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APPEA welcomes COAG support for National Energy Guarantee

The COAG Energy Council's in-principle support for further consultation with stakeholders on the design of the National Energy Guarantee is a sensible way forward.

"The alternative to this decision would have been yet another round of political deadlock and blame-shifting," said APPEA Chief Executive Dr Malcolm Roberts.

"It is a relief that the Energy Council has avoided that low road.

"APPEA supports the NEG as the best policy option available today for cutting emissions without jeopardising reliable supply.

"The next stage of stakeholder consultation should settle, quickly, the outstanding points of detail in the design of the NEG. It is vital that the Energy Security Board receives the support it needs to deliver, promptly, a final design.

"In the meantime, there are other overdue policy reforms that State governments can take to put downward pressure on energy prices and ensure energy security.

"This week, the NT government lifted its moratorium on hydraulic fracturing. Despite the usual activist campaigns, the environmental and economic case for the safe development of onshore gas was simply compelling.

"Victoria – which now has the most expensive wholesale gas on the east coast – should rethink its absolute opposition to onshore gas exploration and development. The science never supported this extreme position and, very clearly, neither do the economics.

"Until all jurisdictions support a co-operative COAG agenda to remove the regulatory barriers to new gas supply, the emissions and reliability objectives of the NEG will be compromised.

"Cleaner-burning and reliable natural gas remains pivotal to ensuring energy security. It is the ideal energy source to complement intermittent renewables.

"While final decisions are still to be made, the support provided by ministers today presents an opportunity to end the division and confusion around energy policy. The industry looks forward to playing a constructive role in the NEG's detailed design."

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