



Australian Government
Department of Industry

Overview of Energy and Regulatory Structure of Australia

Brendan Morling, Department of Industry, Australia

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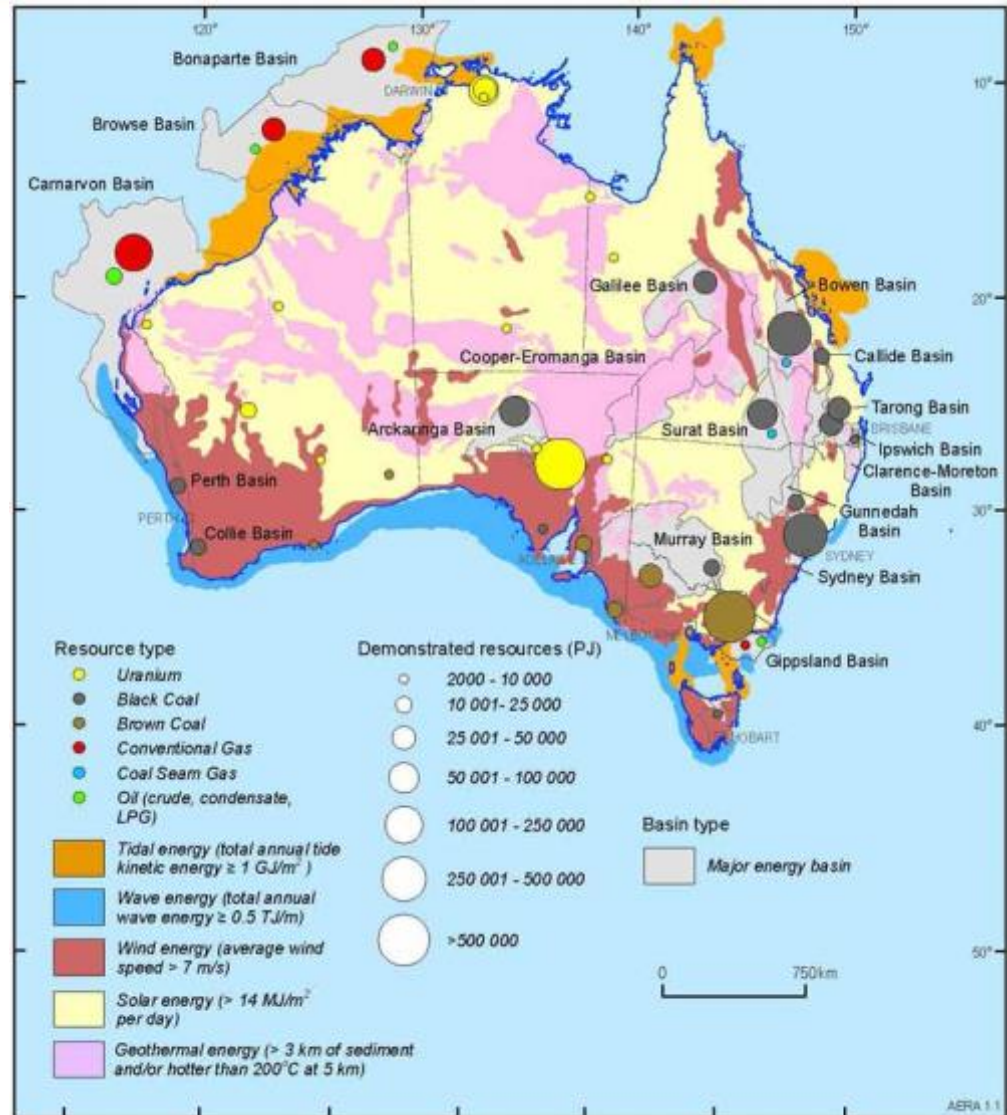


Australia's Energy Mix

Abundant, high quality and diverse energy resources, both renewable and non-renewable resources.

Three quarters of Australia's electricity is produced using coal.

