

CONSUMERS WELCOME PRAGMATISM FROM MINISTER TO FIND ENERGY RESOLUTION

The Energy Users' Association of Australia (EUAA) welcomes comments reported in media today from the Minister for the Environment and Energy, the Hon Josh Frydenberg, that brings a refreshing dose of reality and pragmatism to the energy debate.

"The Minister's comments give hope to energy users who are seeking a solution to the energy crisis crippling companies across Australia," said EUAA Chief Executive Officer, Andrew Richards.

"We agree, we must find a way to put aside differences, preferences and ideals and focus on creating a workable solution that delivers certainty."

While the National Energy Guarantee (NEG) may not be perfect, it does have the potential to deliver investment grade energy policy and the certainty we desperately need in energy markets.

"Everyone across the country is suffering with high energy prices," said Mr Richards. "Without policy there is no end in sight, no light at the end of the tunnel and no way see prices stabilise. We must try to find a way to make the NEG work."

Many of Australia's large energy consumers, who produce and deliver everyday essentials such as health products and food, are now weighing up their ability to continue operating in Australia.

"The impact of energy prices cannot be underscored enough," added Mr Richards. "Even with investments in energy efficiency, energy productivity and sustainability, bills are still not coming down enough."

While the EUAA supports the broad concept of the NEG, it has been at pains to stress the need to avoid jumping to build more assets without considering the cost to consumers.

"Gold plating generation cannot be the answer," said Mr Richards.

"We need to review our existing market tools and look to create increased flexibility in our markets to ensure that delivering stability and security in the markets is not at a detrimental cost to consumers. Tools such as demand side management have been shown to be effective and should be given consideration going forward."

The Energy Users' Association of Australia supports Minister Frydenberg's call to take a constructive and collaborative approach to the NEG discussions with the aim ensuring bipartisan energy policy to the benefit of all Australians.

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