



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

**MEDIA RELEASE**

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**WEATHERILL'S COSTLY ADMISSION OF FAILURE**

Jay Weatherill has today made a \$550 million admission that his 'big experiment' has failed.

The South Australian Government's plan to step in and build a new gas-fired power station is a clear admission that the state needs more baseload generation, as it has become too reliant on intermittent wind and solar power.

Only last month, Jay Weatherill was holding out the line that there was nothing wrong and said of his 50 per cent Renewable Energy Target (RET) that:

"It's good for business, it's good for jobs and it's good for the affordability, reliability and cleanliness of our energy system."

*Jay Weatherill, The Australian, 21 February 2017*

But Jay Weatherill admits that reliability has also become an increasing concern. South Australians have good reason to ask why he said everything was fine and is now rushing to put in emergency measures.

While the Turnbull Government welcomes the realisation that more gas and storage is needed, South Australia's unilateral actions put the operation of the National Electricity Market at risk and will lead to higher prices in South Australia and potentially across other States.

The Weatherill Government claims that it needs to take these unilateral actions because, in its words, "they have been let down by a broken National Electricity Market".

But it was South Australian Energy Minister Tom Koutsantonis, the day after the 28 September state-wide blackout, who said:

"We are the lead legislator for the National Electricity Market. We have a lot of in-depth, in-situ advice given to us constantly by world experts based here in South Australia—people whose lives have been dedicated to the management of the National Electricity Market and its establishment ... We have designed it, we have built it...and it's worked and served us well".

*Tom Koutsantonis, House of Assembly, 29 September 2016*

The Turnbull Government has long called for a national approach to energy policy that prioritises energy security and affordability as we transition to a lower emissions future.

That is why we have commissioned the Chief Scientist to undertake a review and produce a blueprint for the future security of the National Electricity Market.

The Turnbull Government has also invested record amounts in storage, including projects with more than \$50 million in South Australia such as AGL's Virtual Power Plant and the Cultana Pumped Hydro feasibility study.

The COAG Energy Council recognises that the system and its rules do need to be updated in order to maintain the security of the electricity system as it integrates more intermittent generation.

Our preference is for South Australia to remain at the table in this endeavour rather than take unilateral action.

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