



MEDIA RELEASE

URGENT GOVERNMENT INTERVENTION REQUIRED IN REBUILDING ELECTRICITY NETWORKS

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One of Australia's oldest environment groups is calling for urgent government intervention to change the way energy is supplied to rural communities in response to bushfires and other climate change impacts.

The Total Environment Centre was founded nearly 50 years ago and has been working on energy market reform for the last 15 years. It says the bushfire crisis should make us rethink the old energy supply model.

"We are risking spending tens of millions of dollars on rebuilding the wrong infrastructure after the bushfire crisis," warned Mark Byrne, TEC's energy market advocate. "Thousands of rural homes and towns have lost their power for up to a month or even longer. In many cases the poles and wires and even some substations will need to be rebuilt. But should they?"

"Should we continue to supply thousands of properties and small towns via long skinny power lines running through dense bushland? For individual properties the alternatives include stand-alone power systems based on solar energy and batteries. For small communities it could mean microgrids that are either standalone, or that can be kept running when the main grid goes down."

"These alternatives could end up saving everyone money, but at the moment networks have their hands tied by outdated regulations that stop them from going down this route."

Mark Byrne explained that, "Right now, networks are under immense pressure to rebuild like-for-like, which makes no more sense than rebuilding an individual house to the same specifications after it has been destroyed by a bushfire. We need to adapt to a new world of increased climate risk. Part of this involves allowing networks to be more creative in their grid rebuilding efforts."

TEC is calling for industry, government, regulators and consumer groups to work together to increase the resilience of the energy system as affordably as possible and while meeting the needs of individual households and communities.

"We need a national summit to address this issue before networks are forced to spend money on assets that might take consumers 30 or 50 years to pay off, but which might burn down again in the next bushfire."

"At the forefront of the conversation should be the needs and desires of the local communities affected. They need to be consulted and involved at every step."

"We also need to consider whether climate change impacts are best addressed by hardening the main transmission system or by encouraging more local energy resilience. So far the market operator (AEMO) and rulemaker (AEMC) have favoured large lumpy investments. But there are advantages in also going local, by investing in assets that can keep supplying power to properties and towns when the main grid goes down."

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