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SOUTH AUSTRALIAN ENERGY STATEMENT AN ADMISSION OF FAILURE

Today's energy package announcement by the South Australian Government is an admission of policy failure according to free market think tank the Institute of Public Affairs.

"This package is a damning indictment on 21st century South Australia," said Brett Hogan, Director of Research.

"The only reason the South Australian Government is being forced to build its own gas-fired power plant is because nobody in the private sector will risk their own money,"

"There is nothing in this package to facilitate additional reliable baseload power or cut electricity costs for businesses and households."

"Peaking plants don't generate baseload power. Batteries don't generate baseload power. On a still summer night, renewables don't generate baseload power."

"Building a government-owned power station and requiring retailers to source a percentage of electricity locally will also harm the business case for additional interconnectors with Victoria and New South Wales."

"While it is welcome that the South Australian Government is finally taking some responsibility for this mess and acknowledges an ongoing role for gas, its ideological opposition to coal is disappointing."

"Australia's governments, State and Federal, Labor and Coalition, need to put electricity security and affordability before ideology and ensure that consumer needs come first. This means no Renewable Energy Targets, and supporting genuine private sector competition between energy technologies."

"Australia is facing a choice. We can either travel the European route, with ever-higher renewable targets, more expensive power and policy paralysis, or the American path where embracing fossil fuels has seen electricity prices falling in recent years," said Mr Hogan.

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