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Energy White Paper – Green Paper

Department of Industry

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About CME

The Chamber of Minerals and Energy of Western Australia (CME) is the peak resources sector representative body in Western Australia funded by its member companies, which generate 95 per cent of the value of all mineral and energy production.

The Western Australian resources sector is diverse and complex, covering exploration, processing, downstream value adding and refining of over 50 different types of mineral and energy resources.

In 2013-14, the value of Western Australia's mineral and petroleum production was \$121.6 billion, accounting for 91 per cent of the state's total merchandise exports. Furthermore, the value of royalties received by the Western Australian government from the resources sector increased by 33 per cent from the 2012-13 financial year to reach a record \$6.98 billion in 2013-14.

Recommendations

Attracting energy resources investment

- Mining and milling of uranium should be removed from the 'nuclear actions' definition in the *Environmental Protection and Biodiversity Conservation Act 1999* as these activities carry no additional environmental risk than mining of other commodities.
- The *Australian Jobs Act 2013*, which duplicates existing local content arrangements in Western Australia and imposes substantial compliance costs for resources sector companies, should be immediately repealed.

Electricity prices

- The Australian Government should recognise the circumstances of the Wholesale Electricity Market and note CME's electricity market review recommendations in support of cost-reflective tariffs, time of use metering, competition in metering services, full retail contestability, and retaining and improving the current market mechanisms.

Building gas supply and improving market operation

- Evidence-based, rigorous and transparent management of the shale and tight gas industry should be pursued to safeguard the community and the environment, secure new gas supplies to meet demand, and create jobs and business opportunities.
- The Australian Government should recognise the circumstances of Western Australia's wholesale gas market and note CME's support for continued industry led development of gas markets in the state.

Security, innovation and energy productivity

- The prohibition on nuclear energy under the *Australian Radiation Protection and Nuclear Safety Act 1998* should be repealed to enable proponents to develop nuclear energy projects where there is a business case to do so and where appropriate environmental and planning conditions are met.
- The Australian Government should task the Productivity Commission with an inquiry into the economics and potential application of small scale modular reactors.

Context

Western Australia's energy resources and production

Western Australia has an abundance of energy resources and the production of these resources for domestic use, or as exports, is important for the state and national economies.

In 2013, sales of petroleum products were worth approximately \$24.7 billion or 22 per cent of the state's total resources sales. Liquefied Natural Gas (LNG) comprised over half of petroleum sales value, making it the state's second most valuable resources sector export behind iron ore.¹ Western Australia also has substantial reserves of shale and tight gas in the Canning and Perth Basins, with recoverable reserves estimated to be almost double the state's offshore gas reserves.²

In the state's south west there are substantial black coal reserves, used primarily to fuel electricity generation in the South West Interconnected System (SWIS). In 2013, the value of coal sales from the south west was around \$296 million.³ The production of other coal reserves in northern Western Australia has also been under consideration.

Western Australia has around six per cent of Australia's estimated uranium resources,⁴ which comprise almost one third of global uranium resources.⁵ Several projects in Western Australia will be well positioned to bring uranium to market under the right commodity price. An increase in price could be driven by the resurgent global demand for nuclear energy, which is forecast to grow by approximately 1.9 per cent per year to 2035, with around 96 per cent of this growth expected to occur in China, Russia and India.⁶

The state also has excellent renewable energy resources. Recent investment in wind and solar generation systems at utility, commercial and residential scale has been substantial, and wave energy and biochar demonstration projects are under development.

Energy in Western Australia's resources sector

Reliable, secure and sustainable energy supplies are an important input to resources sector operations. CME's *2015-2025 Western Australian Resources Sector Outlook* forecasts primary energy demand in the resources sector will grow by approximately 20 per cent on 2013 levels to 2020, driven by a 41 petajoule increase in demand for natural gas, while electricity demand is forecast to grow by approximately 48 per cent on 2013 levels to 2025.⁷

To ensure Western Australia's resources sector remains internationally competitive for the substantial foreign investment required to develop projects, it is important to ensure this energy demand can be efficiently and affordably met.

CME supports open and competitive energy markets and considers the government should support measures to facilitate this outcome. The submission to the Energy White Paper discussion paper outlined CME's policy priorities in developing competitive energy markets. This submission therefore focuses on matters raised in the green paper or not addressed in CME's submission to the discussion paper.

