



A Policy Trilemma

Creating an Affordable, Secure and Sustainable energy market

The Policy Trilemma workshop held on the 22 June 2013 identified key reforms to improve consumer outcomes as a result of multi-stakeholder group discussions. We have provided this succinct summary to assist participants in recalling the discussions and the headline outcomes.¹

1. Products that incentivise, rather than punish

We need to shift the focus of industry and government to ensure that consumers are incentivised to reduce peak use, rather than be punished where they don't.

2. Non-energy market actions

Non-energy market actions that target energy efficiency, including mandatory building standards which ensure energy efficient building design, are particularly critical for low-income and vulnerable consumers.

3. Clear domestic energy policy in the face of increasing levels of offshored gas supply

A strategy is needed urgently to lessen the impact of rising gas prices due to the increasing demand for Australia's gas reserves. Domestic customers should take precedence in securing the affordable supply and access to gas. This could include a short term strategy of domestic reserves, alongside a transitional policy to move away from gas use, toward more sustainable energy supply options such as solar hot water systems.

4. More meaningful measures for reducing carbon emissions

Consumers need to be provided with simple and meaningful information about their carbon emissions to enable them to make choices to reduce their emissions should they choose to do so.

5. Retailer assistance to find the best tariff for the most vulnerable

Energy retailers have a pivotal role in engaging with the community. There is a key opportunity for energy retailers to educate their consumers on their energy use, provide real time information about consumption, and offer support to reduce energy such as energy audits. Energy retailers can proactively identify their consumers who may be in financial difficulty, assist them in finding the best tariff for their needs, and refer them to other services where additional support is warranted.

6. National approach to concessions

A coordinated and national approach across all levels of government is essential for an efficient and effective concessions regime that supports the most vulnerable members of the community.

¹ Note that these do not represent all issues discussed, or all energy market issues.