

SNOWY 2.0 CLARITY WELCOMED BY ENERGY USERS

The peak body representing large commercial and industrial energy users, the Energy Users Association of Australia (EUAA), welcomed today's announcement by the Federal Government that clarifies the future of the Snowy 2.0 project.

"The future of Snowy 2.0 had become increasingly murky, adding yet another variable to the energy investment environment," said EUAA Chief Executive Officer, Mr Andrew Richards.

"Today's announcement at least provides some clarity on the future of this project. Hopefully this removes one hurdle so that private investors can now plan their own energy investments with a little more certainty."

Snowy 2.0 could play a pivotal role in balancing the energy market and could be a key to managing energy costs over the coming decades. However, many questions still need to be answered including how the required upgrade to transmission assets will be paid for and ongoing governance arrangements, especially related to the independence and commercial operation of the asset.

"The 100% Government owned Snowy 2.0 is set to be the most influential generator in the country and could become the price maker. Therefore, the independence of the asset to operate outside of government influence and adherence to high standards of corporate governance and transparency will be critical to ensuring it doesn't have a negative effect on private investment."

"While we welcome this strategic investment by the Federal Government, we maintain that only long-term policy that focusses on supporting market-based outcomes will bring our emissions down over time, put downward pressure on energy prices and support a smoother transition in our energy markets."

The EUAA is the peak national body representing major Australian electricity and gas users. Our membership covers a broad cross-section of the Australian economy including significant retail, mining, manufacturing, healthcare, raw materials and food processing industries producing many essential items used by the Australian community every day.

Combined, EUAA members employ over 1 million Australians, pay billions in energy bills every year and are desperate to see a national energy and climate change plan that puts downward pressure on electricity and gas costs.

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