¹ Department of Mines & Petroleum (DMP), 2013. *Western Australian Mineral and Petroleum Statistics Digest 2013*, p. 3.

² U.S. Energy Information Administration, 2013. *Technically Recoverable Shale Oil and Shale Gas Resources: An Assessment of 137 Shale Formations in 41 Countries Outside the United States*, June 2013, p. III-31.

³ DMP, *loc. cit.*

⁴ Geoscience Australia, 2013. *Australia's Identified Mineral Resources 2013*, p. 144.

⁵ Minerals Council of Australia (MCA), 2014. *Australian Uranium Industry*. www.aua.org.au/resources/uranium.

⁶ BP, 2014. *Energy Outlook 2035*, p. 77.

⁷ CME & Deloitte Access Economics, 2014. *2015-2015 Western Australian Resources Sector Outlook* (in press).

Many of the matters raised in the green paper are tangential to energy policy and CME notes the substantial overlap with other completed, concurrent or proposed Australian Government reviews. These reviews include the Forrest Review, the Establishment of the Industry Skills Fund, the Competition Policy Review, the Tax Reform White Paper, the Review of the Current Skilled Migration and 400 Series Programmes, and the Independent Review into Integrity in the Subclass 457 Programme.

The Department of Industry should liaise with the Australian Government agencies leading these reviews (where not the Department of Industry itself) to ensure reforms proposed are in the interests of, and consistent with, fostering an attractive investment environment for the continued development of Australia's energy sector.

Attracting energy resources investment

The value of future energy and minerals projects in Western Australia is substantial, with over \$52 billion worth of projects committed or under consideration.⁸ For these projects to proceed, governments need to work with the resources sector to ensure the policy environment remains internationally competitive and attractive to new investment.

This amount is in addition to the current construction of the Gorgon and Wheatstone gas projects (around \$100 billion), the Roy Hill iron ore project (around \$10 billion) and other capital deployment on project expansion.

Project development and operating costs in Western Australia remain high and, in response, resources sector companies have increasingly focused on improving productivity. Internally, companies are working on productivity drivers such as job design, improving leadership and management capabilities, and the role of automation in the sector.

Externally, the green paper rightly identifies streamlining regulatory approvals processes, facilitating a balanced industrial relations regime, and ensuring companies can access the necessary workforce skills and abilities, as key opportunities to improve productivity. Avoiding duplication in regulatory requirements aimed at assisting local industry participation in resources sector projects is also important in improving productivity.

Streamlining regulatory approvals

Recent Australian Government environmental assessments of major resources projects have highlighted a lack of intergovernmental cooperation and unnecessary duplication, resulting in protracted approval timelines and uncertainty for proponents. An approvals framework that avoids unnecessary duplication and provides efficiency and transparency through a single decision making agency can provide certainty for project proponents. CME supports the Australian Government's election commitment to work towards a one-stop shop to streamline environmental.

Environmental assessments of uranium projects should be normalised so uranium is treated the same as other resources. The uranium industry is well governed under the mining regulatory framework and additional legislation is in place to manage radiation protection and establish export controls. The uranium industry does not require special legislative treatment beyond these controls.

Mining and milling of uranium should be removed from the 'nuclear actions' definition in the *Environmental Protection and Biodiversity Conservation Act 1999* as these activities carry no additional environmental risk than mining of other commodities.

Where any proposed project development, including mining of uranium and other minerals and metals, may have impacts on other matters of national environmental significance, such

⁸ Deloitte Access Economics, 2014. *Investment Monitor*, September 2014.

as wetlands of international importance or threatened species, they will require referral under those matters.

The Australian Government should also work with state and territory governments towards consistency in uranium transport legislation. Uranium oxide is safely transported around the world by road and sea.

Despite the forecast growth in uranium demand and several new projects approved or under consideration in Western Australia, shipping uranium oxide concentrates through the state's ports remains prohibited. Uranium oxide must instead be exported through Darwin or Adelaide, from which Australia has exported uranium oxide for over 30 years without any reported transport incidents.⁹

Exporting through ports in Western Australia clearly carries no inherent additional risk compared to exporting through ports in South Australia or the Northern Territory. Since the early 1980s, almost 11,000 containers of uranium oxide have been safely exported through these ports.¹⁰

Reforming the industrial relations regime

CME supports reforms in the industrial relations regime to address cost pressures on resources sector companies. CME considers the Productivity Commission review of the *Fair Work Act 2009* should take full account of the broad economic and social context in which workplace regulation operates, as well as the need for companies to be able to adapt in a rapidly changing global economy.

