

7 February 2014

Energy White Paper Taskforce  
Department of Industry  
GPO Box 1564  
Canberra ACT 2601

Dear Sir or Madam,

**Re: Energy White Paper – Issues Paper**

Infrastructure Partnerships Australia (IPA) is pleased to provide this submission to the Energy White Paper (EWP).

By way of background, IPA is the nation's peak infrastructure body. Our mission is to advocate the best solutions to Australia's infrastructure challenges, equipping the nation with the infrastructure assets and services needed to secure enduring economic growth and key social objectives. Our membership comprises the most senior industry leaders across the spectrum of the infrastructure sector, including financiers, constructors, operators and advisors. Importantly, a significant portion of our membership is comprised of government agencies.

As a fundamental economic input, the efficient extraction and delivery of energy is critical to achieving the economic growth sought by the Federal Government. To this end, IPA strongly supports the EWP process in its goal of developing an integrated and efficient regulatory and policy framework, stimulating sustainable growth and maintaining downward pressure on costs.

The energy sector has a strong history of reform, and Australia's is widely regarded as being one of the world's most advanced in this regard. The fifteen years of the National Electricity Market's (NEM) operation have shown electricity reform to be one of the most successful examples of microeconomic policy implementation in Australia's history. Despite these successes however, the objective of establishing an efficient, competitive NEM remains only half complete, with the success of individual jurisdictions hindered by the failure to complete reform in others.

IPA's ongoing work in this area has focused on the vast opportunities for efficiency available to governments by undertaking long agreed reforms, so far implemented only in part. This includes privatising all remaining publicly owned utilities, deregulating retail prices, and making metering contestable.

Our recently released paper which we have attached to this submission, titled *Powering Queensland*, outlines the steps that the Queensland Government can take to address its rapidly rising electricity costs, now the fastest growing in the NEM.

Also attached is IPA's submission to the Tamberlin Inquiry, with broadly similar recommendations to the New South Wales Government. The recommendations in these reports, while state specific, can readily be applied nationwide and to this end we urge the EWP reference panel to consider them.

While individual states have ultimate responsibility for implementing the energy reform agenda, IPA believes that the Commonwealth plays a critical role in driving and encouraging reform to the betterment of the national economy.

IPA is currently finalising a major piece of research that models the fiscal, economic, and price impacts of completing the NEM reforms mentioned above. While this work is not yet ready for release, IPA would welcome the opportunity to brief the expert reference panel in person on the findings of the work.

***Further information***

If you would like to discuss this submission in further detail, please contact our Manager, Policy, Ilya Zak on (02) 9240 2063 or at [ilya.zak@infrastructure.org.au](mailto:ilya.zak@infrastructure.org.au).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Brendan Lyon', written in a cursive style.

**BRENDAN LYON**  
Chief Executive Officer