

**13 November 2024**

**To: Select Committee on Energy Planning and Regulation in Australia**  
**RE: Public Hearing 31 October - Question on Notice**

Thank you for the opportunity for the Institute for Energy Economics and Financial Analysis (IEEFA) to provide input to the Select Committee on Energy Planning and Regulation in Australia regarding the institutional structures, governance, regulation, functions, and operation of the Australian energy market. IEEFA is an independent energy finance think tank that examines issues related to energy markets, trends, and policies. The Institute's mission is to accelerate the transition to a diverse, sustainable and profitable energy economy.

IEEFA is responding to a question on notice taken in the hearing on 31 October 2024. The question on notice is copied below.

## Select Committee on Energy Planning and Regulation in Australia

### Question on Notice from Senator Canavan:

**Senator CANAVAN:** Did you say the IEA says that renewables are cheaper than nuclear?

**Ms Bowyer:** The IEA, in their recent World energy outlook reported that for most countries around the world renewables have the lowest cost. I can share that with you afterwards if you'd like.

**Senator CANAVAN:** Okay, maybe take it on notice.

### Answers due COB Thursday, 14 November 2024

In response, we provide the relevant excerpts from the International Energy Agency (IEA)'s [World Energy Outlook 2024](#):

- "Many clean energy technologies are already mature. Solar PV and wind are now the cheapest electricity sources in most markets, and hydropower and bioenergy are well-established contributors." *Chapter 1, Page 45.*
- "The additional growth required in the NZE Scenario reflects the widespread availability of solar PV and wind, the strong policy support they enjoy in most countries and their cost advantages, since they are now the cheapest new sources of electricity in most markets." *Chapter 1, Page 49.*
- "As solar PV and wind are already the cheapest new sources of electricity in most regions today, it is likely that they would be deployed to meet persistently higher



levels of electricity demand, thus mitigating the additional total output from coal- and natural gas-fired power plants.” *Chapter 4, Page 193.*

To download the World Energy Outlook 2024 report, [click here](#).

To read IEEFA’s original submission to the Select Committee, [click here](#).

Kind regards,

Johanna Bowyer, Lead Analyst, Australian Electricity, IEEFA