

Energy and Climate Change Ministerial Council

Meeting Communique

Friday 14 March 2025

The Energy and Climate Change Ministerial Council (ECMC) met today to discuss the preparation and response to recent natural disasters, consumer reforms to ensure affordability and equity in the energy system, and trends and emerging technologies affecting Australia's energy markets.

Ministers received an update from Queensland and New South Wales on the energy impacts of ex-Tropical Cyclone Alfred and recovery efforts in their states. Australia's leading climate experts at the CSIRO also provided Ministers with a briefing on TC Alfred and how our changing climate is expected to affect future tropical cyclones. Ministers reaffirmed their commitment to prioritise adaptation and resilience to reduce climate risks within the community and reduce the scale of human and economic losses.

Ministers continue to focus on energy affordability and ensuring that energy markets better serve consumer interests. Recognising that strong consumer protections are fundamental to the community's trust in the energy transformation, Ministers agreed to the approach for **Better Energy Customer Experiences**, to assess options for modernising Australia's consumer protection regimes, and ensure they are appropriate as consumers' interactions with electricity and gas retailers change in this evolving energy market. Ministers also agreed to release a consultation paper, inviting feedback to identify key reform priorities.

These reforms build on the reforms Ministers have previously agreed. Over the past three years, Energy and Climate Change Ministers have taken significant steps to better protect consumer interests as energy markets transform. These consumer-focused reforms respond to cost-of-living concerns and will facilitate easier, faster and simpler access to cheaper energy deals, better protections to ensure everyone entitled to concessions and discounts receives them, and increased support for those vulnerable to or facing hardship.

Ministers in the Default Market Offer (DMO) regions (New South Wales, South East Queensland and South Australia) acknowledged the cost of living challenges facing households and businesses, and in this context expressed concern at the potential impact of the draft DMO published under the existing regulatory framework. Ministers encouraged the Australian Energy Regulator (AER) to further interrogate retailer revenues and margins, broader cost pressures across the sector, and to further consider ongoing cost of living pressures in settling the final DMO.

Ministers noted that the Victorian Default Offer uses a different methodology to the DMO and has resulted in average price increases in the draft decision of less than 1 percent.

Ministers reiterated their commitment to an equitable energy transition for all Australians by agreeing to the **National Energy Equity Framework**. The Framework provides models, tools and guidance for energy policy makers to help ensure equity and hardship are considered in policy and program development. This mitigates against future energy policies unintentionally advantaging or disadvantaging different consumer cohorts. Ministers also established a community of practice across governments to guide implementation of the Framework with the involvement of consumer advocates and other key stakeholders.

Ministers welcomed the progress to date on the **National Consumer Energy Resources (CER) Roadmap**. Ministers maintain their focus on delivering for consumers and communities, and actions under the Roadmap will achieve this by lowering bills, improving access to CER and improving overall system operation. Ministers noted the CER Taskforce has commenced work on 12 of the 14 national reform priorities and will commence the remaining 2 priorities this year. Two key actions – development of CER technical standards and a regulatory framework to enforce them – are well progressed, with public consultation planned for the second quarter of 2025. These projects are critical to extracting the full value of CER for consumers and the electricity system.

Ministers agreed to the delivery model for the expansion of the **Nationwide House Energy Rating Scheme (NatHERS)** to existing homes, a critical tool that can unlock energy bill savings while improving the health and comfort of Australians in their home. This is a critical step before the launch of NatHERS ratings for existing homes from mid-2025. Expanding NatHERS to existing homes will empower households to make improvements that will reduce running costs and improve the comfort and climate resilience of their homes. Improving the energy performance of Australia's existing homes is also integral to Australia reaching net zero emissions by 2050.

Ministers discussed East Coast **gas supply** noting the importance of urgent demand and supply side actions to help support Australia's transition to net zero, including anticipated market-led solutions. Ministers strongly encouraged the private sector to respond to the clear market signals and deliver the investment and projects needed to ensure gas markets are well supplied. Senior officials presented Ministers with the findings of work tasked at the December 2024 meeting, outlining options to potentially expand the Australian Energy Market Operator's (AEMO) powers to address possible structural supply shortfalls in the east coast gas market from 2028. Ministers requested further policy analysis, including an assessment of costs and benefits, to support a decision in July 2025 on whether to expand AEMO's powers. Ministers noted that any expanded powers would direct AEMO to be technology and solution agnostic, providing the chosen solution or mix of solutions can be delivered within the required timeframes and the lowest cost to customers. Ministers emphasised that if agreed, the use of any additional powers for AEMO would be available to secure supply as a last resort measure only. Ministers agreed to senior officials progressing legislative drafting in parallel with further policy analysis, with progression of the resultant Bill subject to the July decision.

Ministers discussed options for **developing a renewable gas industry** in Australia. Renewable gases are one of the most viable pathways to decarbonise parts of industry where electrification is not a viable option. ECMC tasked officials to work jointly on potential national policy approaches to be presented at a future meeting.

Ministers agreed to work with AEMO and other market bodies on the implications for Australia's energy system presented by projected growth in **data centres** being established in Australia. This includes investigating options to minimise system impacts, maximise potential system benefits and explore whether existing regulatory frameworks for data centres remain appropriate.

