

**BRIEFING PAPER:**

# WHAT ARE STAKEHOLDERS SAYING ABOUT THE NATIONAL ENERGY GUARANTEE?

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Briefing Paper: What are stakeholders saying about the National Energy Guarantee?

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# Key Findings

**The Climate Council has concluded that the Federal Government's proposed National Energy Guarantee (NEG) policy falls short when it comes to delivering reliable and affordable power, along with tackling climate change.**

- › The NEG risks derailing Australia's booming renewable energy and storage sector.
- › The NEG will not do enough to reduce Australia's rising greenhouse gas pollution levels and tackle climate change.
- › The NEG has misdiagnosed a reliability problem for the national energy grid; Australia's power supply is highly reliable.
- › Australia's transition to a future powered by clean, affordable and reliable renewable energy and storage is underway, driven by the Renewable Energy Target and state and territory policies.

In recent submissions a broad range of stakeholders from the energy, business, environment and community sectors expressed serious concerns about the NEG's inadequate approach to tackling greenhouse gas pollution from the electricity sector, the lack of a demonstrated need for the reliability measure, and the potential for significant cost impacts and reduced competition in the national electricity market.

**Cost and competition concerns:**

- › Sixty-one (61) stakeholders raised concerns about the unwarranted cost and complexity of the NEG's approach.
- › Sixty-four (64) stakeholders raised concerns about the impact of the NEG on competition in the national electricity market.

**Emissions reduction target concerns:**

- › Fifty-three (53) stakeholders raised concerns about the need for stronger action on climate change.
- › Forty-four (44) stakeholders highlighted the inadequacy of the proposed target for reducing electricity sector emissions in 2030.
- › Thirty-three (33) stakeholders highlighted the need for longer-term pollution reduction targets beyond 2030.
- › Twenty-eight (28) stakeholders argued state and territory targets should be additional to the NEG, or that the NEG emissions reduction target should be at least equivalent to the aggregate of state and territory policies.
- › Forty-nine (49) argued offsets should not be used as part of the NEG, or be strictly limited.

**Reliability mechanism concerns:**

- › Thirty-three (33) stakeholders raised concerns about the lack of a demonstrated need or clear problem definition for the reliability mechanism.

**Consultation process concerns:**

- › Thirteen (13) stakeholders highlighted the lack of adequate consultation on the NEG.

# 1. Introduction

## **Australia continues to lack an enduring and credible national climate and energy policy to reduce greenhouse gas pollution from the electricity sector.**

The Federal Government proposed the National Energy Guarantee (NEG) after opposing the Finkel Review's final outstanding recommendation for a Clean Energy Target. The NEG proposes two separate, disconnected policy mechanisms referred to as the "Emissions Guarantee" and "Reliability Guarantee".

The Climate Council has found the Federal Government's proposed NEG falls short when it comes to delivering reliable, affordable power while tackling climate change (Figure 1).

Until the release of the NEG Draft Design Consultation Paper on 15 February 2018 (COAG Energy Council 2018a), there was very little information available and negligible public engagement on the proposed NEG design. Following the release of the Consultation Paper, stakeholders were provided with a three-week window of opportunity to respond.

In March, the Energy Security Board published submissions on the NEG from more than 140 organisations and individuals (COAG Energy Council 2018b). Submissions came from a broad range of business and community stakeholders: energy users, energy companies, renewable energy and storage companies, gas companies, industry bodies, unions, environmental groups, financial and legal organisations, investors, regulators, researchers, state and local governments, community services, farmers and health professionals. To read the submissions in full go to [COAG Energy Council \(2018b\)](#).

Numerous submissions raise concerns about the NEG's inadequate approach to tackling greenhouse gas pollution from the electricity sector, the lack of a demonstrated need for the reliability measure, and the potential for significant cost impacts and reduced competition in the national electricity market.

This briefing paper summarises key concerns from the Climate Council and raised by other stakeholders about the Federal Government's proposed NEG.

Figure 1: How does the National Energy Guarantee Measure Up?



## 2. Submissions: What stakeholders are saying about the NEG

Concerns about the NEG range from the proposal's cost and competition implications, the inadequate approach to tackling climate change and the lack of a clear need or problem definition for the reliability component.

More than 60 business and community stakeholders raised concerns about the unwarranted cost and complexity of the NEG's approach (which places the requirement on electricity retailers to be met through their contracts, rather than on generators), and concerns about the impact of the NEG on competition in the national electricity market.

More than 50 stakeholders raised concerns about the need for stronger action on climate change. Submissions raised concerns that the electricity sector's target to reduce emissions is set too low. Furthermore, submissions highlighted that a longer-term target for emissions reduction from the electricity sector (beyond 2030) is needed, that state and territory targets should be additional, and that the use of offsets to meet the emissions requirement should not be allowed.