An industrial relations environment with overreaching powers for unions is a strong barrier for project development and may stifle productivity. The recent unrest in the Pilbara shows the power balance in industrial relations must be corrected to ensure small groups of already well compensated employees are not in a position to hold entire industries to ransom.

Reforming the Vocational Education and Training sector

The current reform agenda of the Council of Australian Governments indicate the Vocational Education and Training (VET) system requires further development to ensure it can assist the sector in building a skilled workforce.

CME supports a collaborative approach to addressing skills needs and requirements and welcomes the reforms of the VET Reform Taskforce and efforts by the Australian Government to create an industry led, demand driven VET system. Industry must be seen as the client and skills needs and development must be the focus, not the supply of training.

The VET announced reforms, via the government's Industry Policy, focus on improving apprenticeship support services, streamlining governance and regulation and an ongoing work program around reviewing training packages and accredited courses. Many of the reforms have already been foreshadowed via the VET Reform Taskforce. CME supports these reforms, which are aimed at creating the world's best practice VET system to provide the skills for jobs of the future and which are also aligned with the government's objectives of reducing 'red tape'.

As industry moves to higher skilled roles in the transition from construction to operations, it is critical the training framework and system has the capacity to develop the skills industry requires. The focus in this process must be on incentivising the development of skill sets as opposed to qualifications. Whilst industry was disappointed with the decision to cease the National Workforce Development Fund, which proved a successful co-investment model, the resources sector welcomes the Industry Skills Fund as a replacement.

⁹ DMP, 2013. *Guide to Uranium in Western Australia*, p. 18.

¹⁰ MCA, 2014. *Australia's Uranium Industry: Transport*. www.minerals.org.au/resources/uranium/transport.

Improving the Migration Agreement

The resources sector only uses visas to supplement its workforce, targeting highly skilled specialists and preferring to employ locals as a first option because it is faster, simpler and more economically sensible. However, the temporary skilled migration program and 400 series visas (including sub class 457 visas, under which only three per cent of the sector's workforce is employed) are a critical element of the workforce.

As per CME's joint feedback with the Minerals Council of Australia to the Review of the Current Skilled Migration and 400 Series Programmes, the Australian Government should:

- revise Enterprise Migration Agreement and Labour Agreement guidelines to reduce union consultation requirements and make them more attractive to industry;
- recognise the resources sector's training effort and continue to work with the sector in developing a skilled, flexible and diverse workforce;
- support good public policy that underpins a skilled migration framework responsive to rapid changes in economic conditions;
- work with the broader community to develop a greater understanding of the economic benefits of skilled migration in general, and the 457 visa in particular; and
- maintain the integrity of the skilled migration program by taking a risk based management approach to breaches, and identifying problem occupations and sectors, rather than applying draconian rules to all industry sectors.

The 457 visa has additionally been subject to an independent review and the resources sector supports the Australian Government's response to this review. Through this process, the Australian Government should ensure the 457 visa remains uncapped, ensure initiatives to improve processing efficiency are maintained, and reverse the recent legislative changes to the *Migration Act 1958* restricting the use of 457 visas, especially labour market testing.

In particular, the resources sector supports reforms to:

- streamline the 457 visa process to reward low risk applicants, while refocusing compliance and monitoring activities on high risk applicants;
- unburden sponsorship requirements to reduce the time and cost to businesses;
- increase the sponsorship approval period for start-up businesses from 12 months to 18 months; and
- provide greater flexibility in relation to English language testing and skill requirements.

CME supports the sentiment mentioned in the Review of the Current Skilled Migration and 400 Series Programmes that the skilled migration program has “transformed the character of the Australian workforce by enhancing it in both size and skill level, resulting in superior labour market outcomes, which would not have occurred if prospective migrants were chosen at random”¹¹ and hopes, through ongoing reform, it can serve the needs of the sector even more effectively.

Facilitating local content and supply chain opportunities

The resources sector supports full, fair and reasonable opportunities for local participation in resources sector projects. State Government requirements for local content in Western Australia are working effectively and transparently.