Ministers and Market Bodies also explored options to reduce reporting duplication and received an update on options to clarify AEMO's cybersecurity roles and responsibilities in the National Gas Market.

ECMC plans to next meet in New South Wales in mid-2025.

ECMC Membership

The Energy and Climate Change Ministerial Council (ECMC) membership include Ministers from the Commonwealth and each state and territory, with portfolio responsibility for climate change and energy. New Zealand is also a member of the ECMC.

Commonwealth (Chair)	The Hon Chris Bowen MP, Minister for Climate Change and Energy
Commonwealth	The Hon Josh Wilson MP, Assistant Minister for Climate Change and Energy
New South Wales	The Hon Penny Sharpe MLC, Minister for Climate Change; Minister for Energy; Minister for the Environment; Minister for Heritage
Victoria	The Hon Lily D'Ambrosio MP, Minister for Climate Action; Minister for Energy and Resources; Minister for the State Electricity Commission
Queensland	The Hon David Janetzki MP, Treasurer; Minister for Energy and Home Ownership (Apology/Proxy)
Western Australia	The Western Australian Ministry had not been sworn at the time of this meeting and Western Australia abstained from voting in this meeting.
South Australia	The Hon Susan Close MP, Deputy Premier; Minister for Climate, Environment and Water; Minister for Industry, Innovation and Science; Minister for Defence and Space Industries (Apology)
South Australia	The Hon Tom Koutsantonis MP, Minister for Energy and Mining; Minister for Infrastructure and Transport
Australian Capital Territory	Ms Suzanne Orr MLA, Minister for Climate Change, Environment, Energy and Water
Northern Territory	The Hon Joshua Burgoyne MLA, Minister for Lands, Planning and Environment (Apology)
Northern Territory	The Hon Gerard Maley MLA, Minister for Mining, Energy and Minister for Renewables (Apology/Proxy)
Tasmania	The Hon Nick Duigan MLC, Minister for Energy and Renewables; Minister for Parks, Minister for Sports and Events
Tasmania	The Hon Madeleine Ogilvie MP, Minister for the Environment; Minister for Innovation, Science and the Digital Economy; Minister for Corrections and Rehabilitation; Minister for the Arts and Heritage
New Zealand	The Hon Simon Watts, New Zealand Minister for Minister of Climate Change, Minister for Energy, Minister for Local Government and Minister of Revenue (Apology)

OTHER ATTENDEES 14 March 2025

- David Fredericks, Secretary, Department of Climate Change, Energy, the Environment and Water, Commonwealth
- Simon Duggan, Deputy Secretary, Department of Climate Change, Energy, the Environment and Water, Commonwealth
- Kushla Munro, Deputy Secretary, Department of Climate Change, Energy, the Environment and Water, Commonwealth
- Jason Mundy, Head of Division, Department of Climate Change, Energy, the Environment and Water, Commonwealth
- Linda McGrath, Head of Division, Department of Climate Change, Energy, the Environment and Water, Commonwealth
- Anthony Lean, Secretary, Department of Climate Change, Energy, the Environment and Water, New South Wales
- Kim Curtain, Deputy Secretary, Department of Climate Change, Energy, the Environment and Water, New South Wales
- John Bradley, Secretary, Department of Energy, Environment and Climate Action, Victoria
- Elizabeth Molyneux, Deputy Secretary, Department of Energy, Environment and Climate Action, Victoria
- Fiona Wright, Executive Group Manager, Climate Change, Energy and Water, ACT
- Paul Williams, Under Treasurer, Queensland Treasury
- Carlye Sycz, Acting Deputy Under Treasurer, Energy and climate Queensland Treasury (proxy for The Hon David Janetzki MP)
- Jai Thomas, Deputy Director General - Coordinator of Energy, Department of Energy, Mines, Industry Regulation and Safety, Western Australia (observer)
- Emily Briggs, Deputy Director General Climate and Sustainability, Department of Water and Environmental Regulation, Western Australia (observer)
- Paul Martyn, Chief Executive, Department of Energy and Mining, South Australia
- Rebecca Knights, Acting Deputy Chief Executive, Department for Energy and Mining, South Australia
- Vanessa Pinto, A/g Chief Executive Officer, Renewables, Climate and Future Industries, Tasmania
- Sean Terry, Executive Director, Renewables, Climate and Future Industries, Tasmania
- Alister Trier, Chief Executive, Department of Mining and Energy, Northern Territory (proxy for The Hon Gerard Maley MLA)
- Paul Purdon, Executive Director, Environmental Assessment and Policy, Department of Lands, Planning and Environment, Northern Territory

GUESTS

- Anna Collyer, Chair, Australian Energy Market Commission
- Clare Savage, Chair, Australian Energy Regulator
- Daniel Westerman, CEO and Managing Director, Australian Energy Market Operator
- Brendan French, Chief Executive Officer, Energy Consumers Australia
- Anna Brakey, Commissioner, Australian Competition and Consumer Commission
- Mayor Matt Burnett, President, Australian Local Government Association
- Dr Peter Mayfield, Executive Director – Environment, Energy and Resources, Commonwealth Scientific and Industrial Research Organisation (CSIRO)