More than 30 organisations raised concerns about the lack of a demonstrated need or clear problem definition for the reliability mechanism.



## 2.1 The NEG proposes inadequate emissions reduction targets for the electricity sector

Forty-four (44) submissions from organisations including energy and gas companies, industry bodies, unions, environmental groups, investors, researchers, state and local governments, community services, farmers and health professionals, highlighted the inadequacy of the NEG's proposed target for reducing electricity sector emissions in 2030.

### **THE CLIMATE COUNCIL FOUND:**

Under the NEG, the Federal Government proposes an emissions reduction target for the electricity sector of 26% by 2030 (on 2005 levels). No further emissions targets are set beyond 2030. The NEG emissions proposal is a woefully inadequate response to the urgent threat of climate change. The electricity sector should reduce carbon pollution from the electricity sector by at least 60% by 2030 (on 2005 levels) (ClimateWorks 2017).

Furthermore, the NEG's low emissions reduction target would be effectively locked in through to 2030, requiring five years advance notice for any future changes beyond 2030. This limits the ability to ratchet up greenhouse gas pollution cuts over the next ten years.

As the biggest polluter with solutions available, the electricity sector should shoulder a higher proportion of Australia's greenhouse gas pollution reductions. With off-the-shelf technologies like renewable energy and storage, the electricity sector can reduce emissions more rapidly and cost-effectively than other sectors of the economy such as transport and agriculture. There are as yet limited or no policies (either in place or planned) from the Federal Government addressing greenhouse gas pollution in these other sectors.

**The NEG is a woefully inadequate response to the urgent threat of climate change.**

## HERE'S WHAT OTHERS SAID:

*"The electricity sector is one of the easiest and cost-effective areas in which to achieve emissions reductions. The proposed 26 per cent (relative to 2005) reduction in average emissions per megawatt-hour is insufficient to support Australia meeting its 26-28 per cent emissions reduction target for the whole economy, which is already considerably lower than the 45-65 per cent target recommended by the Climate Change Authority ... to achieve the Paris Agreement."*

- Australian Academy of Technology and Engineering

*"ClimateWorks research suggests appropriate effort for the electricity sector would encompass:*

- › at least 60 per cent emissions reductions in the electricity sector below 2005 levels by 2030
- › a share of 50 to 70 per cent renewable energy generation by 2030."

- ClimateWorks

*"While we acknowledge that the ESB does not set Australia's emission reduction targets, as that responsibility sits rightly with the government of the day, we would be remiss not to put on record our dissatisfaction of the current targets of 26-28 per cent on 2005 levels by 2030. Australia's climate targets should be consistent with our Paris commitment to keep global warming below 2%, and should be based on advice from competent authorities."*

- Australian Council of Trade Unions

*"The emissions target is problematic for the following reasons:*

1. *it is unlikely to encourage sufficient new investment in generating capacity and therefore undermines the intent of the NEG to address the energy trilemma of reliability, affordability and emissions*
2. *It is inconsistent with achieving the government's emission commitments under the Paris climate accord*
3. *An emissions trajectory ending in 2030 does not provide the long-term policy certainty for large capital investments that have an investment life of some 15-30 years"*

- Clean Energy Council

*"[Queensland Farmers Federation] is mindful that the intensive agricultural sector is going to be left to do much of the 'heavy lifting' if the design of the NEG does not produce the intended emission reductions required for the electricity sector and the emission reductions required to meet the Paris Agreement."*

- Queensland Farmers Federation

*"Recent cost reductions in wind and solar PV likely provide the electricity sector with more opportunities for low cost abatement than many other sectors. Woodside would therefore encourage the Energy Security Board to consider a sectoral 2030 target that is higher than 28% to ensure Australia achieves least cost abatement across the economy as a whole."*

- Woodside Energy

## 2.2 The NEG restricts renewable energy uptake in Australia and limits state and territory action

Twenty-eight (28) submissions from organisations including energy and gas companies, renewable energy and storage companies, gas companies, industry bodies, unions, environmental groups, investors, researchers, state and local governments and community services argued state and territory targets should be additional to the NEG. Alternatively the NEG emissions reduction target should at least be equivalent to the aggregate of state and territory action. Thirty-three (33) stakeholders highlighted the need for pollution reduction targets beyond 2030.

### THE CLIMATE COUNCIL FOUND:

The proposed NEG would effectively set an upper limit on state and territory government action on renewable energy, with the Federal Government stating these policies would be able to contribute to, but not exceed the NEG emissions target. This is unacceptable, as states and territories have been leading the energy transition in the absence of Federal Government climate and energy policy (e.g. Figure 2).

