Institute of Public Affairs MEDIA RELEASE

25 November 2024

AEMO WARNINGS AGAIN EXPOSE THE FAILURE OF NET ZERO

"The latest warnings of potential blackouts across the National Energy Market prove yet again that you cannot run a nation on net zero. Net zero has led to a rapid, ideologically driven, decommissioning of baseload power generation which has fundamentally undermined Australia's energy security," said Saxon Davidson, Research Fellow at the Institute of Public Affairs.

Today, the Australian Energy Market Operator (AEMO) warned there will be an elevated risk of blackouts on the electricity grid in New South Wales from tomorrow due to hot weather and soaring electricity demand. AEMO is also forecasting tight electricity reserves in Queensland from Wednesday.

"This is the new normal under net zero – power shortages, blackouts and record and rising household energy bills. You cannot run an advanced nation without secure and affordable energy, yet this is the short- and long-term future facing mainstream Australians," said Mr Davidson.

"The Prime Minister and Chris Bowen owe Australians an explanation that how, on their watch, a handful of hot days in spring could potentially bring the nation's energy system to its knees."

For years, Institute of Public Affairs' research has been warning of the grave risk posed by undermining Australia's energy grid with variable renewable energy. Governments must act urgently to restore Australia's natural competitive economic advantage in low-cost, reliable energy supply, by:

- **Ruling out the closure of any more coal-fired power stations at least until like-for-like baseload replacements come online.**
- **Removing red tape and unnecessary environmental barriers to the development of natural gas resources.**
- **Immediately stop the roll-out of large-scale solar and wind projects throughout regional Australia, which are destroying prime farmland, and are failing to deliver reliable energy.**

"That a resource-rich, energy-abundant country, such as Australia, cannot guarantee the lights will stay on demonstrates the failure of net zero policies. We cannot afford to shut another baseload power station until, a like for like baseload replacement, be it coal-fired or nuclear, is ready to come online," said Mr Davidson.

"The closure of the Liddell power station 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 warnings from AEMO again confirms this."

"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 businesses."

"It is never the wealthy, inner-city elites who have to pay the costs for net zero policies they demand. It is always working families and small businesses in the outer-suburbs and regions."

"The continued pursuit of net zero is hurting mainstream Australians, and making us weaker and more vulnerable as a nation," said Mr Davidson.

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