
23 May 2024

ERARING EXTENSION A VICTORY FOR COMMON SENSE

“As called for first by the Institute of Public Affairs, the extension of the Eraring power station's operations is a victory for common sense and a recognition that net zero requires a drastic re-think,” said Scott Hargreaves, Executive Director of the Institute of Public Affairs.

In May 2023, the IPA launched the landmark research report, *Liddell The Line In The Sand: Why it's time to hit pause on the closure of coal-fired baseload power stations in the NEM*, which emphasised the vital importance of protecting Australia's energy security by not shutting down baseload power generation.

“As the IPA's research established, it's time we paused the removal of affordable and reliable baseload power generation unless, and until, a like for like baseload replacement – be it coal-fired, gas or nuclear – is ready to come online,” said Mr Hargreaves.

“Premier Chris Minns has shown leadership that should be an example to other states, particularly Victoria, where closures of the Yallourn and Loy Yang B power stations would be catastrophic to the nation's energy security.”

“Although the proposed four-year window may not be long enough, the extension of operations at Eraring makes clear that no more affordable and reliable energy can be safely removed from the National Energy Market,” said Mr Hargreaves.

On Tuesday, the Australian Energy Market Operator's *Update to the 2023 Electricity Statement of Opportunities*, again, warned of potential blackouts across the National Energy Market, this time during the 2024/25 summer period.

“For too long Australia's energy network has been used as an experiment by ideologues who want to impose their renewable energy dreams, without taking into account how we actually keep the lights on,” said Mr Hargreaves.

“Australia's energy market and its so-called transition is out of control. AEMO's warning of potential blackouts this summer is a damning indictment on our leaders who have undermined our energy security in the name of net zero.”

AEMO's latest blackout warning highlights the naïve and ideologically driven approach to managing the nation's energy security, which advocates for the early closure of critical, affordable, and reliable power stations, only to be replaced by variable renewable energy.

“Regardless of your opinion of wind and solar, the cold, hard reality is that more variable renewable energy means higher costs and lower energy security. More dispatchable power, be it coal, gas or nuclear, means lower costs and higher reliability,” said Mr Hargreaves.

“This is why the New South Wales government should be congratulated for providing critical leadership in the national interest, even when politically difficult, to ensure the lights remain on across the National Energy Market.”

To download the IPA's previous research [click here](#).

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