Figure 2: South Australia's Hornsdale Power Reserve.



State and territory renewable energy targets are already in place and being implemented in Victoria (40% by 2025), Queensland (50% by 2030), South Australia (50% by 2025), Tasmania (100% by 2022) and the Australian Capital Territory (100% by 2020).

All states and territories in the National Electricity Market have announced net zero emissions targets for 2050. The proposed NEG is inconsistent with these commitments. The NEG provides no indication of further emissions reductions beyond 2030. The pathway to 2030 is patently not on track to achieve a smooth transition to zero sector emissions well before 2050.

By setting such a low emissions reduction target for 2030, and no longer-term target, it is unclear whether the NEG will achieve anything with regards to emissions reductions beyond existing state and territory policies. Indeed, the proposed NEG could actually lead to less renewable energy in 2030 than under “business as usual” conditions, i.e. if the Federal Government were to do nothing.

States and territories have been leading the energy transition in the absence of Federal Government climate and energy policy.

## HERE'S WHAT OTHERS SAID:

*"Preliminary modelling undertaken by us... shows that the Victorian [renewable energy target] scheme alone would be sufficient to incentivise all the required additional capacity to meet the 26% reduction target. If Queensland's [renewable energy target] is added to the [Victorian renewable energy target], emissions in the National Electricity Market would fall by about 36% relative to 2005 levels by 2030 - a full 10 percentage points further than the emissions target proposed in the Guarantee without any additional voluntary action or action in any of the other states beyond what is incentivised through the existing [Renewable Energy Target]."*

- Frank Jotzo, Salim Mazouz, Dylan McConnell and Hugh Saddler

*"State schemes should be treated as additional to the national electricity emissions reduction target. At a minimum any NEM-wide emissions or renewable target must meet or exceed the aggregate of state targets."*

- Australian Conservation Foundation

*"Origin supports more ambitious emission reduction targets for the electricity sector. We believe the electricity sector can be responsible for more than its proportionate share of any national carbon reduction measure. We support the progressive decarbonisation of the electricity sector in Australia and an eventual goal of net zero emissions for the electricity sector by 2050 or earlier."*

- Origin Energy

*"State based schemes have arisen as a result of inadequate climate change policy architecture at the Commonwealth level. Specifically, state based schemes such as the NSW Greenhouse Gas Abatement Scheme and Qld Gas Electricity Certificate Scheme were initiated when Commonwealth climate change policy development was inactive. These same schemes were also retired when Commonwealth climate change policy development was viewed as adequate. Consequently, the Commonwealth should focus on its own policy settings (i.e. the emissions target)."*

- Infigen

## 2.3 New reliability measures should consider existing measures in place, be proportionate and tackle the source of the problem

Thirty-three (33) submissions from organisations including energy and gas companies, energy users, industry bodies, environmental groups, investors, researchers, state and local governments, community services and farmers raised concerns about the lack of a clear need or problem definition for the reliability mechanism.

### THE CLIMATE COUNCIL FOUND:

Australia's electricity supply is highly reliable. The NEG layers additional supply reliability requirements on electricity retailers, despite numerous reliability measures already in place and further Finkel Review reliability measures adopted by the COAG Energy Council for implementation.

The critical issue relating to future reliability of supply in the electricity sector is ensuring ageing and inefficient coal and gas fired power stations are replaced with a mix of clean renewable energy and storage - where and when needed - before these fossil fuel power stations close or fail.

Power outages and interruptions, when they do occur, are overwhelmingly the result of transmission and distribution issues. On the rare occasions where there are issues with reliability of supply (and unserved energy does occur), this is often the result of unplanned outages at coal and gas power stations.

Relying on these ageing and inefficient power stations for reliability under the NEG may lead to a false sense of security, increasing the vulnerability of all consumers who rely on the electricity sector.

**Relying on ageing and inefficient coal and gas power stations creates a false sense of security.**

## HERE'S WHAT OTHERS SAID:

*"It will also be important that the reliability concern the Guarantee is looking to address is clearly outlined. As recently as late 2017, the Reliability Panel reported no reliability concern."*

- Energy Networks Australia

*"the paper seems unclear as to whether the reliability requirement is addressing investment, deployment, or both, and what the role of the Australian Energy Market Operator should be. The [Energy Security Board] must address these questions before a credible design can emerge."*

- Grattan Institute

*"the NEM is not facing an immediate reliability crisis. Despite widespread perceptions to the contrary, no region has actually failed to meet the Reliability Standard since 2009... There is no need to deliver a final model in 2018."*

- Australian Energy Council

*"the NEG seems almost to be a solution in search of a problem. For example, the AEMC Interim Report for its Reliability Frameworks Review highlights that the amounts of unserved energy across the [National Electricity Market] are still well below the Reliability Standard of 0.002%, implying that some loss of reliability from current levels might be acceptable."*

