

# PRESS RELEASE

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## RET is not free of costs – large users continue to subsidise existing renewable policy

Energy users welcome yesterday's release of the report outlining the findings of the RET Review Panel. 'Our members, large energy users, have long voiced concerns of the RET policy as it currently stands,' said Energy Users Association of Australia (EUAA) Chief Executive Officer Phil Barresi. 'Whilst we recognise the value to Australia of having a robust, clear policy on renewables, the report vindicates our concerns that renewables come at a disproportionate cost to commercial and industrial energy users.'

The merits of the RET as a means of delivering emissions reductions has always been questioned and the Report addresses that very issue. The Report **upholds the findings of EUAA earlier reports that the RET is a very expensive means of achieving minimal greenhouse gas abatement.**

'What is indisputable is that the original target of 20% renewable energy by 2020 will be significantly exceeded and is on track to surpass 26% due to the weakening of electricity demand by the manufacturing and industrial sector in the NEM.' said Mr Barresi

Previous research conducted by the EUAA indicates that the subsidy paid to PV systems blew out extensively, with a significant effect of this on large energy users. Subsidies to rooftop PV in particular has been the main reason for significantly higher RET impacts on energy users than was anticipated.

'We strongly believe abolishing the RET is not the answer', said Mr Barresi. 'However, the rooftop PV small-scale scheme needs to be reconsidered if not abolished – uncapped schemes create cost blowouts and uncertainty.'

'We have far too much policy unpredictability in the energy sector,' said Mr Barresi. 'Large energy users continue to grapple with energy security and pricing concerns – notwithstanding that some of our members have cogeneration capacity and benefit from the RET a fixed target based on actual electricity market demand has widespread support amongst our members. We encourage an uptake of the "true 20% by 2020" as a reasonable policy response.'

'The EUAA encourages the federal government to balance the need for a renewable energy policy whilst sharing any cost impact across the entire community not disproportionately on large energy users. The parliament must realize that the drop off in demand in the national electricity market has in large part been caused by manufacturing closures.' said Mr Barresi

*The EUAA is the peak industry body for Australia's energy users including manufacturers, retailers and resource-based industries.*

**For interviews with the EUAA please contact Holly Cardamone on 0412 926 604**