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CLOSING COAL-FIRED POWER STATIONS WILL RAISE ELECTRICITY PRICES

Today's news of the permanent closure of Alinta Energy's two coal-fired power stations in South Australia's Port Augusta region will contribute to future electricity price rises around the country, according to the IPA's Director of Energy and Innovation Policy Brett Hogan.

This closure will permanently remove almost 800 megawatts of reliable coal-fired capacity from the national electricity grid.

"Coming four weeks after the announced closure of the Anglesea Power Station in Victoria and only one day after Origin said that it will be cheaper to build wind farms than to comply with Renewable Energy Scheme penalties, this shows just how much federal and state environmental schemes have turned our electricity market upside down and are destroying Australia's cheap power advantage," says Mr Hogan.

"South Australian power prices are already the nation's most expensive. That a company finds it 'uneconomic' to operate a power station with Australia's cheapest fuel source speaks volumes about the effect of government environmental policies."

"Electricity grids exist to provide cheap and reliable power to people and businesses as they need it."

"While electricity generation prices are currently flat and there is excess capacity in the market, every coal-fired power station that permanently closes due to these short-sighted and misguided environmental policies, will affect future system reliability and ultimately increase the wholesale electricity price."

"Comments today from the South Australian Greens expressing concern for power workers who will lose their jobs are just crocodile tears given that the green movement has been largely responsible for these policies."

"A call by the Victorian Greens today to now close Victoria's largest power station (Hazelwood) also proves that the Greens won't be happy until every coal-fired power station in the country is closed."

"The Renewable Energy Target and other environmental energy schemes should be abolished. Doing nothing will continue the investment uncertainty for Australia's coal-fired power stations – the ones that actually provide most of the power we use every day," says Mr Hogan.

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