

## **FEDERAL – STATE GOVERNMENT COORDINATION A WELCOME STEP IN THE TRANSFORMATION OF OUR ENERGY SYSTEM**

Energy users welcome today's announcement of a 6GW tender under the Capacity Investment Scheme (CIS) that includes the Federal Government also moving to collaborate with the NSW Government on the rollout of at least 2.2GW of new energy assets in NSW.

"For some time we have been concerned by the apparent lack of coordination of the energy transition across the different levels of government as it reduces efficient resource allocation and adds unnecessary costs to consumer bills so we welcome today's announcement," said EUAA Chief Executive Officer, Andrew Richards.

The EUAA has been very concerned with the disjointed nature of the energy transition where states have derogated away from national rules and driven their own agenda, which at times conflicts with schemes in other jurisdictions. The potential for wasted time and money if this continued is significant. The dilution of good governance and true consumer protections is another symptom of this approach which continues to be a concern for consumers.

"We hope that today's announcement signals the beginning of a more nationally coordinated transition of our energy market where consumers can be assured that we are heading down the least cost transition path rather than one that is messy, poorly coordinated and expensive," said Mr Richards.

"We encourage other state governments to follow this example as we believe it is in the long-term interests of consumers to do so."

The rollout of new energy assets has been lagging in recent years creating concerns amongst energy consumers who require reliable energy. With significant coal plant closures expected in the next decade, ensuring adequate new generation is now critical. Included in this is the need for long duration storage which is an essential aspect of our new generation fleet over the coming decades. With progress on Snowy 2.0 slower than anticipated, this is another important focus for governments.

*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.*

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