- Major Energy Users

*"In this context, it is worth noting that the House of Representatives Standing Committee on the Environment and Energy ... heard evidence that while electricity costs have increased over the past 10 years, reliability has improved."*

- Gas Energy Australia

## 2.4 Lack of competition and impacts on power prices must be addressed

Sixty-one (61) submissions from organisations including energy users, energy and gas companies, renewable energy companies, industry bodies, unions, environmental groups, investors, researchers, state and local governments, community services, farmers and doctors raised concerns that the proposed NEG risks increasing costs. Sixty-four (64) submissions raised concerns about the impact of the NEG on competition in the national electricity market, and the risk of further entrenching market power of energy companies which own both retail and generation businesses.

### **THE CLIMATE COUNCIL FOUND:**

The National Electricity Market is already dominated by a few large energy companies. Electricity policies such as the proposed NEG must not further entrench the market power of these “gentailers” (companies owning both retail and generation businesses). The Energy Security Board (COAG Energy Council 2018a) have acknowledged “that the Guarantee should make sure that it does not unintentionally further entrench market power and create barriers to entry for smaller players”, but makes no serious suggestions as to how that concern would be addressed. Advancing policy design in the absence of addressing this critical point risks seeing any “last minute” steps introduced later be wholly inadequate. The Climate Council agrees that design to re-enforce effective wholesale and retail market competition is critical. It remains unclear how the NEG will address concerns relating to competition and power prices.

Electricity policies such as the proposed NEG must not further entrench the market power of a few large energy companies.



## HERE'S WHAT OTHERS SAID:

*"There appears to be sufficient concern among market participants about contracting and liquidity issues to justify a cautious approach to policy changes that will affect these aspects of the market."*

- Australian Competition and Consumer Commission

*"Unfortunately, our view of the energy guarantee consultation paper is that once again the policy of creating a competitive cost-effective system is repeating the same mistakes made in previous policy decisions and putting additional layers of regulation cost and complexity into a market that is struggling under the current burden."*

- Master Electricians Australia

*"The draft NEG is highly complex and there is no doubt that this complexity is reducing the confidence of consumers that it will deliver cost-effective outcomes as mandated by the national electricity objective."*

- Business SA

*"In relation to the proposed Guarantee our competitiveness concerns are two-fold:*

- 1. That the requirements of the Guarantee will further enshrine the competitive advantage held by dominant players in the market. These players will be in the best position to meet constraints of reliability and emissions; are able to influence, through the provision of contracts, the ease with which smaller players can meet the requirements; and are more likely to meet reporting and regulatory requirements at lower cost per MWh.*
- 2. In the absence of complementary measures which dilute or ameliorate the dominant positions of a small number of players, the theoretical benefits of any economic policy measure – such as the Guarantee – will accrue more to the dominant players and less to the final customers."*

- Australian Aluminium Council

*The NEG has "the potential to place significant regulatory burden on market participants that will naturally seek to pass on additional cost to end use customers. To minimise the potential for unnecessarily increasing electricity prices, consideration should be given to minimising new regulations and where practical allow competition to deliver innovative solutions to reduce emissions and maintain a reliable power supply."*

- Delta Electricity

## 2.5 Now is the time to engage in a proper consultation process

Thirteen (13) submissions from organisations including unions, industry bodies, environment groups, energy users, farmers, renewable energy companies, mining companies, and state governments highlighted the lack of adequate consultation on the NEG.

### THE CLIMATE COUNCIL FOUND:

Policies which play a role in determining the future of Australia's electricity system - whether it is clean or polluting; expensive or affordable; reliable or fallible - will impact directly on the lives of every Australian for decades to come. The development of an enduring, credible, national policy to reduce greenhouse gas pollution from the electricity sector is too important to rush into a poorly designed policy.

In contrast to the extensive public engagement undertaken by the Finkel Review (e.g. consultations in every state and territory of the National Electricity Market; over 120 individual meetings; three months to respond to the Finkel Review's preliminary report; over 390 written submissions) - there has been very little consultation or public input into the development of the NEG.

The Climate Council is concerned that the Energy Security Board's draft consultation paper was open for comment for just three weeks. Furthermore, there has only been one stakeholder forum on 26 February 2018 that did not provide any opportunity for questions and the stakeholder presentations did not include any scientists or climate experts. This is particularly concerning considering that a core aspect of the NEG is its "emissions guarantee" component.

The public deserves a proper public engagement process, informed by more details about the central policy problem - the lack of a credible climate and energy policy. This would involve further information on the operation of the proposed NEG, and a comparison with alternative policies and approaches such as the Clean Energy Target, an Emissions Intensity Scheme as well as successful operating schemes in international electricity markets.

