

ENERGY FUTURES RESPOND IMMEDIATELY TO QLD GOV TEN POINT PLAN

“The Queensland government’s \$1.16 billion plan to increase reliability and energy security has had an immediate impact on energy future prices providing real benefits and a ray of hope to all energy users,” said Energy Users Association of Australia CEO, Mr Andrew Richards.

The Queensland government plan, which has been released ahead of the Finkel review final report on Friday, contains a number of initiatives that will increase generation, network connectivity, and incentives for domestic gas exploration.

“This is a comprehensive plan to address a number of issues within the Queensland energy market and appears to have had an immediate impact with Queensland base load electricity futures already trading lower,” said Mr Richards.

“Bringing Swanbank E power station back into the market and directing state owned assets to undertake strategies to place downward pressure on wholesale prices are important steps to ensure all energy users get access to reliable power at lower prices.”

Another important aspect of the announcement is the consideration of ‘Clean Co’, a new company that is proposed to manage Queensland renewable energy assets and ensure that these assets, possibly including Wivenhoe Dam, a 500MW pumped hydro storage, can compete in the market in their own right.

“We recognise energy markets are in transition but we still rely on existing technologies to keep the lights on. We think this plan attempts to strike a balance between existing and future energy and is a pragmatic approach.”

With the imminent release of the Finkel Review into energy security it is important that state based measures have flexibility to work in with the findings of this review and be adaptive as required. The Queensland plan appears to have included a level of flexibility and willingness to work within the context of a national strategy.

“This is a welcomed approach and while some details are yet to be worked through, we are heartened by the apparent willingness of the Queensland government to consider a national approach to energy security.”

One such area is ongoing support for renewable energy technologies that the EUAA firmly believes should be managed at a national level. Therefore the EUAA welcomes the Queensland government statement that they want to work at a national level to support integrated policy.

“We are in an unprecedented period of change as we move to reduce emissions from the energy industry.. The release of the Finkel review this Friday will hopefully create opportunities for all governments to work together to ensure that we build an energy market for the future that works for all market participants and is in the best interests of all energy users,” added Mr Richards.

Members of the EUAA represent a broad range of businesses that produce essential goods and services, that include food, packaging and raw materials that are used by the Australian community every day. Their combined energy bills equate to many billions of dollars.

Price rises across this group have ramifications across the Australian community and could put pressure on business to reduce manufacturing and jobs or increase the prices of their end products.

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