

## POWERLINK RULE CHANGE PROPOSAL TO RESET SYSTEM STRENGTH UNIT PRICES ERC0382

**16 FEBRUARY 2024**

The Energy Users' Association of Australia (EUAA) is the peak body representing Australian commercial and industrial energy users. Our membership covers a broad cross section of the Australian economy including significant retail, manufacturing, building materials and food processing industries. Combined our members employ over 1 million Australians, pay billions in energy bills every year and in many cases are exposed to the fluctuations and challenges of international trade. Our membership covers most of the major gas users in the east coast gas market who all rely on reliable and competitively priced gas for their business sustainability.

The EUAA support the pursuit of net zero targets but this must be achieved at least cost, not at any cost. Additionally, we seek an equitable allocation of the costs and risks associated with the transition as all too often energy consumers are expected to carry the heavy weight of market (i.e. shareholder and/or debt providers) risk that should sit with market participants. We firmly believe that this transfer of risk is inconsistent with the NEO.

The EUAA:

- Agrees with the Commission's proposed three assessment criteria – safety, security and reliability, outcomes and services; principles of market efficiency, concepts of efficiency; and implementation considerations, timing and security
- We congratulate Powerlink on this initiative that will enable it to offer lower SSUP prices outside of the current rules process;
- While it remains to be seen whether lower prices for a four-year period will lead to renewable generators to centrally procure a long term service, every opportunity should be explored to increase the incentives for central procurement
- This increased central procurement will not only lead to lower costs for consumers for these services, but also reduce the risk on consumers from any stranded asset risk associated with central procurement.

We support the rule change.

Do not hesitate to be in contact should you wish to discuss these comments further.

Regards



Andrew Richards  
Chief Executive Officer