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COALITION'S TAXPAYER-FUNDED NUCLEAR 'POLICY' A ROAD TO RUIN

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While the Coalition has failed to release any detail or costings, today we have confirmation that if it gets into office, Australians will be paying a multibillion dollar “nukebuilder” tax for generations to come by being forced to front the cash for a national buildout of government-owned nuclear reactors across 7 locations, including on the sites of former coal-fired power stations.

It beggars belief that Opposition Leader Peter Dutton proposes nationalising a nuclear public debt bomb and detonating it at the heart of energy policy in this country.

This exacerbates the problem that electricity generated from nuclear is two to four times as expensive as power from firmed renewables – as the CSIRO has confirmed – and would permanently lock in higher energy prices for consumers already crushed by cost of living pressures.

The medium term energy price implications are horrendous. Electricity prices would skyrocket as private investment in new replacement capacity is crowded out, resulting in undersupply for the next 15-25 years while we wait for the LNP's nuclear white elephants to arrive.

We know that firmed renewables – utility scale solar and wind, backed by big batteries, and orchestrated with accelerated deployments of distributed consumer energy resources such as rooftop solar, storage and EVs in a modernised grid – can and will keep the lights on, delivering consistent, secure, reliable and affordable supply at a fraction of the cost. This transition is already underway and accelerating.

Critically, today's announcement now puts at serious and imminent risk planned private capital investments in clean energy as policy uncertainty and chaos make proposals uninvestable – especially in light of public statements by Nationals Leader David Littleproud that the LNP would, bizarrely, [“cap” renewables investment](#) here.

The thought bubble released today threatens to undermine our energy and economic security and our future prosperity as it creates sovereign risk.

By destroying investor confidence, it deters the private clean energy capital we need to attract at speed and scale – capital for which we are competing with the rest of the world.

The LNP wants to burn untold tens of billions of public money in a nuclear debt bin fire because nuclear is 100% uncommercial – no private investor will touch it with a ten foot pole short of massive multi-decade subsidies.

As the Investor Group on Climate Change, representing energy investors with \$35tn in assets, said, there is [“no interest”](#) among investors in nuclear, when nuclear has time blowouts up 15+ years and cost blowouts in the tens of billions, and lowest-cost technologies – renewables, batteries and so on – are available to deploy now.

Further, to model our energy transition on the great government-owned public infrastructure debacles of the last quarter century – Snowy 2.0 and the NBN – is an egregious blunder with dire consequences now and for future generations.

The LNP's Snowy 2.0 was due to be operational in 2021 at a cost of \$2bn. After a [rolling series of crises](#), it's now expected to come online around 2028 and is likely to cost Australians \$15bn, a budget blowout of 700%. And we have been lumped with one of the world's worst, slowest (64th fastest in the world) and most expensive NBNs after a litany of LNP mismanagement.

The idea that nuclear could be up and running in 2035-37 is fanciful. Community opposition, inevitable protracted state and federal legal challenges, technological hurdles and the requirement that nationwide legislative bans on nuclear be overturned make a 2035 timeline impossible.

There is zero mention of how Australia plans to deal with nuclear waste for many centuries to come, or provide for the \$10bn per nuclear plant end of life closure costs, another two LNP debt burdens dumped on future generations. The people of Japan are funding the US\$200bn cleanup of the Fukushima disaster for the next century.

The international experience shows that the western nuclear industry is plagued with massive delays and cost blowouts. There is zero reason to expect Australia would be any different when the risks for us are higher, as we have no history of deployment of nuclear energy generation here.

The [Vogtle nuclear power plant expansion](#) debacle in Georgia, US, is a case point, massively delayed and the [most expensive](#) public works project in US history at \$35bn, with consumers left to carry the can for the runaway costs.

And the £33bn Hinkley Point C nuclear plant in England – with completion now delayed to 2031 – is a millstone around UK citizens' necks for the next 60 years or so, even as owner [EDF of France](#) took a €12bn writedown on this white elephant after [China General Nuclear \(CGN\)](#) walked away.

Dutton now centres Australian energy and climate policy on nuclear against the explicit and unequivocal advice of our flagship national scientific agency, the CSIRO, which [warned](#) that nuclear would take until at least 2040 to stand up in Australia, if legislative bans and other barriers could be overcome, and the energy generated would cost at least twice that of firmed renewables.

While nuclear is a workable part of some countries' energy strategy as a zero-emissions source – [it is a material part of the energy mix in communist China](#) as that nation rapidly decarbonises – it is simply not viable here.

O'Brien says Australia is over-reliant on renewables at a time when global leader and economic powerhouse China is also installing a [staggering 24GW of wind and solar each and every month](#) in 2023, supported by [unprecedented investments in R&D](#).

Today's 'policy' is economic and fiscal irresponsibility on an epic scale and a rank case of political opportunism.

It sells the country down the river for perceived political, LNP donor and electoral advantage. By design, it inflicts ongoing energy poverty on Australians and our domestic industries by disrupting and delaying the accelerated firmed renewables rollout and entrenching volatile, hyper-inflated fossil fuels for decades as the climate crisis escalates.

This policy goes hand in hand with Dutton's craven retreat from our 43% by 2030 emissions reduction target, trashing our Paris commitments and exposing the Coalition's chronic climate denialism.

We could and should be leading the world as a firmed renewable energy superpower as we play to our massive natural comparative advantages of superabundant sun and wind and large land mass for clean energy infrastructure.

The only reasonable, credible, safe and fiscally responsible course of action is for the federal government to maintain its policy and investment focus on low-cost, deflationary firmed renewables and to further increase the ambition and speed of their deployment. This is key to [Australia's pledge](#), made alongside over 100 other nations at COP28 last year, to a tripling of renewable energy by 2030.

An accelerated transition to renewables and rapid electrification of homes, businesses, industry and transport will not only permanently reduce emissions and energy prices, it can and will enable Australia to deliver on its 43% by 2030 emissions reduction commitment and its 82% renewables by 2030 target.

We must, at speed and scale, leverage our once in a hundred year opportunity to rapidly deploy renewables to power processing of our world leading critical minerals and strategic metals and manufacture cleantech supply chain onshore. This is the essential foundation of Australia's future economic prosperity and jobs growth as a zero-emissions trade and investment leader in a world racing toward net zero. This is the Albanese Government's plan under a Future Made in Australia.

A failure to grasp this opportunity, if we were to follow the Coalition down its nuclear road to ruin, would be unconscionable, with the costs borne by future generations.