

ENERGY USERS WILL BE THE LOSERS UNLESS ACCOUNTABILITY AND TRANSPARENCY IMPROVES AFTER VICTORIA RUSHES THROUGH ‘GO IT ALONE’ BILL

Leading advocate for large energy users in Australia, the Energy Users’ Association of Australia (EUAA), expressed disappointment at the lack of consultation and transparency on a bill, the *National Electricity (Victoria) Amendment Act*, that was rushed through the Victorian Parliament last night, enabling the Victorian Energy Minister to make determinations on expanding transmission in the state without any cost-benefit analysis.

“Given energy users will bear the costs of any boost in transmission capacity, increased transparency and accountability moving forward must improve,” said EUAA Chief Executive Officer, Mr Andrew Richards.

The EUAA was shocked to learn of the Victorian government’s plan to break away from the National Energy Rules and make their own determinations without due process when it was announced a couple of weeks ago. No further information has been provided before the bill was passed late Tuesday night, March 17.

“Victorian energy users are already struggling with enormous power bills,” said Mr Richards. “This legislation will likely lead to significant increases in network costs to consumers over a very long period.”

“Forcing additional costs onto consumers without checks and balances in place is extremely disappointing,” added Mr Richards. “We recognise the challenges being faced in western Victoria, but the rules are there to make sure that network investment delivers a positive return for the consumers who pay for it.”

The EUAA represents large energy users who make essential items used in the community every day. Some of these businesses are spending almost \$1 million per day on energy and many are seeking solutions to rising energy costs. They have invested billions into energy efficiency, system upgrades, energy switching, storage, renewable energy, demand response and many other measures with the aim of reducing energy consumption and costs. Part of the EUAA’s role is to give the consumer a voice on reviews into the extension of expensive infrastructure such as poles and wires that lead to increased costs on everyone’s energy bills.

“At a time when we are asking energy companies to be customer centric, increase collaboration and consultation, it is disappointing that the government has taken the opposite approach. We hope this approach changes now that the bill has passed.”

Poles and wires already account for about 40% of the total energy bill. Any increase in transmission infrastructure will increase costs to consumer and the key is ensuring it also delivers significant benefit.

Large energy users who are producing essential goods and services, foods, building materials, paper, plastics and raw materials are under increasing pressure from energy bills.

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