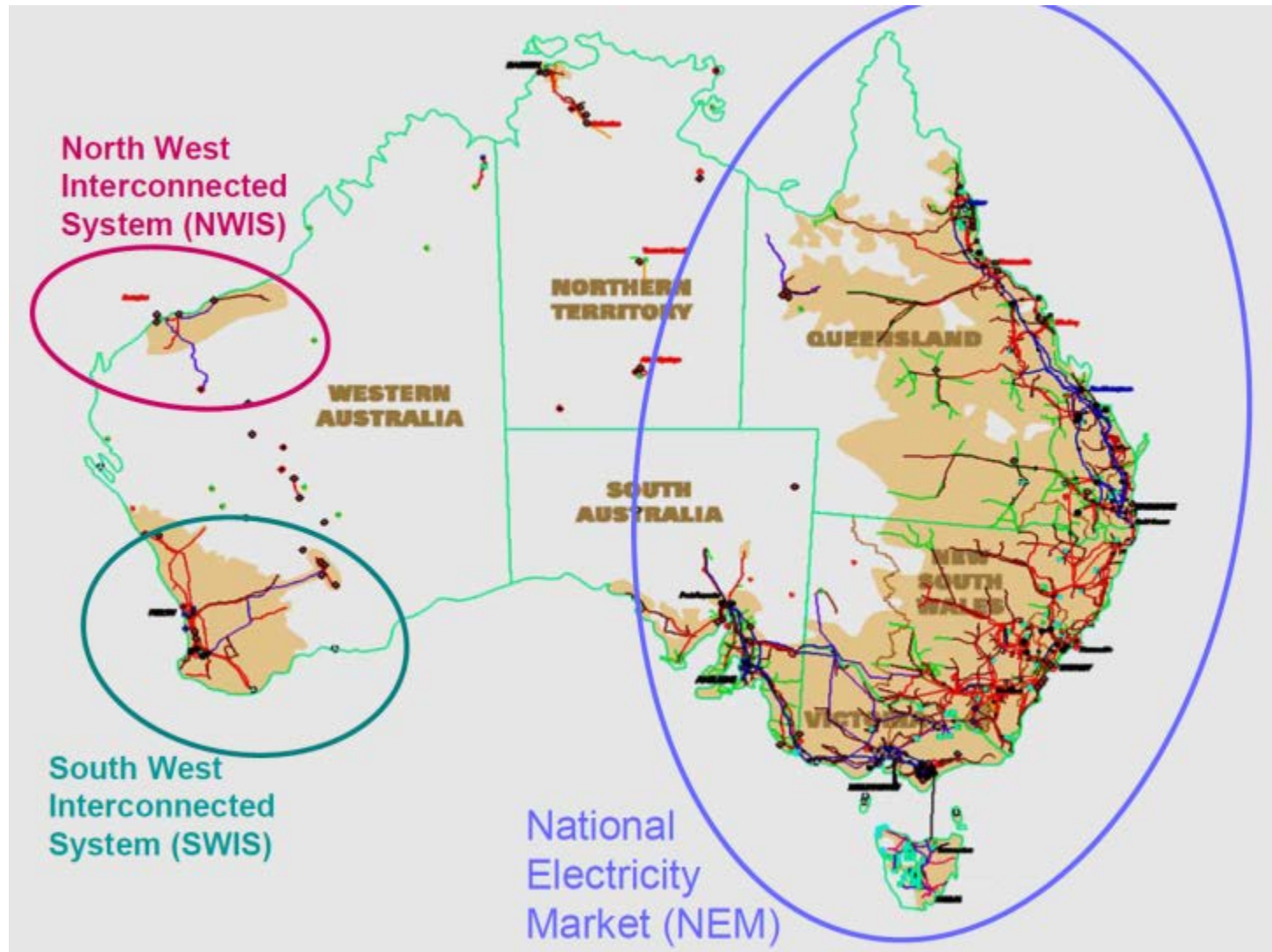
Renewable energy sources (particularly hydroelectricity, wind and bioenergy) account for around 8 per cent of the electricity generation mix.



