



23 September 2014

ENA WELCOMES GOVERNMENT ENERGY REFORM AGENDA

The Energy Networks Association (ENA) has welcomed the Australian Government’s renewed commitment to energy reform with the release of the *Energy White Paper - Green Paper 2014* today.

ENA CEO, John Bradley said the Green Paper adds to the growing momentum for electricity network tariff reform which can lead to fundamental changes in the way electricity is charged for and used.

“It is great to see a focus on electricity pricing reform, which will be essential to keep downward pressure on electricity costs, ensure fairness and that the Grid can accommodate major changes in use,” Mr Bradley said.

“Current tariff structures also result in unfair cross subsidies between users, with the Australian Energy Market Commission recently identifying subsidies from most electricity customers of up to \$700 per year to some air-conditioning consumers and \$120 per year to some solar customers.

Mr Bradley said that ENA looks forward further progress on a coordinated pricing reform agenda in the lead up to the next COAG Energy Council meeting in December 2014.

“The Green Paper rightly recognises that the efficient use of smart meters will be critical to tariff reform and the long-term efficiency of Australia’s electricity system,” Mr Bradley said.

“Further work is required to ensure a metering framework that delivers benefits not only to individual consumers but to all consumers who depend on efficient, reliable and safe network services.

Mr Bradley said that ENA welcomes the Green Paper recommendation that action on a national framework for distribution and transmission reliability could be accelerated.

“Australian energy networks support reliability investments that achieve the performance and security which customers value and greater engagement of customers in the planning process.

Mr Bradley said that ENA also supported the Green Paper’s recommendation for further analysis of gas markets in Australia, as the sector faces the internationalisation of wholesale prices.

“ENA supports the Green Paper finding that competitive gas markets need good information access, community engagement, operational transparency and the removal of unnecessary barriers to upstream supply development.

ENA’s submission to the Energy White Paper discussion paper recommended securing and increasing the supply of gas to the domestic market through reducing duplication in the approvals process and increasing gas market transparency in upstream operations,” Mr Bradley said.

“It is critical that governments also consider the impact that other energy policies have on competitiveness in Australia’s domestic gas sector including the distortionary impact of the small-scale renewable energy scheme on hot water appliance markets in Australia.

“The Green Paper focuses on important challenges for Australia’s energy sector and ENA looks forward to further development in the Energy White paper process,” Mr Bradley said.

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ENA is the peak national body for Australia’s energy networks; and represents gas distribution and electricity network businesses on economic, technical, environment and safety regulation as well as national energy policy issues.