



John Pierce

AEMC Chairman

Title - Australian Energy Market: Efficient Market Outcomes During Periods of Transition.

Australian markets are facing a period of unprecedented change. Demand for electricity traded on the Australian National Electricity Market has fallen for each of the last three years, while the penetration of renewable generation has increased significantly. Domestic gas prices are expected to increase as coal seam gas reserves are diverted to LNG exports in 2016 and consumers are increasingly engaged in energy markets and the choice available to them.

In 2014, the Australian Government repealed the carbon tax, which is to be replaced with a new Direct Action policy to reduce emissions, and a major debate took place about the design of the Renewable Energy Target. The Government is also expected to release a new energy policy aimed at reducing cost pressures on households and businesses, improving Australia's international competitiveness and overall economic prosperity.

These substantial changes to the national strategic direction and to market conditions create challenges for rule makers and regulators in the sector as governments seek to balance multiple policy objectives.

AEMC Chairman John Pierce will discuss the changing Australian energy landscape and how the work of the Commission contributes to national energy regulatory arrangements that are flexible, able to respond to ongoing change and continue to deliver efficient market outcomes to the benefit of consumers.