As power consumers, Australians pay for and rely on the electricity system, and as such will benefit from or pay the costs resulting from policy choices. It is therefore vitally important that such policies are informed by evidence and due process, particularly allowing for sufficient public engagement.

## HERE'S WHAT OTHERS SAID:

*"In contrast to the Finkel Review which utilised experts, investigated many options to addressing the problems in the NEM, and consulted widely both in Australia and overseas, the NEG concept was developed in a short period of time with little consultation, with no assessment of the cost for its implementation."*

- Major Energy Users

*"We note the Guarantee's apparent lack of adherence to The Australian Government Guide to Regulation, which outlines the process for developing a regulatory proposal, including a Regulation Impact Statement (RIS). RISs are required for all decisions made by the Australian Government and its agencies that are likely to have a regulatory impact on businesses, community organisations or individuals, unless the proposed change is a minor or machinery change. Whenever a regulatory change is imposed, there must be an accompanying cost benefit analysis and regulatory impact statement."*

- Agriculture Industries Energy Taskforce

*"Pacific Hydro does not believe that sufficient time has been allowed to address complex matters in detail and cautions against hasty decision-making within unreasonable timeframes that could result in a suboptimal electricity industry outcome. Furthermore, Pacific Hydro fears that as a result of poor consultation in condensed timeframes, the lack of opportunity to contemplate has the potential for deep confusion and unintended consequences to be the primary outputs of this process."*

- Pacific Hydro

*"There needs to be a clear outline of how this policy consultation will work in conjunction with other NEM reviews that are currently underway... For stakeholders it is unclear how these reviews will line up with the NEG, as the initial impression is they are possibly being treated in isolation, with no over-arching framework for how all the reviews interact with each other to achieve the required outcomes."*

- Engineers Australia

*"At the outset, we would like to place on record our dissatisfaction with the consultation timeframe allowed for in this part of the process. As you are well aware, the current paper was publicly released on 15 February 2018 and requested feedback and submissions by 9 March. That means there were sixteen working days for stakeholders to digest, consider and respond to what is a quite technical policy design paper. That is manifestly inadequate and makes a mockery of the word 'consultation' and is particularly biased against small, not-for-profit organisations with limited resources."*

- Australian Council of Trade Unions

*"Limited timeframes bring with them the possibility of rapid changes with limited consultation. If the interactions in the complex system that is the NEM are not fully considered this is a recipe for unintended consequences."*

- Rio Tinto

# 3. Roadmap to a Renewable Future

**The NEG will not do enough to reduce Australia's rising greenhouse gas emissions and tackle climate change and risks derailing Australia's booming renewable energy and storage sector.**

- › The NEG proposes a limit of 28 to 36% renewable energy in 2030.
- › The NEG risks stifling clean energy investment and jobs. The proposal could actually result in less jobs in renewable energy than the current 'business as usual' approach.
- › The NEG would result in just 26% emissions reduction in the electricity sector by 2030.
- › The NEG proposes inadequate and weak greenhouse gas pollution cuts, and implies no further reductions beyond 2030.
- › The NEG risks winding back greenhouse gas pollution cuts and renewable targets already committed to by state and territory governments.
- › Australia's electricity sector is the nation's biggest polluter generating 34% of our emissions. The electricity sector also has the greatest opportunity to reduce pollution, while maintaining reliability and electricity prices simultaneously.

Australia needs a fresh approach to cutting greenhouse gas pollution from the electricity sector. The Climate Council has developed key policy principles that can be applied to any climate and energy policy at the federal and state level:

**Any policy designed to tackle climate change should as a minimum:**

1. Accept the need for deep greenhouse gas pollution cuts from the electricity sector in order to limit global temperature rise to 1.5 to 2°C and tackle climate change.
2. Reduce carbon pollution from the electricity sector by 60% by 2030 (on 2005 levels).
3. Set emissions reduction targets beyond 2030 towards reaching net zero emissions well before 2050. This is in line with National Electricity Market state and territory commitments to reach net zero emissions economy wide by 2050.
4. Any emissions reduction target must act as a floor, not a ceiling for greenhouse gas pollution cuts. Any target must be able to be easily ramped up in the future (not locked in until 2030).
5. Achieve a minimum range of 50 - 70% renewable energy across Australia by 2030.

