



PARTICIPATION RULES WAIVER

South Australia

Section 27 *Electronic Conveyancing National Law (South Australia) Act 2013*

Title

This instrument is South Australian Participation Rules Waiver PR 1/2023 – Fidelity Insurance.

Enabling Provisions

1. Under sections 23 and 25 of the *Electronic Conveyancing National Law (South Australia) Act 2013* (the National Law) the Registrar-General (“Registrar”) has determined and published Version 6 of the Participation Rules for Electronic Conveyancing (Participation Rules) which came into effect on and from 12 April 2021. Capitalised terms used in this instrument and not defined have the meaning given to those terms in the National Law or the Operating Requirements.
2. Section 27 of the National Law permits the Registrar to waive compliance with all or any provisions of the Participation Rules if the Registrar is satisfied that granting the waiver is reasonable in all the circumstances.

Affected Participation Rules

Participation Rule 4.4 and Schedule 6 Insurance Rule 1.2 (Affected Participation Rules).

Explanatory Statement

Under Participation Rule 4.4, a Subscriber must maintain insurance that complies with the Insurance Rules set out in Schedule 6. The Participation Rules require a Subscriber to maintain Fidelity Insurance to the value of at least \$1.5 million and to meet all conditions relating to Fidelity Insurance specified in Insurance Rule 1.2.

ElectraNet Pty Limited (ElectraNet) is South Australia’s Transmission Network Service Provider. It owns and manages the \$2.5 billion high-voltage transmission network that is the South Australian extension of the National Electricity Market. It wishes to become a Subscriber to an Electronic Lodgement Network to enable it to undertake lodgement of property dealings on its own behalf. Under Participation Rule 5.1.1, a Subscriber may act on its own behalf or on behalf of its Clients when accessing and using an ELN. ElectraNet is unable to comply with the Affected Participation Rules due to the nature of its work being that of a non-government entity undertaking property lodgements on its own behalf and on behalf of the Transmission Lessor Corporation (as a statutory corporation) for those dealings that involve the Transmission Network Land Lease (9061500). While it is unable to obtain Fidelity Insurance, ElectraNet does have Professional Indemnity Insurance that provides cover for third party claims arising from dishonest and fraudulent acts or omissions.

The Registrar understands that there will be instances where a potential Subscriber is unable to comply with the Insurance Rules due to the nature of its business activities, but that its overall insurance arrangements are adequate to mitigate risk.



The Registrar is of the view that ElectraNet should not be excluded from electronic conveyancing and that the risk presented by its insurance arrangements is no greater than risks presented in the paper system in which ElectraNet has participated. Accordingly, the Registrar has determined that a partial waiver should be granted to allow ElectraNet to operate in electronic conveyancing as it has done in the paper system.

Partial Waiver

Subject to the Conditions, the Registrar grants ElectraNet a partial waiver of its obligations to comply with the Affected Participation Rules.

Conditions

The Partial waiver of the Affected Participation Rules for ElectraNet to become a Subscriber is granted on the condition that:

- (a) ElectraNet continues to comply with all the Insurance Rules in Schedule 6, other than Insurance Rule 1.2; and
- (b) The Subscriber must not act as a Representative pursuant to Rule 5.1.1(b) of the Participation Rules except as relates to the Transmission Lessor Corporation, and
- (c) Should the nature of ElectraNet's activities undergo any material change, it will immediately advise the Registrar-General of said change and seek a review of the applicability of the Affected Participation Rules.

Commencement

This waiver commences on 1 May 2023.

Period during which this waiver applies

This partial waiver operates until the revocation of this partial waiver by the Registrar.

Dated: 1 May 2023

Signed by:

A handwritten signature in black ink that reads 'Jenny Cottnam'.

Jenny Cottnam
Registrar-General