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The real energy debate: Our crumbling infrastructure

Within two years, Queensland, New South Wales, Victoria and South Australia will all face reserve deficits in generation capacity. That means in the height of summer there will be times when the air conditioners go off and the lights go out.

And generation is not the only issue.

The national transmission grid needs upgrading, particularly between Queensland and New South Wales.

These are the priorities John Howard should be focussed on but energy market reform has been too slow and investors have been timid as a result.

The fact is we are no further advanced on national energy market reform than we were when the Parer review was announced in June 2001 along with the establishment of the MCE and NEM.

And earlier this year all we were promised was yet another committee – a new “high level, expert” Energy Reform Implementation Group to look at options for a national grid, structural weaknesses in the electricity market, and financial market measures to support energy markets.

But these issues have all been canvassed before – it’s time for action and leadership, not another review and more committees.

Australia is fortunate in having abundant and relatively cheap natural gas, coal seam methane and high quality clean coal resources to meet our domestic power needs today and for decades to come.

This is where Australia’s power generation future lies together with the development of new technologies like solar thermal, clean coal, carbon capture and storage where we are world leaders.

In Australia there are pressing decisions to be made today about baseload generation and transmission to maintain reliable, clean and cost competitive electricity supplies for Australian households and Australian industry.

Nuclear power just doesn’t stack up.

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