

ACCC PUTS THE ISSUES FACING LARGE ENERGY USERS IN THE SPOTLIGHT AT THE 2020 CONFERENCE SERIES

The special guest at today's Energy Users' Association of Australia (EUAA)'s 2020 Conference Series event was the Chair of the Australian Competition and Consumer Commission (ACCC), Rod Sims, who used the opportunity to highlight the increasing challenges faced by large commercial and industrial energy users.

"The recent release of the ACCC's East Coast Gas report highlighted many of the issues within gas markets which were expanded on today by Mr Sims, along with comments about electricity," said EUAA Chief Executive Officer, Mr Andrew Richards.

"Unsustainably high gas prices, a lack of competition and illiquid markets are just some of the issues contributing to poor outcomes for energy users which were spoken about today."

Mr Sims commented on the increasing challenges facing many large energy users:

'We know that before 2020 and the pandemic, energy users have found it incredibly tough. For the past three years the ACCC has been observing the impact of fast-rising energy costs on all users, and in particular commercial and industrial users. Indeed, Australia has gone from a situation where energy was a source of economic advantage to where our energy costs are now a source of disadvantage for our industry, as you all know.'

'If we can draw a positive from this pandemic it is this: we have an opportunity to reset affordability and competition in energy markets.'

He also mentioned some of the ACCC's proposed solutions:

'...we have recommended the Australian government extend or enter into a new Heads of Agreement with LNG producers to ensure they continue to offer uncontracted gas to the domestic market before offering it to international markets.

As well as extending the Heads of Agreement, however, we also recommend the focus move from supply to price.'

"The EUAA are grateful for the continued efforts of the ACCC in highlighting the issues faced by energy users in both gas and electricity markets and we look forward to their recommendations being adopted by governments."

Large energy users employ millions of Australians and make many essential goods used by the community each day including glass, toilet paper, food, building materials, and packaging. Then EUAA represents around 100 very large energy users operating across Australia.

To read Rod Sim's full address [visit the ACCC website](#).

Visit the [EUAA website](#) to stay up to date with all the events in the 2020 Conference Series.

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