

NATIONAL ENERGY PRODUCTIVITY PLAN - setting and meeting the Target

Sarea Coates
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

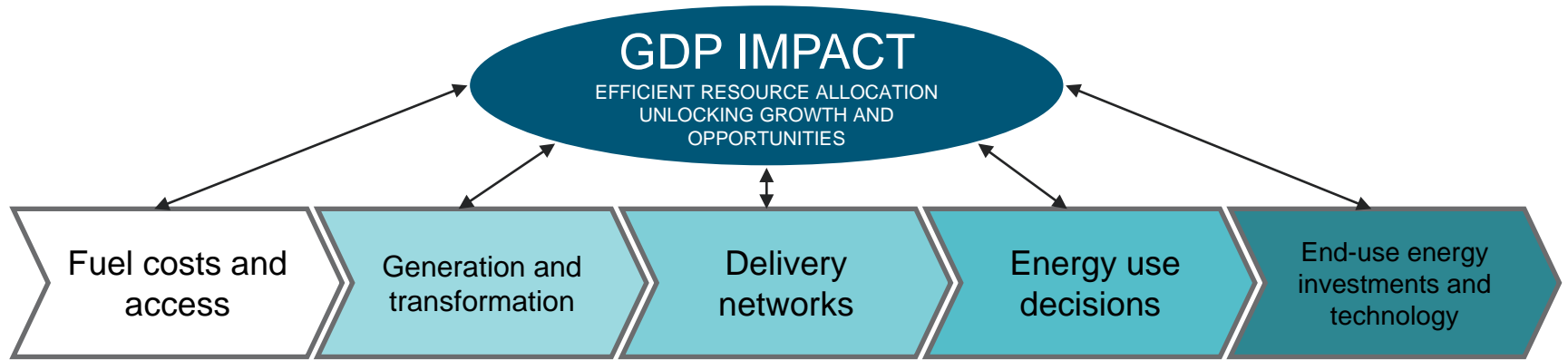


ENERGY PRODUCTIVITY

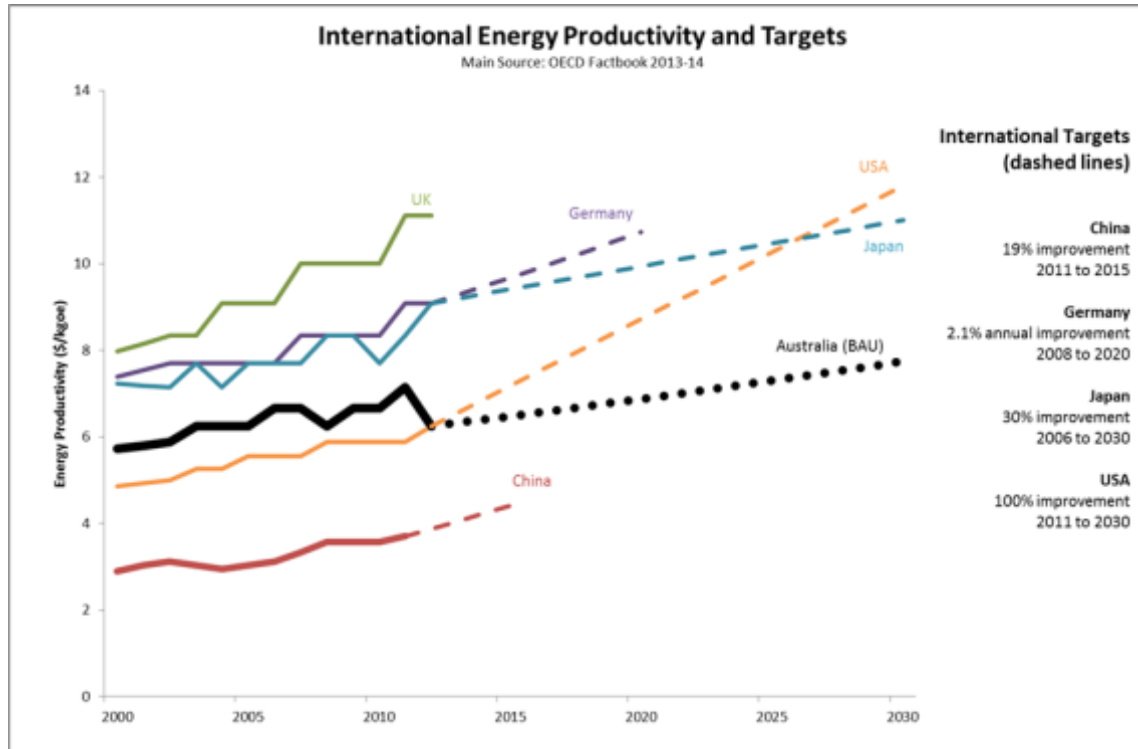
Improving energy productivity is about getting more value from the energy we use

