

23 November 2022

Senate Standing Committees on Economics  
PO Box 6100  
Parliament House  
Canberra ACT 2600

### **National Energy Transition Authority Bill 2022**

Snowy Hydro Limited welcomes the opportunity to comment on the National Energy Transition Authority Bill 2022.

Australia's energy market is undergoing a transition that will have long-term implications on the communities around former coal sites. Snowy Hydro therefore welcomes the National Energy Transition Authority Bill 2022 that will create the National Energy Transition Authority as an independent statutory authority with the powers necessary to guide the energy transition and support workers and their communities.

Most coal power stations are in regions adjacent to major coal fields rather than near urban areas or ports. The social and economic impact of power station closures will therefore be concentrated in regions that have traditionally been heavily reliant on the sector.

The Bill identifies a clear policy gap in national planning, coordination and funding, and looks to address this through the creation of a national statutory authority. Snowy Hydro supports the core functions of the Authority, which are:

- *to support communities and workers affected by the closure of coal-fired power stations and coal mines to adapt, including by helping to attract new public and private investment in job-creating industries and social infrastructure to affected areas, and ensuring ongoing equivalent employment or social services are provided;*
- *working with employers in relevant industries to encourage workforce pooling, to enable workers to shift between employers where skills and broadly transferable;*
- *planning with workers and relevant agencies to assist workers nearing retirement age to transition to a voluntary, financially secure retirement.<sup>1</sup>*

Achieving net zero presents many economic opportunities for Australia but local communities should not be left behind. Snowy Hydro considers that ensuring appropriate support is provided to affected communities and workers is essential to securing a just transition.

Snowy Hydro submits that investment is a powerful tool for promoting economic growth and diversification with a focus on supporting long-term opportunities for the regions. For its part, Snowy Hydro is building a gas-fired power plant at Kurri Kurri, giving opportunities for local business and hundreds of jobs in the Hunter Valley, near major coal fields. The project will support up to 600 direct jobs at peak construction and 1,200 indirect jobs across NSW<sup>2</sup>. With more coal-fired generation fleet progressively retiring it is critical a proactive and strategic approach is taken to make sure positive outcomes for those affected are obtained while capitalising on the opportunities created.

In addition to investment, Snowy believes providing workers with access to job retraining services is crucial to ensuring the positive impact of economic diversification policies on impacted workers and providing both near-term and long-term solutions to coal closures.

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<sup>1</sup>[https://parlinfo.aph.gov.au/parlInfo/download/legislation/ems/s1352\\_ems\\_3afea937-d08a-426b-a9be-a7ca16b154d9/upload\\_pdf/EM\\_22S10.pdf;fileType=application%2Fpdf](https://parlinfo.aph.gov.au/parlInfo/download/legislation/ems/s1352_ems_3afea937-d08a-426b-a9be-a7ca16b154d9/upload_pdf/EM_22S10.pdf;fileType=application%2Fpdf)

<sup>2</sup> <https://www.minister.industry.gov.au/ministers/taylor/media-releases/environmental-approval-hunter-power-project>

A successful transition will be strengthened by confidence that strong participation and engagement will occur across all levels of industry, government, and community. It is appropriate that these issues are considered by a national body.

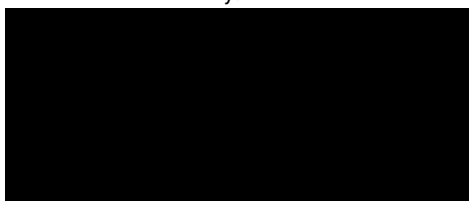
Finally, Snowy Hydro notes that the proposed advice function (section 9) includes advice on 'sources of renewable energy that should be used to generate electricity at particular locations' and 'models for guaranteeing returns on investment in relation to electricity generation projects'. The Australian Energy Market Operator (AEMO) undertakes an extensive planning process as part of its Integrated System Plan. Snowy Hydro recommends that in providing advice on these matters the National Energy Transition Authority should coordinate with AEMO (and other market bodies) in order to avoid duplication and leverage existing planning processes.

### **About Snowy Hydro**

Snowy Hydro Limited is a producer, supplier, trader and retailer of energy in the National Electricity Market ('NEM') and a leading provider of risk management financial hedge contracts. We are an integrated energy company with more than 5,500 megawatts (MW) of generating capacity. We are one of Australia's largest renewable generators, the third largest generator by capacity and the fourth largest retailer in the NEM through our award-winning retail energy companies - Red Energy and Lumo Energy.

Snowy Hydro appreciates the opportunity to respond to the National Energy Transition Authority Bill 2022. Any questions about this submission should be addressed to

Yours sincerely,



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Snowy Hydro