Australia's major energy resources, excluding hydro and bioenergy

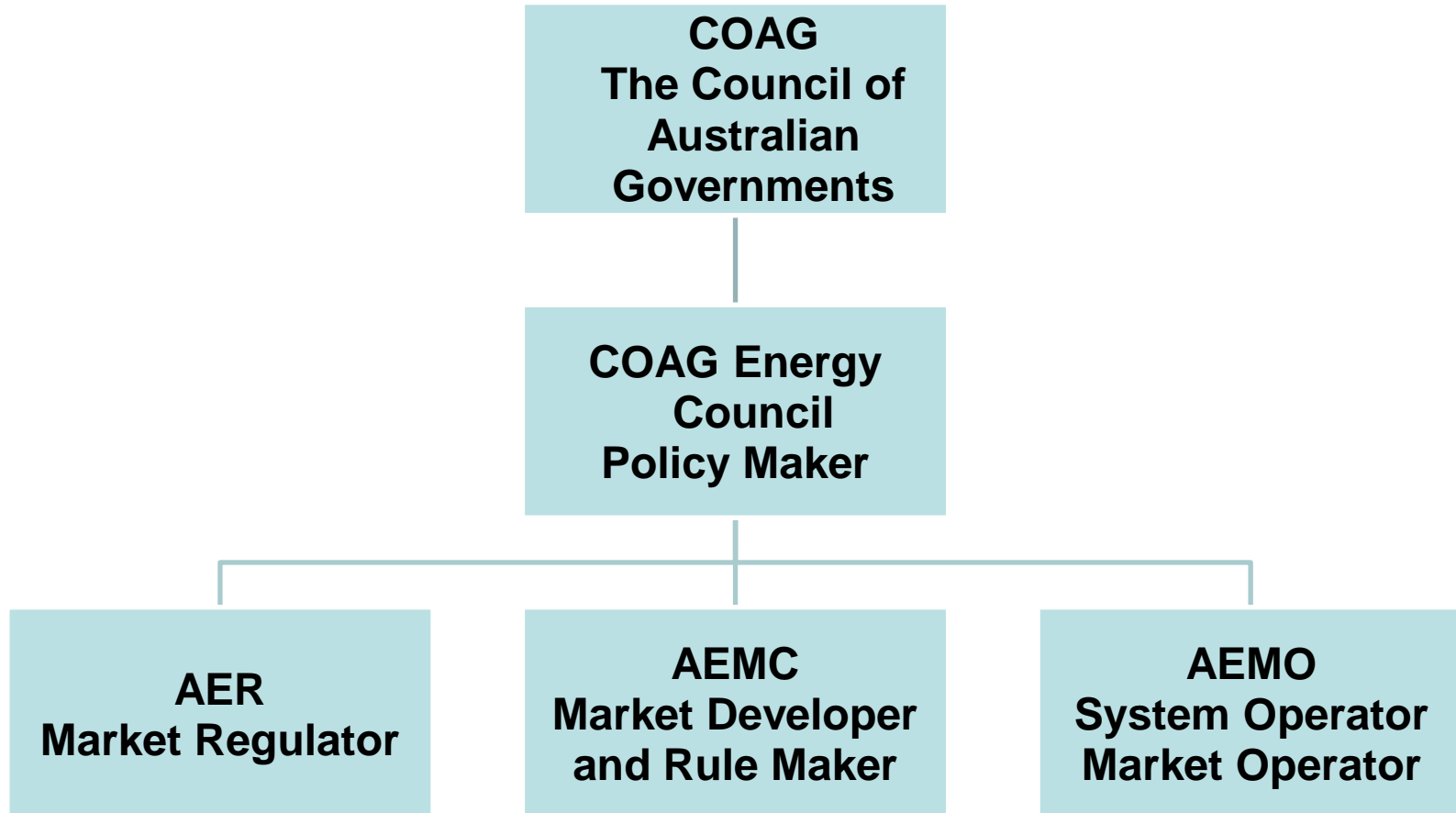


Australian Electricity Market





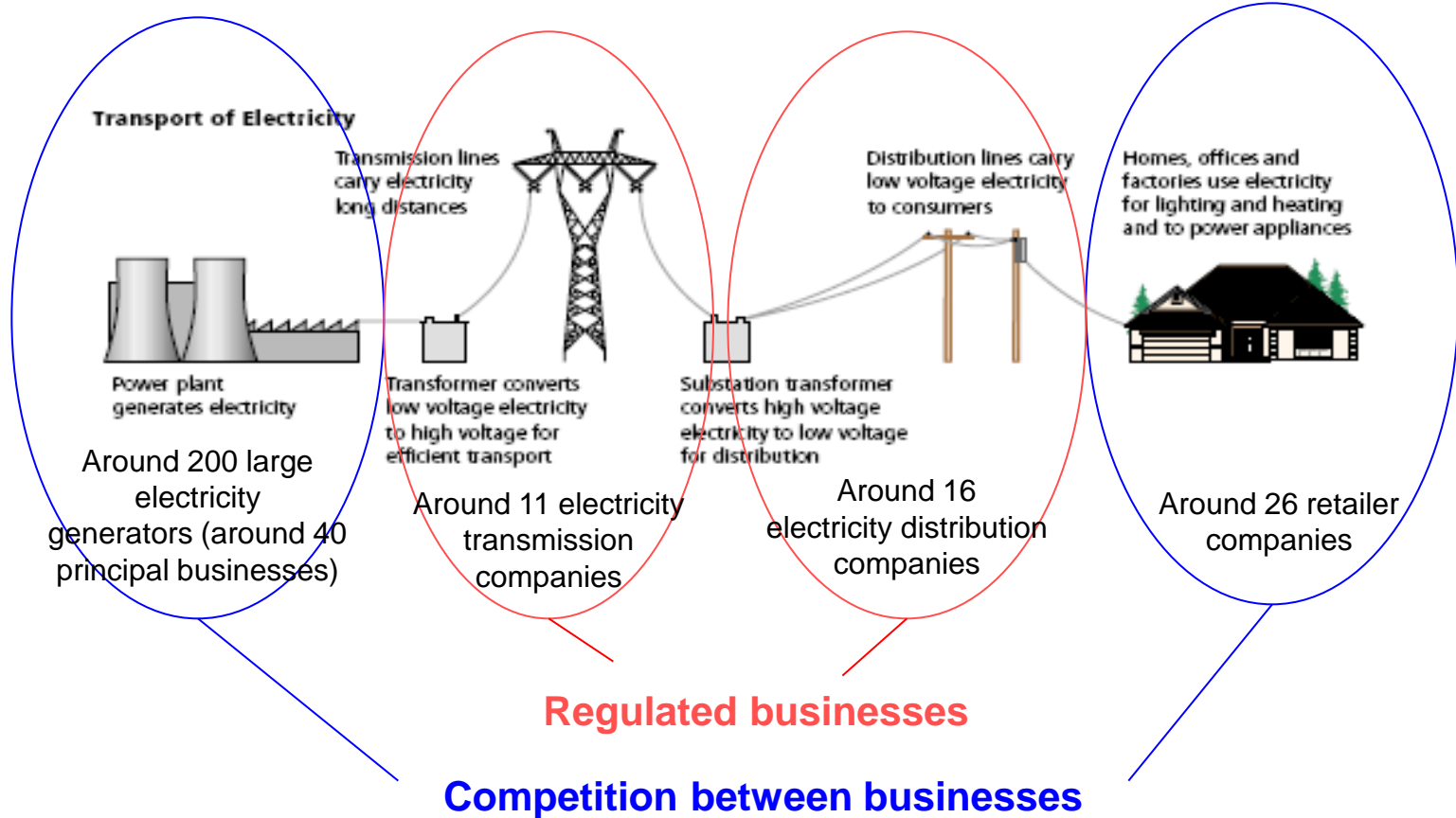
Energy Market Institutions





