

COMMENTARY

NUCLEAR MAKES NO SENSE

It's expensive, inflexible and won't be ready in time



KANE THORNTON

If something sounds too good to be true, it probably is.

The Coalition are claiming that a massive slowdown in renewables, extending the life of clapped-out coal generators and waiting for nuclear power – confirmed again by the CSIRO as being several times more expensive than renewable energy – will deliver lower prices.

The logic doesn't stack up. How can adopting higher cost technology deliver lower power prices? It can't. It's a recipe for higher power bills and energy blackouts.

The proposed plan caps renewable energy at 54 per cent by 2050, even though Australia is already on track to hit 48 per cent by the end of 2025. The plan slams the brakes on renewable energy.

That's bad news for households, with more than 30 per cent of that coming from rooftop solar on homes and small businesses.

The announcement will be a massive shock and concern to investors who have invested \$40bn in large-sale renewable energy in Australia since 2020.

Let's put this debate in context and be honest. Power prices are higher than they should be and reliability is tight. The cause is simple: we haven't built enough new energy generation to prepare for



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inevitable closure of coal-fired power stations.

We wasted the last decade chopping and changing prime ministers and bickering about energy policy rather than investing in the new generation we need to keep power prices down and the lights on.

Ninety per cent of Australia's coal-fired power stations are expected to retire by 2035. Not because of green activists or carbon taxes (we don't have one), but because they are old and getting older. A few weeks ago, NSW had a heatwave at the same time a bunch of coal generators un-

expectedly failed. The lights only just stayed on.

The solution isn't to wait 20 years for high-cost nuclear power. It is to accelerate the rollout of wind and solar, backed up by batteries, pumped hydro and gas. This is the view of all the experts – CSIRO, Australia's chief scientist,

the Australian Energy Market Operator and many others. Nuclear power won't be ready in time.

In the two decades since John Howard took a look at nuclear, the costs have blown out, while those of renewables have plummeted.

Nuclear might play a role in other countries, but it has no role

to play in Australia for two reasons. We have the best wind and sun in the world, which means our renewables are low cost, much lower than nuclear.

And second, we don't have an existing nuclear power industry, and it would take two decades to build it. The challenge in Australia accessing nuclear-powered submarines soon, at a reasonable price, is a cautionary tale.

We don't have time to waste or wait. Daniel Westerman is the CEO of AEMO and responsible for keeping the lights on. "Even on the most optimistic outlook, nuclear power won't be ready in time for the exit of Australia's coal-fired power stations," he says.

But it's not just about big power stations. More than four million Australian homes have installed a rooftop solar system as a way to lower their power bills and take back some control.

Nuclear power is very inflexible – unlike pumped hydro, batteries and gas generation – and not suited for a country that leads the world with rooftop solar.

It has to run all the time. You can't just switch off a reactor when it's not needed – such as when Australia's four million solar rooftops are supplying surplus power to the grid. When we have more power than we need, it wouldn't be the nuclear reactors that are switched off, it would be the rooftop solar. This would be an absurd outcome, to force the cheapest form of generation to turn off so that the most expensive could operate around the clock.

These are the facts. No amount of political spin, fancy modelling or hand waving will change this reality. Slowing down renewables and waiting for high-cost nuclear would be a disaster for our nation.

Kane Thornton is the chief executive of the Clean Energy Council.