$$\text{energy productivity} = \frac{\text{economic output}}{\text{energy used}} = \frac{\text{GDP}}{\text{PJ}_{\text{primary}}}$$

ENERGY IMPACTS THE ECONOMY ALL ALONG THE ENERGY SYSTEM CHAIN

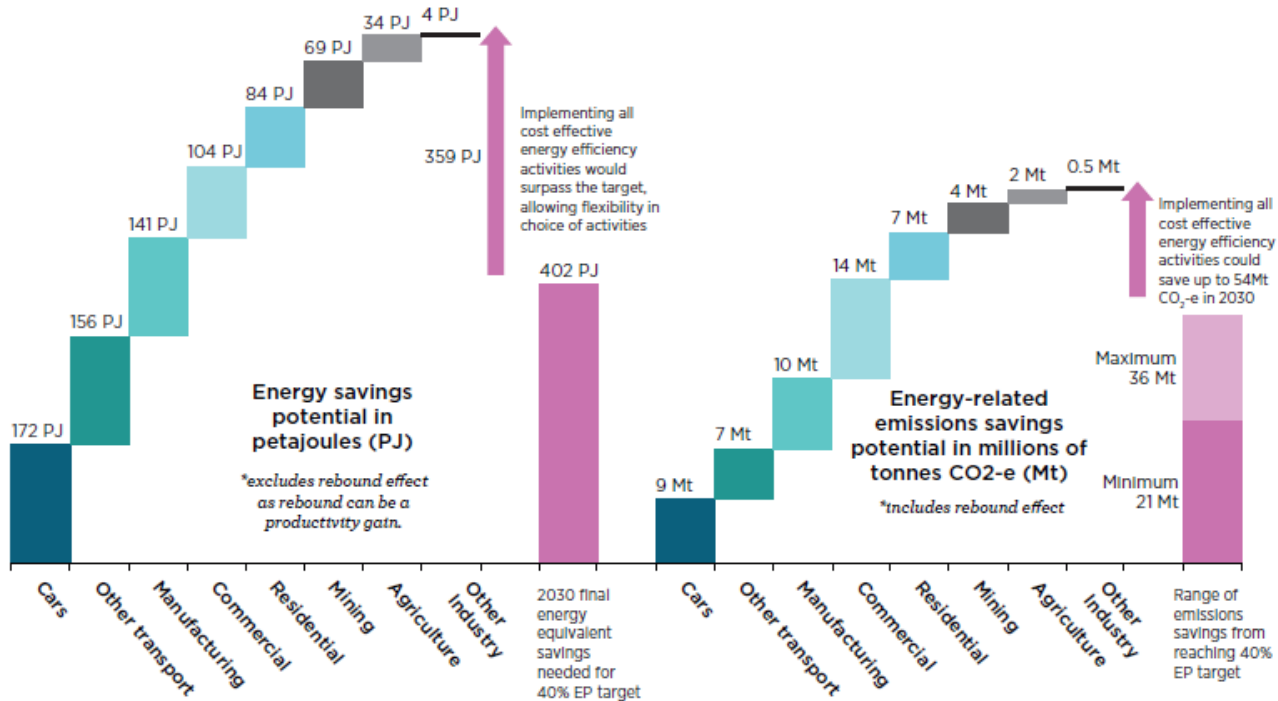


THERE IS A STRONG OPPORTUNITY TO IMPROVE COMPARED TO OUR INTERNATIONAL PEERS



