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Bipartisan approach welcome in modernising energy system

Energy networks have welcomed a more bipartisan approach to discussing the future of Australia's electricity system in Federal Parliament today, as stakeholders await the release of the Finkel Report on National Electricity Market security.

Appearing before the *Modernising Australia's Electricity Grid* inquiry by the House of Representatives Standing Committee on the Environment and Energy, Energy Networks CEO John Bradley said customer benefits relied on more national policy measures.

"Customers are driving Australia's energy transformation and Governments and utilities can only send incentives for millions of market participants," Mr Bradley said.

"We welcome the bipartisan approach promoted by the Committee throughout its activities, and the inquiry's focus on supporting customer needs during this time of historic change.

"Through our recent work on the *Electricity Network Transformation Roadmap* with the CSIRO and broad stakeholders, we expect customers to determine more than \$224 billion - or more than a quarter - of all system investment decisions by 2050.

"We could see 10 million participants using the grid as a platform for energy exchange and avoid \$16 billion in network expenditure by relying on distributed resources like household solar and batteries.

"With the right policy settings by government and new approaches by energy utilities, a more integrated grid could save customers \$414 per year on average; reduce system expenditure by customers and utilities by \$101 billion by 2050 and achieve zero net emissions for the electricity sector."

Mr Bradley said one of the biggest challenges was poorly integrated carbon and energy policy frameworks mixed between state and federal levels of government.

"So the opportunity for the Finkel Review to establish a clear blueprint and a transition plan is really key," Mr Bradley said.

"The Roadmap has identified a range of activities in policy, regulation, intelligent grid systems, standards, markets and pricing reform, to help meet the grid modernisation challenge to keep the lights on and bills affordable.

"It relies on strengthening national energy market institutions and the markets in which investors - whether they are utilities, new innovators or households - can make decisions without unnecessary policy risk."

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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.