

## Response ID ANON-VDK4-6BZS-X

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### Privacy Collection Statement

**Do you agree to the Privacy Collection Statement?**

Yes, I agree and would like to make a submission using Citizen Space

**Individual or Organisation submission?**

**Are you making a submission as an individual or on behalf of an organisation?**

Organisation

### Organisation questions

**Please select your organisation type from the list below**

**Organisation type:**  
Company – Services

**What Industry sector is your organisation part of?**

**Industry Sector that respondent is part of:**  
Electricity, Gas, Water and Waste Services

**What is the name of your organisation?**

**Name of Organisation respondent works in:**  
Senvion Australia

**What position do you hold within the organisation?**

**Position respondent holds within the organisation:**  
Manager - Communications and External Affairs

### Your Name and Location

**What is your name?**

**Name of respondent:**  
Megan Wheatley

**Do you live in Australia?**

Yes

### List of States and Territories

**Which State or Territory do you reside in?**

**State or Territory where respondent lives:**  
Victoria

## 1. Attracting energy resources investment

**The Government seeks comments on ways the Goals set out at the beginning of this chapter could be achieved.**

**Provide your response in this box:**

The Energy Green Paper states that:

The Australian Government is committed to providing policy stability and certainty as a priority to maximise Australia's ranking as an attractive investment destination.

As one example, the drawn out review process for the Renewable Energy Target has had the reverse effect, and investment in new renewable energy projects has stalled as a result of continued policy uncertainty.

This uncertainty is exacerbated by the systemic removal of climate related policies, such as the carbon price.

Addressing the current uncertainty around the RET would go a long way to rebuilding investor confidence in Australia's energy sector.

**Upload your supporting document (up to 5MB) relating to attracting energy resources investment:**

No file was uploaded

## 2. Electricity prices

**The Government seeks comments on ways the Goals set out at the beginning of this chapter could be achieved.**

**Provide your response in this box:**

Because there is no need for new generation, introducing renewable energy into the current energy market puts significant downward pressure on wholesale energy prices. When balanced with the upward pressure on the retail cost of energy, consumers will still be better off.

Modelling undertaken by ACIL Allen for the RET review found that household energy bills would be slightly higher with the RET to 2020 (by 2%-5% depending on state), but would then decrease. By 2030, energy bills would be on average \$91 lower per household. In aggregate, the modelling shows that consumers will be better off.

**Upload your supporting document (up to 5MB) relating to electricity prices:**

No file was uploaded

## 3. Building gas supply and improving market operation

**The Government seeks comments on ways the Goals set out at the beginning of this chapter could be achieved.**

**Provide your response in this box:**

Renewable energy can act as a hedge against rising gas prices.

Industry Minister Ian MacFarlane has stated, 'Gas is now being sold in Australia at an international price. That's the reality of a world market.' A doubling of gas prices, without alternatives, will equate to an increase of \$40 per megawatt-hour, or add another 17% to the average household electricity bill. The RET can hedge against expensive gas-fired power by displacing the need for gas generation.

**Upload your supporting document (up to 5MB) relating to building gas supply and improving market operation:**

No file was uploaded

## 4. Security, innovation and energy productivity

**The Government seeks comments on ways the Goals set out at the beginning of this chapter could be achieved.**

**Provide your response in this box:**

Australia's most polluting energy generators must close in order to create the space for the energy technologies needed to move to a low carbon economy.

Leaving this to the market may result in a chaotic result, particularly as the generators in question provide such large chunks of supply. We recommend that the Government consider the role it can play to support the orderly exit of Australia's most polluting incumbent generators.

**Upload your supporting document (up to 5MB) relating to security, innovation and energy productivity:**

No file was uploaded

## 5. Other comments or additional information

**Do you have other comments or additional information?**

**Additional comments or information:**

Please find our complete submission attached.

Key points:

- The process of developing the Energy White Paper provides an opportunity to set a clear direction for a sustainable energy future, where energy productivity and renewable energy are central, and there is a clear strategy for decreasing Australia's dependence on fossil fuels.
- Unfortunately, the direction set by the Energy Green Paper will lock in Australia's continued reliance on fossil fuels for domestic use and export at the expense of a clean energy future.
- Since the previous Energy White Paper was released in 2012, the energy policy context in Australia has continued to evolve, with lower than expected energy demand, no need for new investment for the next decade, and significant changes to the clean energy policy environment. These factors do not minimise the importance of investing in renewable energy in the short-term to help Australia move to a low carbon economy.
- Renewable energy has a critical role to play in:
  - supporting the move to a low carbon economy;
  - contributing to supply diversity and security which will help to increase competition in the electricity generation sector; and provide a hedge against rising gas prices;
  - creating regional development and employment opportunities in the clean energy industry.
- Wind energy in particular is a mature, proven and cost-effective technology that will deliver the greatest gains in new renewable supply in the coming decades.
- Transforming the energy sector requires strong policy intervention that encourages new investment in clean energy.
- The RET is an effective mechanism that has been hamstrung by ongoing policy uncertainty. Maintaining the current RET will put downward pressure on energy prices, resulting in average reductions in household energy bills.
- The current oversupply of generation means that, in Australia's energy history, there has never been a better time to invest heavily in clean energy infrastructure while facilitating the safe and coordinated exit of our most polluting generators.

- Servion Australia recommends that the Energy White Paper consider the role of Government in addressing the barriers to exit of incumbent generators.
- Addressing the current uncertainty around the RET would go a long way to rebuilding investor confidence in Australia's energy sector.

**Upload your additional supporting document (up to 5MB):**

Servion Energy Green Paper Submission 3 November 2014.pdf was uploaded

**Almost done**

**Are you ready to submit?**

**Yes:**

Yes