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Political risk too great for energy system

Energy Ministers must work together, rather than pull apart, to decarbonise Australia's energy system, Energy Networks Association (ENA) Chief Executive Officer John Bradley told the *All-Energy Australia* conference today.

"Patchwork policies across Australia are not working to provide a stable, secure energy system – this is the second emergency meeting of Energy Ministers in seven weeks," Mr Bradley told the conference.

"There is no doubt Australia faces a higher cost, less secure decarbonisation with a mish-mash of inconsistent Federal and State initiatives.

"This policy mix is like 'running with scissors' in, what is supposed to be, a national energy market – but the Energy Ministers' meeting on Friday can reduce the risk."

Mr Bradley said the South Australian storm events highlighted the weather and security risks that the electricity grid has always faced, but governments needed to remove extreme policy risk.

"The energy market transformation is fundamentally increasing uncertainty and we need to carefully manage the risk of system security and reliability, inefficient investment by customers or service providers, or some customers being left behind," Mr Bradley said.

"Energy Ministers must deliver a national carbon policy for a national energy market – customers will save significantly if we focus on abatement, rather than particular technologies beyond the current 2020 RET target."

Mr Bradley said recent analysis by Jacobs for the ENA had found 'Technology-Neutral' policy could reduce residential electricity bills by \$216 per year over the decade to 2030.

"The key factor driving these benefits is an outcome-focussed policy which allows markets to work," Mr Bradley said.

"In these scenarios, each technology finds its efficient role and the power system is in a stronger position to support more renewable energy, while avoiding reliability and security risks for customers."

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John Bradley's address to the All-Energy Australia conference and presentation slides can be accessed here.

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The Energy Networks Association is the peak national body representing Australia's electricity transmission and distribution networks and gas distribution networks on economic, technical, environmental and safety regulation, and national energy policy issues. ENA members provide energy to virtually every household and business in Australia.

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