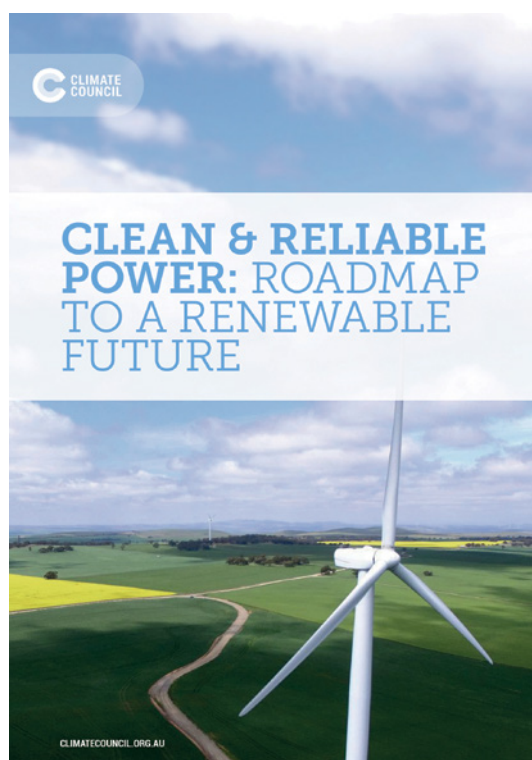
6. Meet or exceed the aggregate level of state and territory renewable energy and emissions reduction targets, to have any effect on reducing greenhouse gas pollution (and not just add bureaucratic red tape).
7. Encourage investment in new clean, renewable power supply - when and where needed - well in advance of coal closures to deliver real emissions reductions in Australia. Disallow the use of "offsets", as these will not achieve or contribute materially to the electricity industry transition in Australia.
8. Be workable and underpinned by straightforward, regular and transparent tracking and reporting of emissions.

**Any policy designed to address reliability of supply should as a minimum:**

9. Only credit value for reliability to power generation that performs in high temperatures. Operating records show ageing coal and gas plants do not meet this test.
10. Ensure new capacity for the purposes of reliability focuses on zero emission solutions such as renewable energy and storage.
11. Carefully consider existing and planned measures for reliability and the considerable amount of renewable energy and storage projects in the pipeline.
12. Demonstrate the need for the policy, consider alternatives, be proportional to the issue and avoid undue effects on competition and trade.

The Climate Council's policy principles are detailed in the report "Clean & Reliable Power: Roadmap to a Renewable Future (Figure 3)."

**Figure 3:** Clean & Reliable Power: Roadmap to a Renewable Future.



# References

Climate Council (2018) Clean & Reliable Power: Roadmap to a Renewable Future. Accessed at <https://www.climatecouncil.org.au/renewables-roadmap-2018>

COAG Energy Council (2018a) National Energy Guarantee Draft Design Consultation Paper. Accessed at [http://www.coagenergycouncil.gov.au/sites/prod.energycouncil/files/publications/documents/Energy%20Security%20Board%20National%20Energy%20Guarantee%20-Consultation%20Paper\\_0.pdf](http://www.coagenergycouncil.gov.au/sites/prod.energycouncil/files/publications/documents/Energy%20Security%20Board%20National%20Energy%20Guarantee%20-Consultation%20Paper_0.pdf)

COAG Energy Council (2018b) Submissions <http://www.coagenergycouncil.gov.au/publications/energy-security-board-national-energy-guarantee-consultation-paper>

# Appendix: NEG Submissions Summary

## **COST CONCERNS (61)**

The following submissions raised concerns that the proposed National Energy Guarantee (NEG) risks increasing costs.

---

Australian Competition and Consumer Commission	Genex Power
Australian Council of Trade Unions	Gibson Crest
ACOSS	Investor Group on Climate Change
AGL	Jotzo Mazouz McConnell Saddler
AiGroup	Major Energy Users
Alinta Energy	Manufacturing Australia
Australian Aluminium Council	Master Electricians Australia
Australia Pacific LNG	MOJO
APPEA	Moly-Cop
Ashurst	Agriculture Industries Energy Taskforce
Australian Academy of Technology and Engineering	Origin Energy
Aurizon	Pacific Hydro
BHP	Property Council
Brickworks	Queensland Farmers Federation
Business Council of Australia	Renewable Cities Young Ambassadors
Business SA	Rusal
Canadian Solar	RWEST
City of Sydney	SACOSS
Clean Energy Council	SA Wine Industry Association
Climate Council	Science Party NSW
CEOs of 10 Australian electricity retailers	Shell Australia
Consumer Action Law Centre	Smart Energy Council
CSR Limited	Snowy Hydro
Delta Electricity	Spark Infrastructure
Doctors for the Environment	Sumo
Electric Power Consulting	Tilt Renewables
Energy Developments	TransGrid
EnergyAustralia	Viva Energy
Energy Users Association of Australia	
Engineers Australia	
ENOVA	
Finncorn	
Flow Power	

## COMPETITION CONCERNS (64)

The following submissions raised concerns about the impact of the NEG on competition in the national electricity market.

