



**THE HON IAN MACFARLANE MP
Minister for Industry and Science**

MEDIA RELEASE

15 July 2015

ROADMAP PROJECT TRACKS FUTURE ELECTRICITY MARKET

Electricity consumers will benefit from the application of a new project that will help the Australian electricity sector adapt to a fast changing world of new technologies, innovations and customer-driven reform.

Minister for Industry and Science Ian Macfarlane today launched the Electricity Network Transformation Roadmap, a joint project involving the Energy Networks Association and CSIRO.

“The electricity network industry is looking to science to help solve the problems of the future. By mapping the ways in which Australian homes and businesses are likely to use power in the future, as well as improvements in the way power is delivered through the network, Australia’s electricity sector will be more flexible and more responsive to consumer needs,” Mr Macfarlane said.

“Australia’s electricity system is rapidly changing. We once relied on a highly centralised system to deliver electricity to our homes and businesses and underpin our economic growth. We are now seeing a broad range of energy generation, delivery and consumption behaviours, meaning one size no longer fits all.

“Importantly, this change is consumer-driven, therefore the electricity industry needs to respond in a way that will deliver a product that electricity users want. Our world class science agencies can help with the transition.

“The Roadmap project will use different scenarios to examine the impacts of possible changes, such as the make-up of Australia’s electricity mix as well as the impact of technologies such as smart meters and batteries.

“It will continue the valuable work done by the CSIRO’s Future Grid Forum, which was an important first step in getting stakeholders ranging from industry, to the community, regulators and Governments in the same room to talk about market changes, particularly the needs of increasingly savvy households and businesses who want to take control of their energy bills.

“The rapid uptake of air conditioners as well as the wide-spread adoption of photovoltaic (PV) rooftop solar are two examples of how Australia’s electricity needs are evolving. More than three quarters of Australian households have air conditioners and about 1.4 million houses have PV systems installed.

“Forecasts show that by 2035, 35 per cent of houses with solar power will also have battery storage so instead of relying heavily on grid-supplied power as ‘back-up’ they will have more of an ability to control the time of day they use self-generated power.

“Electricity networks will have to keep pace with these changes in the way Australians use electricity. It’s important that we model the future environment to allow industry to respond appropriately, and so we can implement policies that support innovation and maintain consumer confidence.

“The Future Grid Forum, and the new Roadmap project will inform COAG’s Energy Council’s examination of options to reduce uncertainty in the wholesale market, increase energy productivity and ensure consumers get the maximum benefits from technological change.”

Media contact: Kylie Barron 0408 508 673