

Acworth, Celia

From: Frank Leister <frank6th@yahoo.com.au>
Sent: Thursday, 2 January 2014 10:38 AM
To: Minister Macfarlane
Subject: Energy Policy Input
Attachments: Energy Policy Submission.doc

Dear Hon Ian Macfarlane MP

Please find attached energy/industry submission I would like to present for your consideration, in the hope that my perspective may be useful to you in forming policy and ideas.

Yours sincerely
Frank Leister
4/177 LLOYD STREET
MOE, VICTORIA 3825

MINISTER FOR INDUSTRY	
<input type="checkbox"/>	Minister Reply (Reply 1 week)
<input type="checkbox"/>	Minister Reply (Reply 2 weeks)
<input type="checkbox"/>	Parl Secretary Reply
<input type="checkbox"/>	Adviser/COS.....
DLO: SG	06 JAN 2014 Div: Energy ENP
<input type="checkbox"/>	Departmental Reply
<input checked="" type="checkbox"/>	For appropriate action
<input type="checkbox"/>	For Information (NFA)
<input type="checkbox"/>	Prepare brief advising Minister
<input type="checkbox"/>	Referral to.....

2nd of January 2014

Private Australian Individual's, Energy Policy Submission

By Mr Francis Leister

Dear Minister

I wish to make a submission to you in the hope it may influence your thinking when you come to shaping our future energy policies.

My background is that of a private individual who has had a life time of involved in the energy industry. Currently I conduct power management training for various well known oil and gas enterprises, but I also have extensive knowledge of coal fire power plants, gas, hydro and wind power. I'm not a lobbyist for any one group but like many citizens I do have children for whose future interest in the well being of Australia I care about.

I don't think there is any argument that for business's to flourish they needs stable conditions in which to invest with confidence. It is also my personal observation that the U.S.A. would seem to have as one of its economic recovery tools, policies to provide very cheap energy to its industries. As you are aware most industries have three main inputs that can make or break them; Labour, Raw material and Energy... Raw material prices are set by world markets... Labour costs are pretty well tide up to labour equity across the country... but energy cost is something we can have some control over. It is the realization that we can effect energy prices but lead times before you get results is so long, that has prompted me to write to you.

We need bipartisan energy policies that go further than the next election, that recognize the true cost of increasing energy prices really do have on Australia and its businesses. We urgently need policy that lets the power generation companies know what price they will get for their electricity into the future with all the carbon implications. We need policies that allow the consumer to know if they should buy a gas heater of an electric heater with some confidence that it is a good choice for the life of the heater. And yes we need energy policies that are fair and equitable for private investment in solar, hydro and wind power.

It is all very well to leave energy prices up to market forces, but in all honesty all we have done is replace a government monopoly owned reticulation, with a private owner... SP Aus Net if you need a name! That gets the heat off the government but really does not introduce beneficial competition into the market. In reality because of the limited competition we really have almost set up a price setting cartel or something approaching that, and they will eventually charge 'what the market can bear'. Which might be good for them, especially considering possible foreign ownership, but is not in Australia's best interest.

Considering what is at stake, is Australia's economic future, I would urge you to consider that these issues need resolution urgently as Australia is dragging its feet compared to other countries;

- 1/ Reasonable pricing policies set by the government, for the next ten years, with very cheap energy for industry.
- 2/ Price rise guaranty, that energy prices for industry will never rise greater than the C.P.I. in any financial year once any other pricing policy expires.
- 2/ Wind and solar power inputs need to start being made responsive to the network demands.
- 3/ Renewable energies have to be valued far greater than fossil fuel energy, through investment incentive programs and feed in tariffs.
- 4/ Service fees should not be charges for network connections if the distributor wishes to have a mark up on the energy units being sold, they should not be allowed to charge both.
- 5/ More D.C. energy transmission lines running east-west across this country.
- 6/ Move away from market price setting of energy, because as already mentioned it is heading towards being eventually set at what the market can bear! And at that point Australia will be the least competitive place to operate a business from.
- 7/ Recognise it takes less effort and cost to retain industry over what you have to spend to encourage new industry. So an energy policy that engages with industry to map out a future with certain concessions that lead to growth and competitiveness would be good for us all.

Naturally if I can be of any further assistance in this area, to help confidentially achieve the best possible outcomes, please do not hesitate in contacting me.

Yours sincerely
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