Source – OECD Factbook 2014

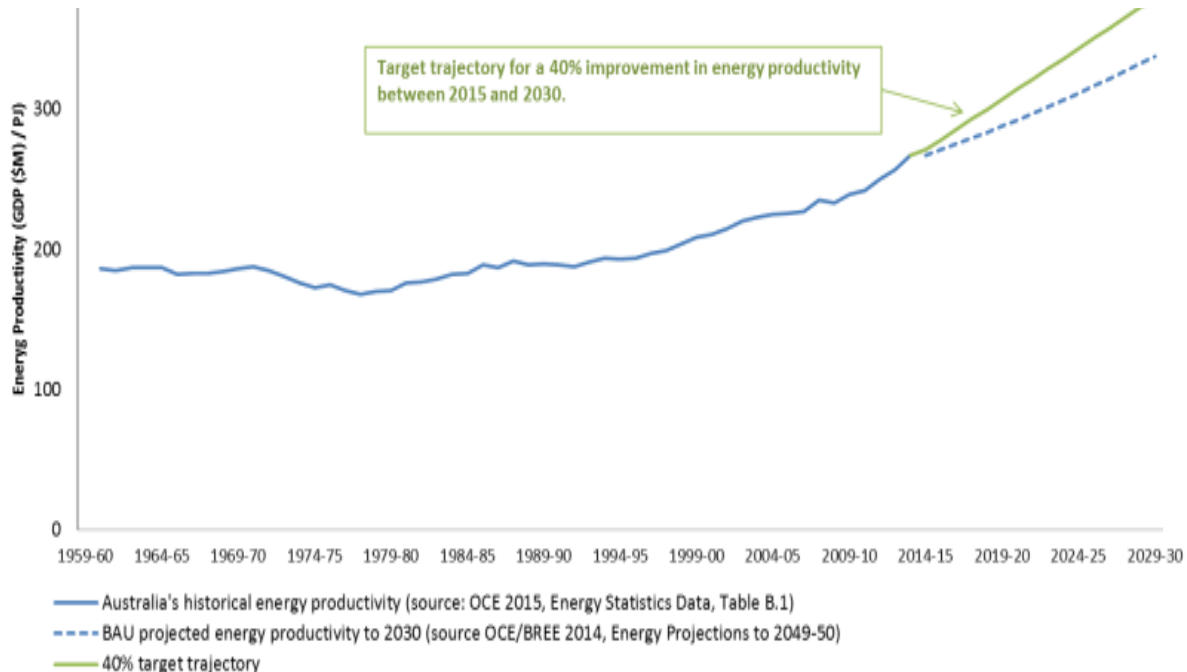
THERE ARE ENERGY PRODUCTIVITY OPPORTUNITIES IN MANY SECTORS



MEETING THE TARGET MEANS ACCELERATED ENERGY PRODUCTIVITY IMPROVEMENTS

AUSTRALIA'S ENERGY PRODUCTIVITY IN CONTEXT

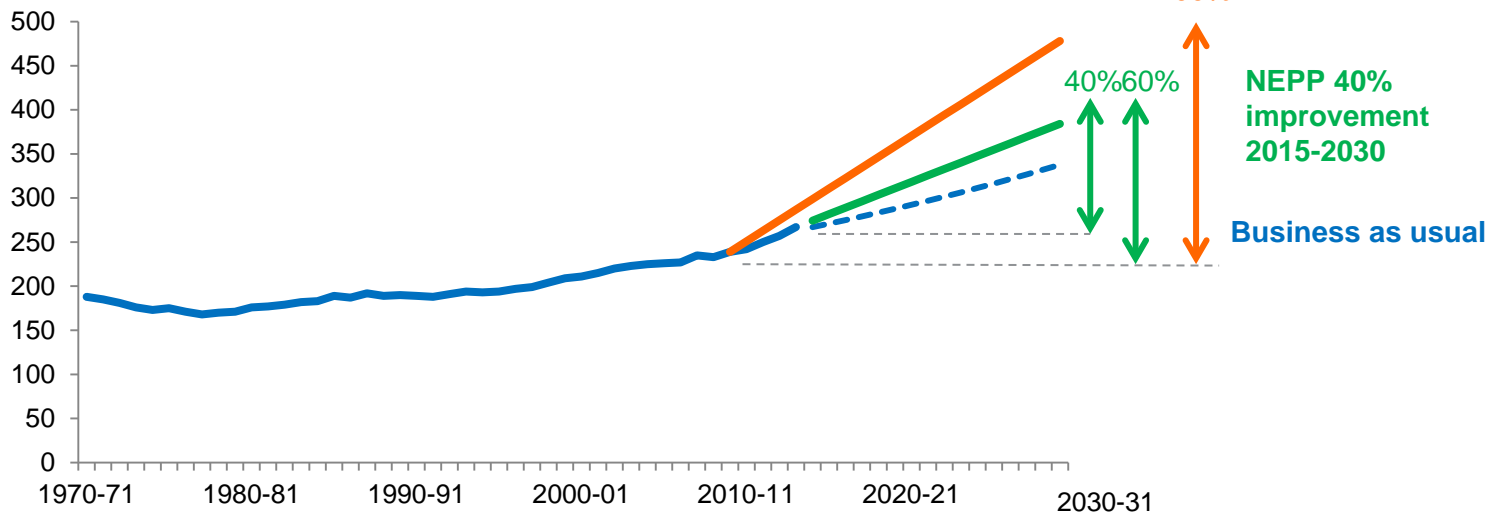
(\$GDP per PJ primary energy)



