



**THE HON JOSH FRYDENBERG MP**  
Minister for the Environment and Energy

**MEDIA RELEASE**

11 December 2017

**EXPERTS TO ADVISE ON BEST PATH TO DELIVER  
AFFORDABLE AND RELIABLE POWER WITH LIDDELL CLOSURE**

The Turnbull Government has asked the experts from the Australian Energy Market Operator (AEMO) to assess the suitability of a plan put forward by AGL to replace the Liddell Power Station.

The referral comes after the Government asked AEMO to investigate the future dispatchable power needs of the country on 26 June 2017.

In its report back to Government on 4 September 2017, the market operator outlined a 1,000MW shortfall with the scheduled closure of Liddell in 2022.

The Government then followed up on previous conversations with AGL, including one on 9 August 2017, where its CEO Andy Vesey raised the prospect of selling Liddell to a responsible party.

Following a formal meeting on 11 September 2017, AGL agreed to consult its board and report back to Government within 90 days whether it would sell the plant to a responsible party, extend the life of the station or replace it with mix of technologies.

At the time, the Government said practical options needed to be identified for ensure there wasn't a gap in dispatchable energy and there was a *"need to get the options on the table right now"*.

On 9 December 2017, AGL reported back to Government with a plan, which it says is consistent with the National Energy Guarantee, to replace Liddell with a mix of coal, gas, renewables and batteries.

As is the prudent thing to do and consistent with the Government's previous statements to assure itself of alternative options to keeping Liddell in operation, it has referred AGL's plan off to AEMO for their expert advice and to report back by mid-February 2018.

The Turnbull Government is technology agnostic when it comes to the type of generation that Australia needs, our priority is the stability and affordability of power for Australian households and businesses.

It is why at the start of the year, we put the focus on storage and are supporting the development of Snowy 2.0.

It is also why we have adopted the recommendation of the Energy Security Board (ESB) for a technology neutral National Energy Guarantee. A policy which integrates climate and energy policy for the first time and has been warmly welcomed by a wide range of key stakeholders. State governments, both Coalition and Labor, have joined with the Commonwealth in commissioning further design work by the independent and expert ESB.

Only the Coalition can be trusted to keep the lights on at an affordable price.

**Ends**