

# Lights to stay on if biggest 'coal clunker' powers down

By Marion Rae January 19 2024 AAP via The Canberra Times



*The planned closure of the Eraring coal-fired power won't cause blackouts, new modelling shows. (Dean Lewins/AAP PHOTOS)*

The planned closure of Australia's biggest coal-fired power plant Eraring in mid-2025 would not cause blackouts, the latest modelling shows.

The research released by independent think tank Climate Energy Finance on Friday comes as the NSW government considers paying Eraring owner Origin Energy for the maintenance costs of keeping the plant running for longer.

Report author Tim Buckley found progress made late in 2023 on new NSW renewable energy and battery capacity suggested there was no need to extend the life of the ageing plant.

Rooftop solar and heat pump installations are also taking off, but tariff reforms are needed to make sure consumers get an energy transition reward in their power bills, the research found.

After two years of bill shock, wholesale prices and retail costs are tipped to fall as renewable energy supply increases.

Mr Buckley said NSW is leading the world in the financing, approval and construction of new battery energy storage system (BESS) projects, including the 850 megawatt Waratah Super Battery under construction.

Rows of batteries in such a system charge during the day when sunshine and solar generation is abundant and cheap, and can send energy into the grid to cover peak demand.

"The list of project proposals is enormous, and growing weekly," Mr Buckley said.

"After a growing industry clamour for an end to very substantive and costly new project approval delays in the state, NSW finished 2023 with a range of critically important wins."

Origin began on phase one of its 700MW battery system at Eraring, which it says will provide firming capacity and stability to the national electricity grid.

Fellow energy giant AGL reached a final investment decision on its \$750 million Liddell BESS, after successfully commissioning a system on Torrens Island in South Australia.

In January, Squadron Energy began building NSW's largest onshore wind farm after significant delays.

NSW officials have approved ENGIE's 290MW Hill of Gold wind farm but it is still subject to an Independent Planning Commission review.

Transmission remains a weak point, but ElectraNet has successfully completed the 900km South Australian stage one of a \$2.3 billion high-voltage transmission line between SA and NSW.

The NSW government decision on whether to extend the life of the "coal clunker" at taxpayers' expense would be a hot button issue this year, the think tank said.

Premier Chris Minns has been coy when asked about a subsidy for Eraring, which has provided a quarter of the state's power requirements.

"We've said very clearly, however, we are not going to close the door on extending the life-span of Eraring in order to keep the lights on," he said earlier this week.

The Australian Energy Market Operator confirmed in a report to NSW Energy and Climate Minister Penny Sharpe in December that the closure would not cause a reliability gap.

***Australian Associated Press***

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