IT IS IMPORTANT TO UNDERSTAND THE COMPARISON BETWEEN DIFFERENT TARGETS

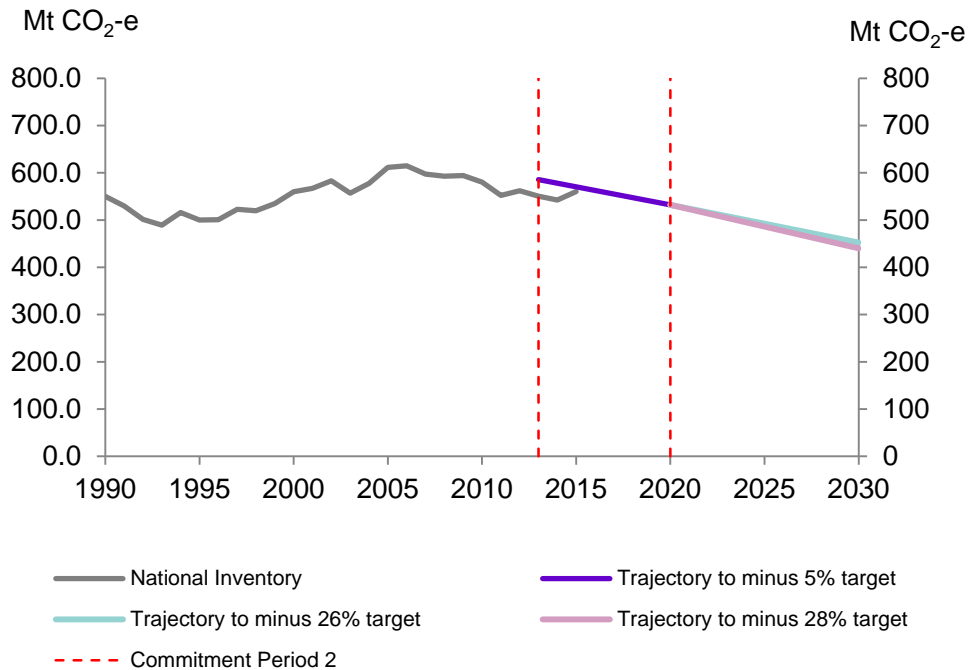
Comparing energy productivity targets

\$GDP/PJ_{primary energy}



ENERGY PRODUCTIVITY COMMITMENT - A KEY CONTRIBUTOR TO ABATEMENT

Australia 2030 emissions commitment



Indicative emissions reduction sources 2020 to 2030

