

## **Something Doesn't Add Up in Energy Modeling**

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You report the Energy Security Board's claim that modeling of the "final" NEG shows that its adoption would result in large savings of electricity bills to households. Indeed it appears that under this NEG, wholesale prices are modeled to fall by more than 40 per cent by 2021. A big contributor to this fall is supposedly due to a large increase in investments in renewable (mainly wind) which are already committed.

However, no indication is given of how the more costly wind farms will cause such falls in prices. Perhaps the NEG will provide a government guaranteed price, with governments funding the additional cost compared with coal. That additional cost would have to include of course the additional investment in back-ups which would be needed when the wind or sun do not provide fuel.

Those who have followed the debate on NEG will be interested to ascertain how a more costly investment is modeled to produce lower prices

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