NT can assist with national energy security

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Chief Minister Adam Giles has spoken to new federal Environment and Energy Minister Josh Frydenberg to offer the Northern Territory’s support for reform of the National Electricity Market.

Mr Giles said he discussed with Mr Frydenberg the use of Northern Territory gas to support the reliability of electricity generation in southern states.

Mr Frydenberg has indicated he will convene a meeting of the Council of Australian Governments energy council to discuss issues arising from South Australia’s recent energy crisis.

In the Australian Financial Review, Mr Frydenberg said SA's experience with higher and more volatile wholesale power prices had arisen due to factors including severe weather, a power cable outage and higher reliance on intermittent generation.

“The Northern Territory stands ready and able to assist other states with a reliable supply of cost-effective, low-emissions natural gas,” Mr Giles said.

“It’s recognised that if the industry reaches its full potential in the Northern Territory it will create 6000 extra jobs and generate hundreds of millions in royalties, which the Country Liberals will invest in education.

“These are jobs that Labor doesn’t support.

“We have a plan for growing the economy, growing jobs and improving our lifestyle.”

Mr Giles said Labor’s policies to shut down the gas industry and introduce a 50 per cent renewables target were damaging the NT economy and undermining national energy security.

In his Budget reply speech on May 25, Opposition Leader Michael Gunner said: “A Territory Labor Government will adopt a renewable energy target of 50 per cent …”

But Mr Giles said Labor had failed to explain how this could be achieved.

“We know that converting Alice Springs to solar will cost between $1.5 billion and $2 billion, and increase electricity prices by upwards of 400 per cent,” Mr Giles said.

“Effectively this means Labor would push up a household’s quarterly electricity bill from $1000 to $4000.

“The estimated capital cost to install solar in Alice Springs comes from Territory Generation and was independently
verified by global engineering firm Aurecon.

“I like solar, I use solar hot water at my home, but I’m not going to support something that will force up electricity prices 400 per cent in the Territory.

“Labor needs to release costings now, two months since they made the commitment, so the figures can be verified.”

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