¹¹ Department of Immigration and Border Protection, 2014. *Reviewing the Skilled Migration and 400 Series Visa Programmes: Discussion Paper*, p. 7.

The Department of Commerce noted Western Australian suppliers accounted for 83 per cent of contracts for operating projects and 77 per cent of new projects, including expansions, by dollar value. For Australian suppliers this percentage increased to 94 per cent for operations and 82 per cent for new projects.¹² These figures demonstrate the ongoing commitment by the resources sector to provide opportunities to local suppliers.

It remains unclear how the administrative requirements imposed by the *Australian Jobs Act 2013* will assist in driving additional local content or jobs. The Act imposes costs through requirements for establishing an Australian Industry Participation Plan, compliance and reporting, and providing ongoing feedback.

The Act also imposes unrealistic and poorly defined deadlines, with reporting dates unsuitable for many planning and investment processes, the practicalities of which will not be able to be met by many companies.

The *Australian Jobs Act 2013*, which duplicates existing local content arrangements in Western Australia and imposes substantial compliance costs for resources sector companies, should be immediately repealed.

Any approaches specific to developing an engagement model for indigenous small and medium enterprises would need to respect approaches individual resources sector companies currently have in place and would need to have flexibility to allow it to respond to individual circumstances from an industry and indigenous enterprise perspective.

Electricity prices

Reforming the Wholesale Electricity Market

Western Australia's Wholesale Electricity Market (WEM) operates under different market arrangements and is administered by different institutions to the National Electricity Market (NEM).

The Public Utilities Office is currently undertaking a review of the WEM to encourage competition in the wholesale and retail markets, introduce full retail contestability, improve the incentives for efficient network investment, and address fuel cost pressures. CME supports the State Government's effort to encourage open and competitive electricity markets in Western Australia.

The review is considering the option of retaining and improving the energy market and capacity mechanism design currently used in the WEM, or a fundamental change in design to an energy only market as a non-interconnected region of the NEM.

CME's submission to the electricity market review outlines several preconditions for an energy only market that are unlikely to be met in the WEM without risking the market delivering inefficient outcomes or falling short of preferred system reliability levels. The overall costs involved in joining the NEM, such as changes to market institutions, legislation and operating systems, also need to be transparently quantified and considered.

The Australian Government should recognise the circumstances of the WEM and note CME's electricity market review recommendations in support of cost-reflective tariffs, time of use metering, competition in metering services, full retail contestability, and retaining and improving the current market mechanisms.

Further details are provided in CME's attached submission to the Public Utilities Office.

¹² Department of Commerce, 2014. *Local Content Report: May 2014*, p. 9.

Building gas supply and improving market operation

Sustaining national gas supply

Western Australia has substantial estimated shale and tight gas resources, which could play an important role for the state in energy security and diversification. The Perth Basin could be well placed to supply domestic markets due to its proximity to consumers in the state's south west, while the Canning Basin comprises over half of all estimated shale and tight gas resources in the nation.

Developing the state's shale and tight gas resources, particularly in the remote Canning Basin, will require coordinated efforts between the resources sector and governments to overcome the limited availability of services, absence of major infrastructure and adverse weather conditions, all of which add to project costs.

Streamlining the interaction and ensuring consistency between all levels of government, and between agencies at the same level of government, are key aspects in delivering an efficient regulatory regime for the development of these resources.

CME welcomed the Western Australian Department of Mines and Petroleum's proposed adoption of an objective and risk based approach to the management of the state's onshore petroleum industry in draft regulations released for consultation in February 2014. The consultation is also expected to inform the development of offshore regulations for coastal waters, which CME understands are proposed to be released for consultation late in 2014.

CME also supports the department continuing to work with the Australian Government towards consistent regulatory frameworks for offshore areas and across other Australian jurisdictions.

Evidence-based, rigorous and transparent management of the shale and tight gas industry should be pursued to safeguard the community and the environment, secure new gas supplies to meet demand, and create jobs and business opportunities.

This framework should be supported by public communication from governments and the resources sector to build community confidence in the shale and tight gas resource management regime.

CME would welcome industry and other stakeholder consultation on a comprehensive development strategy for the shale and tight gas industry.

