

ELECTRICITY STATEMENT OF OPPORTUNITIES SHOWS AN IMPROVED OUTLOOK, BUT WE ARE RUNNING OUT OF WRIGGLE ROOM

The Electricity Statement of Opportunities (ESOO) released by the Australian Energy Market Operator (AEMO) provides a more positive outlook than last year which is pleasing to see, but we must remain alert to the ongoing risks, said leading advocate for commercial and Industrial energy users, the Energy Users Association of Australia (EUAA).

“We congratulate AEMO on this substantial piece of work that presents a clear-eyed view of what is currently happening and what needs to happen to maintain a reliable energy system,” said EUAA Chief Executive Officer, Mr Andrew Richards.

“News that the reliability outlook has improved since the last ESOO is welcomed but we would caution that there are many risks, some of which are out of our control, that may threaten this situation.”

The ESOO focuses on supply of electricity and gathers enormous amounts of data to map new energy projects, and their expected generation, against forecasts of what our future electricity needs will be.

“The ESOO is a fantastic piece of information, but so many factors are outside of our control, including continued tight supply chains and workforce constraints which can impact on-time delivery of new electricity assets,” said Mr Richards.

“Essentially we are running out of wriggle room, so we need everything to start going to plan to ensure new energy projects are generating ahead of coal generators leaving the system.”

The Federal Capacity Investment Scheme (CIS), which has begun assessing projects, is expected to make a significant impact, however better coordination across state and federal jurisdictions is required to ensure this is a smooth and effective as possible.

“Consumers want to see a reliable, low carbon energy system but remain concerned about costs with energy bills continuing to rise so plans that equally balance these objectives must be the overarching goal of all 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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