

AEMC To Review Market Frameworks For ETS And RET

The MCE has announced that it will direct the Australian Energy Market Commission to conduct a review of the energy market frameworks to determine whether the frameworks need to be amended to accommodate the introduction of emissions trading and the renewable energy target.

In directing the AEMC to undertake this work, MCE noted that the planned Emissions Trading Scheme must be carefully designed to protect the security of Australia's energy supply.

MCE agreed that the ETS design will need to ensure that the transition to a low emissions energy mix achieves real abatement and maintains both investor confidence and energy security.

Ministers also noted the importance of measures to assist households, particularly low-income households, to adjust to the impact of carbon prices, and to support the research, development and demonstration of new low emission technologies, particularly carbon capture and storage.

In recognition of the importance of engaging with the energy sector in reviewing the energy market frameworks, MCE announced it will also request the AEMC to establish an Advisory Committee comprising relevant segments of the energy supply chain.

MCE agreed to meet after the release of the Commonwealth's Green Paper on ETS design to further consider these issues.

[Source essa news]