Improving gas market function and price transparency

The Independent Market Operator (IMO) has implemented several initiatives aimed at improving transparency in Western Australia's domestic gas market; notably the gas bulletin board, which provides short term gas supply and demand information, and gas statement of opportunities, which provides medium to long term gas supply and demand forecasts.

The IMO has also recently consulted with industry stakeholders on high level design options for the potential development of a regulated wholesale gas spot market in Western Australia. CME's submission reinforced that the state's domestic gas market has developed through long term bilateral contracts between producers and consumers, which have underwritten private sector investment in gas projects and supporting infrastructure, including pipelines, storage and trading platforms.

Existing trading platforms should form the basis of further market development and if these platforms cannot be leveraged, the costs and benefits for market participants of any custom designed model need to be quantified.

The Australian Government should recognise the circumstances of Western Australia's wholesale gas market and note CME's support for continued industry led development of gas markets in the state.

Further details are provided in CME's attached submission to the IMO.

CME notes the Productivity Commission has initiated a research project investigating policy issues in gas exploration, production and transmission that are important to the efficient functioning of Australian gas markets. While the study proposes to focus on the eastern states market, CME looks forward to considering the findings of the research when released in March 2015.

Security, innovation and energy productivity

Improving energy productivity

CME supports a measured transition to a low emissions global economy, supported by the key principles of:

- global agreement for greenhouse gas emission abatement that includes emissions reduction commitments from all major emitting nations;
- market based policy measures that promote the abatement of greenhouse gas emissions at the lowest cost, while minimising adverse social and economic impacts, including on the competitiveness of the international traded sector; and
- substantial investment in a broad range of low emissions technologies and adaptation measures.

CME did not support the Energy Efficiency Opportunities program as it was administratively burdensome on large energy consuming companies which, in the absence of a mandatory reporting program, still have a commercial incentive to invest in energy efficiency improvements to reduce their operating costs.

Any proposed future intervention to facilitate improvements in energy efficiency should be developed in consultation with resources sector companies.

Supporting emerging energy resources and technology

Australia has an abundance of energy resources. An energy policy environment facilitating the development and deployment of all energy resources and technologies at the nation's disposal will assist in ensuring future security and cost competitiveness of energy supply.

Australia's energy policy should also enable, and be responsive to, emerging and possible future energy resources and technologies, such as nuclear energy, renewable energy, carbon capture and storage, and clean coal technology, to ensure Australia is well positioned to capitalise on these opportunities as they emerge.

Nuclear energy

At present, nuclear energy sits alone in Australia as a prohibited energy technology under the *Australian Radiation Protection and Nuclear Safety Act 1998*.

Nuclear energy is a proven and widely deployed source of electricity. As at October 2014, there were 436 operational reactors around the world. While likely to be offset to some extent by reactors being decommissioned, there are a further 245 reactors under construction or planned.¹³

Twenty one of these operational reactors and 28 reactors planned or under construction are located in India. To support India's growing electricity demand, the Australian and Indian Governments in September 2014 signed the bilateral Civil Nuclear Cooperation Agreement to allow export of Australian uranium to India. Facilitation of domestic nuclear energy development would be consistent with the Australian Government's approach to facilitation of international nuclear energy development.

¹³ World Nuclear Association, 2014. *World Nuclear Power Reactors & Uranium Requirements*, www.world-nuclear.org/info/Facts-and-Figures/World-Nuclear-Power-Reactors-and-Uranium-Requirements.

A further 21 of these operational reactors and 87 reactors planned or under construction are located in China, representing an even greater potential future market opportunity for Australian uranium exports. Normalising uranium mining and milling legislation and controls and working to standardise uranium oxide transport and export legislation across Australia's jurisdictions will be important in ensuring Western Australian and Australian uranium mining proponents can capitalise on these substantial export opportunities.

Domestic nuclear energy can also assist Australia to meet its greenhouse gas emissions reduction targets, with nuclear energy having an operational emissions profile of nearly zero. Over its full lifecycle (including construction and decommissioning) nuclear energy has an estimated emissions profile of approximately 29 tonnes of carbon dioxide equivalent, around one seventeenth of gas fired generation and one thirtieth of coal fired generation.¹⁴

Nuclear energy should therefore be able to compete on its merits in Australia in response to demand for cheaper and cleaner electricity. The enabling policy environment should be supported by informed and evidence-based discussion and education to build public understanding and confidence in nuclear energy.

