

# **NATIONAL ENERGY PRODUCTIVITY PLAN**

## **- the way forward**

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Energy Productivity Policy  
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# National Energy Productivity Plan (NEPP)

Improving Australia's energy productivity means **more value** from the energy we consume.

$$\text{Energy productivity} = \frac{\text{economic output (GDP)}}{\text{energy used (PJ primary)}}$$



## WHY *improve* energy productivity?



Boosting **competitiveness** and growth



Helping families and business manage their energy **costs**



Reducing greenhouse gas **emissions**



## WHAT *are our* goals?

**40%**  
IMPROVEMENT BY **2030**



Energy systems that deliver **least cost energy** in the long term interests of consumers

More **informed** energy consumers **managing their energy bills**

**2015**

Energy efficiency



Energy market reform

Climate change  
COORDINATING POLICY



## HOW *will we* get there?

Encouraging more productive consumer **choices** through

- efficient incentives
- empowering consumers
- helping business compete



Promoting more productive energy **services** through

- innovation support
- competitive modern markets
- consumer protections



# National Energy Productivity Plan – Measures

*This work plan covers the first steps in the 15 year life of the NEPP and will be continuously updated.  
A range of metrics to measure outcomes will be developed and reported annually.*

■ New COAG Energy Council   ■ New Commonwealth   ■ New all-governments

## *Encouraging more productive consumer CHOICES*

### EFFICIENT INCENTIVES

- Transition to cost-reflective pricing
- Market mechanisms to capture societal benefits

### EMPOWERING CONSUMERS

- Make choice easier
- Support best practice services for vulnerable consumers
- Improve residential building energy ratings and disclosure

### HELPING BUSINESSES COMPETE

- Help business self-manage energy costs
- Recognise business leadership and support voluntary action
- Research business benchmarks and success factors
- Expand commercial building ratings and disclosure
- Improve fuel efficiency in aviation and maritime sectors
- Reduce barriers to financing
- **Improve energy productivity in government**

## *Promoting more productive energy SERVICES*

### INNOVATION SUPPORT

- Support innovation and commercialisation
- Improve light vehicle efficiency
- Drive innovation in transport and infrastructure systems
- More liveable, accessible and productive cities
- Promote leading practice
- Collaborate internationally

### COMPETITIVE MODERN MARKETS

- Emerging technologies in the electricity system
- Deliver a Gas Supply Strategy
- Reform governance to keep pace with change
- Develop an Energy Use Data Model for better planning
- Competitive smart meter rollout
- Improve the exchange of market data
- Build service provider capacity
- New market mechanisms for demand response
- Promote competitive retail markets in electricity and gas
- Monitor the wholesale market
- Adopt National Frameworks

### CONSUMER PROTECTIONS

- Deliver a new Equipment Energy Efficiency (E3) prioritisation plan
- Advance the National Construction Code
- Improve compliance with building energy efficiency regulation
- Review the National Energy Customer Framework for disruptive technologies
- Review Fuel Quality Standards Act

# OUTCOMES IN 2016 INCLUDE:



COMMONWEALTH OPERATIONS  
POLICY

RESIDENTIAL BUILDING  
DISCLOSURE

# TIMELINE

**April 2016**

**Implementation plan for all measures.**

**Targeted workshops to scope new measures.**

**Pre-2020**  
Review prior to 2020

**Annually**  
Monitor programme and update measures

**December 2015**

Council released the National Energy Productivity Plan (NEPP) and an initial work plan of measures.

**October 2015**

Targeted stakeholder consultation.

**August 2015**

Commonwealth commits to a National Energy Productivity Target of 40 per cent improvement between 2015 and 2030.

**July 2015**

Adopted by COAG Energy Council.  
Officials tasked to develop work plan.

**April 2015**

Commonwealth announced NEPP as part of the Energy White Paper.