES OF AMERICA
AND
THE AUSTRALIAN ENERGY REGULATOR

1. The Federal Energy Regulatory Commission (FERC) has exclusive jurisdiction within the United States over, among other things, the transmission of electric energy in interstate commerce and the sale of electric energy at wholesale in interstate commerce by public utilities, as described in section 201 of the Federal Power Act (FPA), 16 U.S.C. § 824; and the transportation of natural gas in interstate commerce and certain sales in interstate commerce of natural gas for resale as set forth in section 1 of the Natural Gas Act (NGA), 15 U.S.C. § 717, and section 601(a) of the Natural Gas Policy Act (NGPA), 15 U.S.C. § 3431(a); certain other transportation and sales of natural gas authorized pursuant to section 311 of the NGPA, 15 U.S.C. § 3371; the transportation of oil by pipeline in interstate commerce pursuant to the Interstate Commerce Act, 49 U.S.C. § 1 *et seq.* (1976); and reliability of the bulk-power system pursuant to section 215 of the FPA, 16 U.S.C. § 824o.

2. The Australian Energy Regulator (AER) is an independent statutory authority established under Part IIIAA of the Competition and Consumer Act 2010 (Cth). The functions and powers of the AER as an energy market regulator are described in section 27 of the National Gas Law (NGL), section 15 and 18C of the National

Electricity Law (NEL) and section 204 of the National Energy Retail Law (NERL), respectively. AER's functions, which mostly relate to energy markets in eastern and southern Australia, include: monitoring wholesale electricity and gas markets to ensure that there is effective competition pursuant to section 18C of the NEL and that energy businesses comply with the legislation and rules pursuant to section 27(1)(a) of the NGL and section 15(1)(a) of the NEL; setting the amount of revenue that network businesses can recover from customers for using networks that transport energy pursuant to section 27(1)(e) of the NGL and section 15(1)(f) of the NEL; and monitoring compliance with retail energy requirements pursuant to section 204(1)(a) of the NERL.

3. In recognition of the regulatory responsibilities and common interests of both FERC and AER (the Participants) and the benefits to both organizations that result from sharing information about the markets they oversee and their regulatory experiences and practices, the Participants hereby declare their intent to cooperate and share information, consistent with the Agreement Between the Government of the United States and the Government of Australia Concerning Security Measures for the Protection of Classified Information, TIAS 02-1107; 2208 UNTS 481, pursuant to this Memorandum of Understanding (MOU).
4. Cooperation under this MOU may include, but is not limited to, the following:
 - a. Sharing by AER, at FERC's request, of information and data related to:

- i. AER's monitoring and investigative processes and methods;
 - ii. AER's market monitoring and oversight activities, including, but not limited to, staff insights and analyses; and
 - iii. Specific market participants and their observed activities in Australia's electric and natural gas markets.
 - b. Sharing by FERC, at AER's request, of information and data related to:
 - i. FERC's monitoring and investigative processes and methods;
 - ii. FERC's market monitoring and oversight activities, including, but not limited to, staff insights and analyses; and
 - iii. Specific market participants and their observed activities in the FERC-jurisdictional U.S. electric and natural gas markets.
 - c. Temporary assignment of FERC staff to AER and/or AER staff to FERC consistent with specific terms jointly determined by the Participants.
 - d. Discussion of energy issues of mutual interest related to the United States and Australian energy markets.
 - e. Joint visits that could include FERC, AER, and other regulatory entities.
 - f. Meetings, webinars, workshops, teleconferences, training activities, and/or email exchanges.
5. The Participants should keep any information exchanged in accordance with this MOU non-public, and do not intend to disclose or make such information available to any other person or entity except pursuant to the applicable laws and regulations of the United States and Australia, or by consent of the other Participant.
6. If any data or other information exchanged in accordance with this MOU is requested by a third party to be disclosed or otherwise produced, the Participant

receiving the request should consult with the Participant that furnished the information, prior to responding to the third-party request.

7. This MOU is not intended to be a binding contract or agreement enforceable in a court of law or in an administrative forum, and it is not intended to impose any legal obligations under domestic or international law on the Participants. It is intended only to establish a process for further cooperation between the Participants.
8. Nothing contained in this MOU requires either Participant to take any action that would be inconsistent with any existing or future laws, regulations, or applicable policy directives.
9. The Participants, unless otherwise decided upon, are expected to bear their own respective shares of financial costs of participation in the activities contemplated by this MOU. All activities are subject to approval of funding by each involved Participant.
10. The activities under this MOU may commence on the date of signature by both Participants hereto. This MOU may be modified at any time by the mutual written consent of the Participants. The Participants intend that any such modification be set forth in writing. The Participants intend that either of them may discontinue cooperation under the MOU at any time, but should endeavor to provide a minimal

period of thirty (30) days written notice to the other. During this period, the Participants should make good-faith efforts to resolve any disagreement.



Neil Chatterjee, Chairman
Federal Energy Regulatory Commission of
The United States of America



Paula W. Conboy, Chair
The Australian Energy Regulator

Tokyo Japan
Location

27 November 2018
Date

Tokyo Japan
Location

27, November 2018
Date