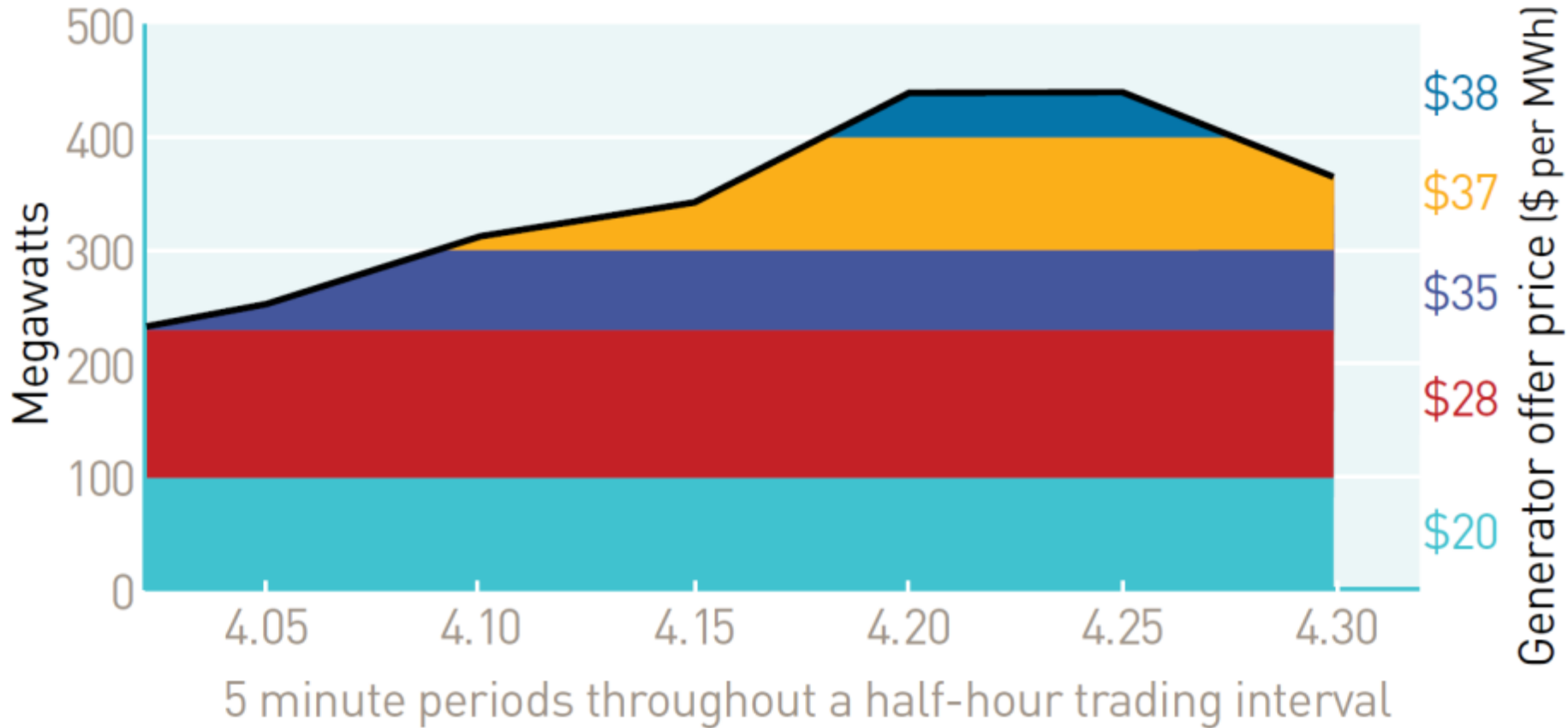
Australia's Electricity Market Structure

Separate companies for generation, transmission, distribution and retail





Wholesale Market Operation



- Generator 1
- Generator 2
- Generator 3
- Generator 4
- Generator 5



- Economic regulation of networks
- Appeals mechanisms
- New regulatory investment test
- Demand side reforms
- Consumer engagement
- Retail price competition



