House of Representatives Standing Committee on the Environment and Energy

Inquiry into modernising Australia's electricity grid

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Breaking the gridlock: modernising Australia's electricity networks

TUESDAY, 28 FEBRUARY 2017

Today the <u>House of Representatives Standing Committee on the Environment and Energy</u> launched an inquiry into modernising Australia's electricity grid.

The electricity grid in Australia is entering a significant period of transition, driven by the shift from traditional sources of electricity generation to new sources such as wind and solar. At the same time, new technology is rapidly changing the way in which households and businesses interact with the grid.

The Chair of the Committee, Mr Andrew Broad MP, said the inquiry would seek to understand the community's expectations of the electricity grid, examine challenges and opportunities involved in modernising the grid, and learn from the experiences of other countries.

"New technologies such as renewables and energy storage are already transforming the grid—both here in Australia and overseas. We want to hear from the community about their priorities for the grid, and about how a modern grid can better meet the needs of all Australians," Mr Broad said.

The Chair emphasised that the Committee would work together to identify practical recommendations that balance the need for security and affordability, and to ensure that the grid has the flexibility to adapt to emerging technologies and needs.

"The Committee sees this inquiry as an opportunity for all sides to work together in the national interest. The grid is essential to our way of life, but it is complex and needs careful consideration. Parliamentarians have an important role to play in building support in the community for changes that will bring about a grid that is more secure, more sustainable, and fairer for consumers," Mr Broad said.

The Deputy Chair of the Committee, Mr Pat Conroy MP, explained that despite the uncertainty about how the mix of electricity generation will evolve into the future, the Committee's focus would be on the pressing need to modernise the electricity transmission and distribution networks.

"There is a legitimate debate about how our electricity will be generated in the future. Yet, it is already clear that the electricity grid is approaching the limits of what it was designed to do. The critical question for the Committee is, what actions can be taken now to ensure that the grid has the flexibility to integrate electricity from a variety of sources at the lowest possible cost?" Mr Conroy said.

In conjunction with the inquiry, the Committee has launched an <u>online questionnaire</u>, which asks households and businesses to share information about how they currently interact with the electricity grid, and about their expectations of the grid into the future.

The Committee will also accept written submissions, addressing one or more of the terms of reference, until **28 April 2017**. To assist stakeholders in formulating their submissions, the Committee has prepared a brief <u>discussion paper</u> expanding on the terms of reference.

Throughout the inquiry, the Committee will hold public hearings with government agencies, industry and community groups, and other interested stakeholders. In the coming weeks, the Committee will be looking to set the context for the inquiry, so that the Committee and the community can better understand the current state of the grid, and have a clearer picture of the task at hand.

Further information about the inquiry—including the terms of reference, the discussion paper, and the online questionnaire—is available on the <u>inquiry webpage</u>. Information about how to make a submission to an inquiry can be obtained from the <u>Parliament of Australia webpage</u>.

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Track this inquiry