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1 <sup>st</sup> Energy	MOJO
Australian Competition and Consumer Commission	Moly-Cop
Australian Conservation Foundation	Morrison and Co
Australian Council of Trade Unions	Agriculture Industries Energy Taskforce
ACOSS	Pacific Hydro
Adani Renewables	Property Council
AiGroup	Phillip Hocking
Ashurst	Pegasus Legal
Australian Aluminium Council	Renewable Cities Young Ambassadors
Australia Pacific LNG	Rusal
APPEA	RWEST
Aurizon	SACOME
BHP	SACOSS
Brickworks	SA Wine Industry Association
Business SA	Science Party NSW
Canadian Solar	Shane Rattenbury (ACT)
City of Sydney	Shell Australia
Clean Energy Council	Smart Energy Council
Climate Council	Stanwell
Consumer Action Law Centre	Tilt Renewables
CSR Limited	TransGrid
Delta Electricity	Viva Energy
Doctors for the Environment	
Electric Power Consulting	
Energy Networks Australia	
Energy Developments	
Energy Users Association of Australia	
Engineers Australia	
ERM Power	
ENOVA	
Finncorn	
Flow Power	
Green Building Council of Australia	
General Electric	
Goldwind	
Investor Group on Climate Change	
Jotzo Mazouz McConnell Saddler	
Infigen	
Lighter Footprints	
Major Energy Users	
Mars Australia	
Master Electricians Australia	



## GENERAL STRONGER ACTION ON CLIMATE CHANGE/ ELECTRICITY SECTOR ROLE/ LONG TERM TRAJECTORY (53)

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Action Aid	Shane Rattenbury (ACT)
Adani Renewables	Origin Energy
Australian Conservation Foundation	Queensland Farmers Federation
Australian Council of Trade Unions	Renewable Cities Young Ambassadors
ACOSS	Smart Energy Council
AGL	Solar Citizens
Arid Lands Environment Centre	Tesla
APPEA	The Hon Tom Koutsantonis (SA)
Australian Academy of Technology and Engineering	Tilt Renewables
Farmers for Climate Action	Woodside
Beyond Zero Emissions	350 Australia
Bioenergy Australia	
Canadian Solar	
Carbon Market Institute	
City of Sydney	
Clean Energy Council	
Climate Action Moreland	
Climate and Health Alliance	
Climate Change Balmain Rozelle	
U3A Climate Conversations	
Climate Council	
ClimateWorks	
Community Power Agency	
Conoco Phillips	
Doctors for the Environment	
Energy Developments	
Enel	
Energy Australia	
Environment Victoria	
Friends of the Earth	
Green Building Council Australia	
General Electric	
GetUp	
Goldwind	
Investor Group on Climate Change	
Infigen	
Queensland Council of Social Service	
Jotzo Mazouz McConnell Saddler	
Lighter Footprints	
Property Council	
Powershop	
Nature Conservation Council	

## STRONGER ELECTRICITY SECTOR TARGET FOR 2030 (44)

The following submissions highlighted that the proposed target under the NEG for cutting electricity sector emissions is too low.

---

Australian Conservation Foundation	Tesla
ACOSS	The Hon Tom Koutsantonis (SA)
Australian Council of Trade Unions	Woodside
APPEA	
Australian Academy of Technology and Engineering	
Farmers for Climate Action	
Canadian Solar	
City of Sydney	
Clean Energy Council	
Climate Action Moreland	
Climate Change Balmain-Rozelle	
U3A Climate Conversations	
Climate Council	
ClimateWorks	
Community Power Agency	
350 Australia	
Actionaid	
Beyond Zero Emissions	
Climate and Health Alliance	
Environment Victoria	
Friends of the Earth	
GetUp	
Nature Conservation Council	
Solar Citizens	
Conoco Phillips	
Doctors for the Environment	
Energy Developments	
Enel	
Green Building Council of Australia	
General Electric	
Goldwind	
Investor Group on Climate Change	
Jotzo Mazouz McConnell Saddler	
Lighter Footprints	
Origin Energy	
Property Council	
Queensland Farmers Federation	
QCOSS	
Renewable Cities Young Ambassadors	
Tilt Renewables	
Shell Australia	
Smart Energy Council	

## LONGER TERM TRAJECTORY/ ZERO EMISSIONS BY 2050 (33)

The following submissions highlighted the importance of a longer-term trajectory for reducing emissions from the electricity sector, beyond 2030.