The prohibition on nuclear energy under the *Australian Radiation Protection and Nuclear Safety Act 1998* should be repealed to enable proponents to develop nuclear energy projects where there is a business case to do so and where appropriate environmental and planning conditions are met.

Current technology (Generation III) nuclear reactors rely on economies of scale, requiring installed capacity of around one gigawatt or greater to be viable. Given the IMO and Australian Energy Market Operator have forecast no requirement for new generation capacity in the WEM or NEM, respectively, until around 2023/24, it is unlikely there will be a business case for a large scale reactor in Australia's main electricity grids in the near future, if ever.

However, nuclear energy projects have long lead times, with construction alone generally requiring seven years.¹⁵ Establishing the necessary regulatory regime and supporting skills and operational abilities will also take time. Delaying the consideration of repealing the prohibition until such time as a business case is apparent will act as a disincentive for nuclear energy proponents.

Repealing the prohibition on nuclear energy would also allow for consideration of opportunities for the application of small modular reactors, which are likely to be more prospective in the medium term.

Small modular reactors encompass a range of technologies under development for reactors less than 300 megawatts electrical (MW_e) but potentially as small as 5-10 MW_e. Small scale nuclear reactors have been deployed in the naval industry for over 50 years. However, several companies are currently developing a range of designs driven by factors including:¹⁶

- improving the economic affordability relative to large reactors;
- reducing reactor construction times;
- providing options for remote regions without established grid infrastructure; and
- enhancing safety performance through passive safety features.

¹⁴ World Nuclear Association, 2014. *Greenhouse Gas Emissions Avoided Through use of Nuclear Energy*, www.world-nuclear.org/Nuclear-Basics/Greenhouse-gas-emissions-avoided.

¹⁵ International Energy Agency, 2010. *Projected Costs of Generating Electricity*, p. 44.

¹⁶ International Atomic Energy Agency, 2014. *Advances in SMR Technology Development*, p. 4.

Small modular reactors could have strong potential for application in resources sector operations, including in remote parts of the state where proponents often incur substantial energy costs through road transported diesel for diesel fired generation or gas and electricity network extensions, where these are possible.

The Australian Government should task the Productivity Commission with an inquiry into the economics and potential application of small scale modular reactors.

Renewable energy

CME supports merit based, transparent government investment in commercialising emerging technologies to deliver future economic and social benefits where these projects may not otherwise be attractive to private investment.

Resources sector projects in Western Australia are typically located in parts of the state where there is an abundance of high quality renewable energy resources. The business case for integrating renewable energy generation in these locations is strengthened by the fluctuating price of fuels for traditional generation and the decreasing capital cost for several renewable energy technologies.

Despite these drivers, the uptake of renewable energy generation in Western Australia's resources sector operations has been limited due to several barriers. CME has been working closely with the Australian Renewable Energy Agency (ARENA) and Australian Trade Commission (Austrade) to identify these barriers, as well as opportunities for the uptake of renewable energy in the sector.

CME supports ARENA's funding commitments to renewable energy projects and studies in the resources sector and sharing the findings of these investments to assist in overcoming the barriers to uptake.

Technology collaboration

Australia's resources sector operates in a global environment, within which it must compete internationally for capital investments against other resources rich jurisdictions around the world. Innovation and collaboration in technology can play a critical role in ensuring Australia remains cost competitive.


Government and industry collaborative support for research and development in the energy sector can assist local industry participation and build capacity in the research sector. Collaboration between businesses and researchers is encouraged to ensure research priorities and directions are strongly aligned to business need.

The Department of Industry's proposed Industry Growth Centres Initiative, particularly its focus areas for oil, gas and energy resources and mining equipment, technology and services, could be appropriate programs to support government and industry collaboration. CME looks forward to the department undertaking further consultation with resources sector companies in developing the details of these programs.

Conclusion

CME welcomes the release of the Energy White Paper – Green Paper and looks forward to the opportunity for ongoing engagement with the Australian Government, including through the other review processes referenced.

If you have any further queries regarding this submission, please contact Benjamin Hammer, Policy Advisor – Infrastructure & Economics, on (08) 9220 8527 or b.hammer@cmewa.com.

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Appendices

Appendix I – Submissions to electricity market review and potential design options for wholesale gas spot market development

(Attached separately)