

RAAF airlift of generators rejected by South Australia

David Crowe, The Australian, 12:00AM October 11, 2016

The Turnbull government has prepared an emergency plan to fly generators into South Australia to help major employers keep operating after the statewide blackout, mapping out a back-up plan as key industries wait for full power to be restored. The Royal Australian Air Force is ready to fly the generators into key industrial areas such as Port Augusta or to major manufacturers like troubled steelmaker Arrium.

The “standing offer” remains on the table after being drafted two days after the September 28 blackout, but the South Australian government has decided it can get its electricity grid up and running without federal help.

The federal authorities prepared the plan behind the scenes on the Friday following the Wednesday outage after officials identified four large generators in Tasmania that could be flown to Port Augusta by RAAF transport planes at short notice. Amid a furious row over how the state grid went black, the federal proposal highlights the divide between Canberra and South Australia and raises questions about the judgments made on whether to use the back-up power at a time when the state grid is yet to return to full capacity.

Arrium administrator Mark Mentha confirmed to The Australian that the offer was put to the company more than a week ago as an emergency measure to prevent the company’s furnaces “going cold” and wrecking its steel. The plan involves four mobile generators capable of supplying a combined 100 megawatts of electricity, enough to run all of Arrium’s steel and mining operations and provide power for others. The generators were sent to Tasmania earlier this year to help Hydro Tasmania provide power after the failure of the Basslink connection to Victoria, but they had served their purpose and were available to be taken to South Australia.

Industry Minister Greg Hunt helped prepare the plan in talks with Energy Minister Josh Frydenberg and Resources Minister Matt Canavan.

Mr Mentha, whose firm KordaMentha is overseeing Arrium after the company went into administration in April, was interested in the proposal but BHP Billiton, which runs the Olympic Dam mine in the north of the state, was planning to bring in its own generators. The proposal could not proceed without formal approval from the South Australian government, which had to request the assistance under standing agreements between Canberra and the states. South Australian Treasurer and Energy Minister Tom Koutsantonis said officials assured him there was no need for the federal help.

“We could get the grid up before the back-up generators were operational,” he said. “If we’d needed the generators, I would have done it but all the advice was that we would have the network up in time.”

Mr Mentha said he had been impressed with the help from governments and power suppliers in the wake of the storm. “The South Australian government and Tom Koutsantonis and SA Power Networks and ElectraNet have done everything possible for us — I couldn’t fault them,” he said.

But power remains out in key areas, with SA Power Networks warning of shortages in the north of the state and ElectraNet still working to restore all the transmission lines. ElectraNet said late yesterday that repairs to transmission lines in the state’s Mid North had got one of

the damaged lines back up and energised. “Another circuit will follow in a few days, provided weather conditions remain stable,” it said.