

MEDIA RELEASE

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Network modernisation will deliver customer benefits

Australia's energy networks' role in securing a more reliable, affordable and stable energy system has never been more critical, Energy Networks Australia CEO Andrew Dillon said at the Energy Network 2018 conference opening in Sydney this morning.

Mr Dillon said the opportunities for network businesses and benefits to customers presented by the transformation and modernisation of the energy system were significant.

"Our generation sector has already started the transformation from a coal-based fleet to one powered primarily by renewables. This must be accompanied by timely and strategic investment to better link electricity from renewable energy zones to our customers," he said.

"We also have to look at complementary technologies to manage the transition. Recent developments, here and overseas, open up the exciting prospect of using electrolysis to convert excess renewable electricity into hydrogen and then store it in gas networks.

"Remarkably, our existing gas systems have a storage capacity that's equivalent to 12 billion Tesla Powerwalls."

Mr Dillon said the network sector was changing dramatically and the evolution of home energy storage and generation required a modernised platform that needed further development.

"We know that today's grid already incorporates more than just large-scale renewables. Australians love household solar like no other country," he said

"However, our grid can't just absorb endless local generation electricity – networks have limits. When these limits are reached, fuses may blow or systems overheat, causing reliability and safety issues.

"Effective management or 'orchestration' of these renewable sources is needed to support their safe and reliable integration into the grid and unlock the true value of household solar and storage."

Work on this is underway and national guidelines for network businesses to support the fair and efficient connection of solar and batteries to the grid have also been released recently.

Mr Dillon said another crucial area of reform was in pricing structures. The energy sector, government and regulators had a shared responsibility to ensure customers we take advantage of the opportunities for integrating new technologies in ways that lead to reduced costs for all consumers.

"Our current pricing structures are fundamentally unfair and in desperate need of reform. We need governments to step up and work with us to deliver this," he said.

"We have to innovate and collaborate to deliver the services our customers want and need today - and into the future."

ABN: 75 106735 406

The Energy Networks 2018: Vision Critical Conference is on until 7 June in Sydney at the International Convention Centre.

Media must register to attend - registration for media is complimentary and can be obtained <u>here.</u>

The full conference program is available to view <u>here</u>.

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Energy Networks Australia represents Australia's electricity transmission and distribution networks and gas distribution networks. Our members provide energy to virtually every household and business in Australia.