---

Australian Conservation Foundation  
Adani Renewables  
AGL  
AiGroup  
Arid Lands Environment Council  
Canadian Solar  
Carbon Market Institute  
City of Sydney  
Clean Energy Council  
Climate Change Balmain-Rozelle  
Climate Council  
ClimateWorks  
Community Power Agency  
350 Australia  
Actionaid  
Beyond Zero Emissions  
Climate and Health Alliance Environment Victoria  
Friends of the Earth  
GetUp  
Nature Conservation Council  
Solar Citizens  
Energy Australia  
Friends of the Earth  
Green Building Council of Australia  
GreenPower  
Investor Group on Climate Change  
Lighter Footprints  
Property Council  
Tilt Renewables  
QCOSS  
Shane Rattenbury (ACT)  
Smart Energy Council

## STATE TARGETS TO BE ADDITIONAL/ NEG TO BE AGGREGATE OF STATES TARGETS (28)

The following submissions highlighted the importance of state based renewable energy targets and emissions reduction targets. These submissions argue state targets should be additional to the NEG, or that the NEG emissions reduction target should be at least equivalent to the aggregate of state and territory policies.

---

Australian Conservation Foundation

ACOSS

AiGroup

Arid Lands Environment Council

Climate Action Moreland

Climate Conversations Group U3A

Climate Council

ClimateWorks

Community Power Agency

350 Australia

Actionaid

Beyond Zero Emissions

Climate and Health Alliance

Environment Victoria

Friends of the Earth

GetUp

Nature Conservation Council

Solar Citizens

Investor Group on Climate Change

Infigen

Jotzo Mazouz McConnell Saddler

Lighter Footprints

Powershop

Shane Rattenbury

Tilt Renewables

RES

Smart Energy Council

The Hon Tom Koutsantonis

## NO OFFSETS/ STRICTLY LIMITED OFFSETS (49)

The following submissions argued that offsets should not be used as part of the NEG, or should be strictly limited.

---

Australian Conservation Foundation	Shane Rattenbury (ACT)
ACOSS	Origin Energy
Australian Council of Trade Unions	Property Council
Adani Renewables	QCOSS
AGL	SACOSS
AiGroup	Smart Energy Council
Alan Pears	Tesla
Arid Lands Environment Council	
Australian Academy of Technology and Engineering	
Farmers for Climate Action	
CitiPower, PowerCor & United Energy	
City of Sydney	
Clean Energy Council	
Climate Action Moreland	
Climate Change Balmain-Rozelle	
Climate Council	
ClimateWorks	
Community Power Agency	
350 Australia	
Actionaid	
Beyond Zero Emissions	
Climate and Health Alliance	
Environment Victoria	
Friends of the Earth	
GetUp	
Nature Conservation Council	
Solar Citizens	
Energy Developments	
Enel	
Engineers Australia	
ENOVA	
Electric Power Consulting	
Green Building Council of Australia	
General Electric	
GenexPower	
Goldwind	
GreenPower	
Infigen	
Jotzo Mazouz McConnell Saddler	
Lighter Footprints	
Master Electricians Australia	
Powershop	

## LACK OF CLEAR NEED, OBJECTIVE FOR THE RELIABILITY MECHANISM (33)

The following submissions raised concerns about the lack of a clear need or problem definition for the reliability mechanism.

---

ACOSS  
Australian Conservation Foundation  
Australian Council of Trade Unions  
Australian Energy Council  
AGL  
Alinta Energy  
CEOs of 10 Australian electricity retailers  
City of Sydney  
Clean Energy Council  
Climate Council  
Consumer Action Law Centre  
Energy Networks  
EnergyAustralia  
Energy Users Association of Australia  
Engie  
Engineers Australia  
Finncorn  
Gas Energy Australia  
Grattan Institute  
Investor Group on Climate Change  
Infigen  
Jotzo Mazouz McConnell Saddler  
Major Energy Users  
Agriculture Industries Energy Taskforce  
Powershop  
QCOSS  
Queensland Farmers Federation  
Renewable Cities Young Ambassadors  
Smart Energy Council  
Snowy Hydro  
Sumo  
The Hon Tom Koutsantonis (SA)  
Tilt Renewables

## CONSULTATION PROCESS CONCERNS (13)

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Australian Council of Trade Unions  
Climate Council  
Engineers Australia  
Finncorn  
Friends of the Earth  
Lighter Footprints  
Major Energy Users  
Agriculture Industries Taskforce  
Pacific Hydro  
Queensland Farmers Federation  
Rio Tinto  
Smart Energy Council  
The Hon Tom Koutsantonis

## REQUIREMENTS SHOULD BE ON GENERATORS NOT RETAILERS (12)

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ACOSS  
AGL  
Alinta Energy  
Clean Energy Council  
CEOs of 10 Australian electricity retailers  
Engie  
EnergyAustralia  
Finncorn  
Genex Power  
Morrison and Co  
Major Energy Users  
Sumo

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Page 6: Figure 2 "Tesla's South Australian Powerpack."  
Image courtesy of Tesla.




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