Media Release

The Hon Lily D'Ambrosio MP
Minister for Energy, Environment and Climate Change
Minister for Suburban Development

Friday, 20 April, 2018

NATIONAL ENERGY GUARANTEE STATEMENT

The Andrews Labor Government has today agreed that the Energy Security Board progress development of the detailed design of the National Energy Guarantee for determination by the Energy Council at its August 2018 meeting.

Victoria will ensure that the NEG framework will not compromise the implementation of our emissions reduction and renewable energy targets.

Victoria has legislated ambitious but achievable renewable energy targets of 40 per cent by 2025 and net-zero emissions by 2050.

The Labor Government will continue to pursue policies that ensure reliable and affordable power across Victoria.

Significant issues remain to be addressed in the High Level Design Document and Commonwealth Design Elements paper, including setting the emissions target, EITEs, offsets, state additionality, the setting of the reliability standard, and market power mitigation and other technical matters.

The Commonwealth Government needs to detail the mechanism future governments can utilise to scale up the emissions target.

At our request the Commonwealth Government has agreed to urgently progress the outstanding elements of their *Update on Commonwealth Design Elements* paper to ensure an informed decision by the Council on the NEG in August.

We have obtained assurances that the Energy Security Board will urgently provide an update to COAG Energy Council on the status of implementation of the 'Independent review into the future security of the National Electricity Market: Blueprint for the future' (the Finkel Review).

We will act in good faith on the development of the NEG – but we still have significant concerns that are yet to be addressed.

We will continue to support the growth of renewable energy in Victoria to deliver a reliable and low cost energy system for the future.