

ENERGY POLICY LEGISLATION AN OPPORTUNITY TO DELIVER FAIRNESS FOR ENERGY USERS

Australia's perilous energy position has been years in the making, but today Parliament has the opportunity to pass legislation that will help ease cost pressures for many Australians and smooth the transition to net zero.

"The Energy Users' Association (EUAA) is supportive of the package being put to Parliament today, aiming to ease energy prices. And while it is an imperfect option, it is our best option right now," said EUAA Chief Executive Officer, Mr Andrew Richards.

"We are not alone in feeling frustration at the lack of action in energy markets over many years that has led us to this position. We would prefer that this action was not required, however, we have little choice today if we are to have a reasonable cost of living in Australia and a reasonable cost of transition in our electricity sector as we reach for net zero."

Gas is a critical input in our society. It is used to make essential goods and services, it is used to make wind towers, concrete and the steel for new interconnectors. It is used to make food, glass, bricks, plastic and paper products. Gas is also an input into electricity generation that often sets the cost of electricity as it is used to fill the peaks in demand. And there is not a commercially viable alternative to using gas for these processes at present. That is the reality.

"The EUAA welcomes reports that Parliament is likely to support this energy package today."

Large energy users have been calling for action in gas markets for many years to support more competitive Australian industry and are relieved that this action is being taken.

"Since the package was announced we have seen an impact in electricity futures pricing reflecting the expectations that this legislation will bring lower prices. While we do not pretend that everything will run perfectly, and there may be tweaks required, this early sign is positive and brings hope," said Mr Richards.

The mandatory gas code that will be negotiated and implemented by the Australian Competition and Consumer Commission (ACCC) is a most welcome aspect to the package. This will ensure medium, to longer term fairness in gas contracting that has not been in place previously.

"But importantly, this legislation is not a solution for the future of Australian manufacturing. As we have said before, realising opportunities for low emissions manufacturing, acceleration of clean fuel such as green hydrogen and support for other clean energy innovation and support services will be critical for hard to abate sectors where commercially viable solutions for deep emissions cuts do not currently exist."

"We look forward to working with Federal and State Governments in the coming years on a more bipartisan climate and energy policy environment so that Australia can achieve consistent, effective and least cost actions to address climate change."

The EUAA is the peak body representing Australian industrial and commercial energy users. EUAA membership covers a broad cross section of the Australian economy including significant retail, manufacturing and materials processing industries. Combined EUAA members employ over one million Australians, pay annual energy bills in

the many billions of dollars and support the development of a lasting national energy and climate change plan that puts downward pressure on electricity and gas costs.

- ends -

Media Contact: Emily Wood 0421 042 121