

## **BABY STEPS FORWARD BETTER THAN GOING BACKWARDS**

The peak body representing large energy users, the Energy Users Association of Australia (EUAA), welcomes the intent of COAG Energy Ministers to keep working on the National Energy Guarantee (NEG).

“We have been going backwards on energy policy for the last decade and that has been a disaster for energy users who are losing faith that politicians, regulators and the energy industry can resolve the many issues we face,” said EUAA Chief Executive Officer Andrew Richards.

“With energy ministers engaging in good faith discussions and with an intent to keep this important process moving forward, even if they are baby steps, it can only be seen as a positive.”

While economic modelling on the NEG is yet to be released, the most critical aspects are the design of the NEG elements and if it achieves enduring bipartisan support.

“Economic modelling is only as good as the assumptions that go into it and the results become less relevant as conditions change. What we need to focus on is agreeing consistent, long-term national energy policy to deliver the certainty that participants need to invest in new energy generation. This is the only way we can ensure affordable, reliable and secure energy moving forward.”

“The EUAA is keeping an open mind on the NEG and looks forward to engaging with the Energy Security Board and energy ministers to ensure we get the architecture right so that it delivers for energy users,” added Mr Richards.

Without a national energy policy in place there has been no signal for investors which has contributed to a reduction in new investment and competition, both of which are critical factors in increasing wholesale energy prices.

The EUAA represents members that deliver essential items to the Australian community every day. Their activities include food processing, plastics manufacturing, mining for raw materials, glass manufacturing, and healthcare.

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