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AEMO HIGHLIGHTS NEED TO KEEP RELIABLE AND AFFORDABLE BASELOAD GENERATION ON THE GRID

“AEMO’s forecast of blackouts this summer is a damning indictment on our nation’s leaders who have destroyed our energy security to placate the net zero demands of renewable energy subsidy hunters and inner-city elites,” said Saxon Davidson, Research Fellow at the Institute of Public Affairs.

Today, the Australian Energy Market Operator released its *2023 Electricity Statement of Opportunities* report that found energy reliability gaps are set to affect all mainland regions covered by the National Energy Market.

“The current situation Australia finds itself in with record and rising energy bills, forecast blackouts, and an increasingly unreliable energy grid, are all core features of the policy of net zero emissions. It is all pain for no environmental gain,” said Mr Davidson.

“AEMO’s damning forecasts make clear that no baseload power station should be allowed to close unless, and until, a like for like baseload replacement – be it coal-fired or nuclear – is ready to come online.”

The Australian Energy Regulator previously found with the closure of the Liddell Power Station earlier this year surplus capacity in the system was eliminated, with wholesale prices spiking by 38% and grid reliability reduced.

“IPA research found the closure of Liddell was the line in the sand moment for the nation’s energy grid as any further closures of stations like Eraring or Bayswater would mean energy security would be terminally comprised, today’s AEMO report again confirms this,” said Mr Davidson.

“AEMO’s findings also back the calls of last week’s O’Reilly Review to keep the Eraring Power Station operating past its artificial 2025 closure date. It is a rational and critical first step in shoring up Australia’s energy security.”

AEMO’s report also found Victoria is expected to have reliability gaps in the upcoming two summers, increasing the risk of blackouts.

“Today’s report shows how the Victorian Government’s intention to pursue a renewable energy target of 95 per cent by 2035 is completely unworkable and must be immediately abandoned, lest families and small businesses suffer the consequences further,” said Mr Davidson.

Previous IPA research has shown that 72% of Australians want affordability or reliability to be the focus of Australia’s energy policy. This should be the focus of every level of government.

“As a nation, we need to have a proper and honest debate about affordable and reliable energy generation, which includes a discussion about nuclear power and the cost of net zero to Australian families and small business,” said Mr Davidson.

“It won’t be the wealthy, inner-city elites who will incur these costs, it will be working families and small businesses in the outer-suburbs and regions.”

To download the IPA’s research *Liddell: The Line in The Sand* [click here](#).

For media and comment: Andrew Hudgson, Director of Communications, on 0404 020 896, or at ahudgson@ipa.org.au