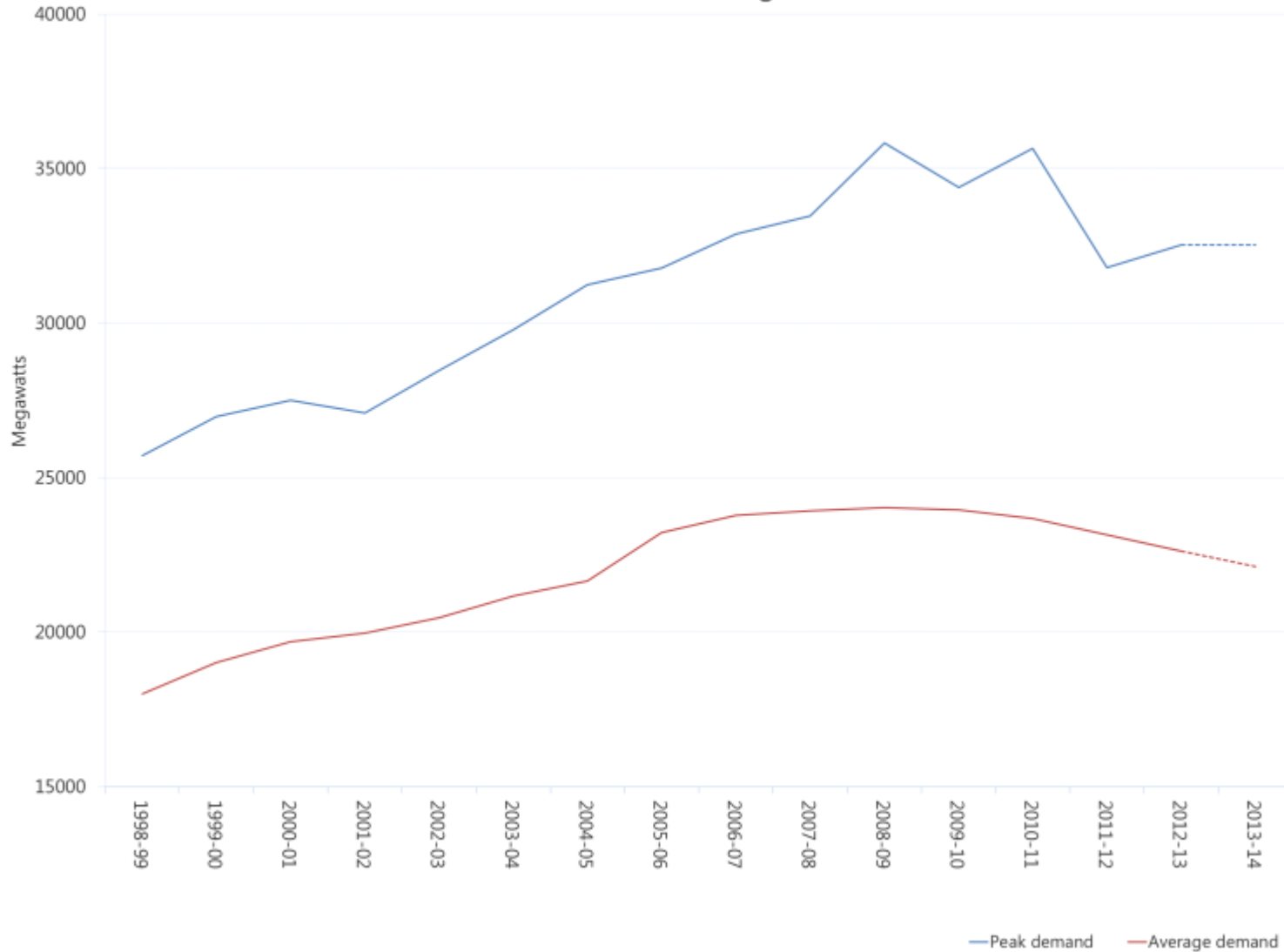
Weighted average cost of capital—electricity and gas distribution



Note: Nominal vanilla weighted average cost of capital.



Peak demand versus Average demand





- Reliability frameworks
- Tariff reform
- Generation supply
- Renewable Energy Target review
- Strategic assessment of network regulation
- Governance review



Questions?