

## Terry McCrann: Daniel Andrews told 6 million to get stuffed

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WHAT about the other six million Victorians, Mr Premier? Don't they deserve to keep their lights on, their fridges and air conditioners working, their businesses functioning, their jobs?

Daniel Andrews is prepared to go to extraordinary lengths to "look after" about 400 workers in Gippsland. His government is tipping in \$20 million of taxpayer money to fund a bizarre redundancy scheme for 150 workers in the power industry. It will keep that many — but only that many — in a job, of the 1000 or so Hazelwood workers who are headed for the scrap heap with the power station.

Even more bizarrely, he's committed to buy the Heyfield timber mill — which his government is deliberately driving out of business! — if a private sector buyer doesn't step up, and to then pretend to keep it operating.

But as for doing something for the other six million or so Victorians, by keeping the Hazelwood station open — the station which produces around 20 per cent of Victoria's power, and anywhere between 20 and 40 per cent of South Australia's power as well when the "wind don't blow" over there?

Well, nah, can't be bothered; not a big deal — six million Victorians should each go buy a candle, is effectively the Premier's response.

Now let me say upfront, I am 100 per cent behind keeping the Heyfield mill open and the 260 workers in their jobs. If they go and the mill goes, the lights will also go flickering off across the town of Heyfield, whatever happens to its electricity supply. But I want to keep the mill working as a real operation, not as a government make-work pretend exercise, which is what buying it in the circumstances forced by Andrews would be.

The current owners would only opt to close because the slow strangulation of the mill's supply of logs renders it completely non-viable. They are not shutting to spite the government; closure is going to cost them serious money. This would just be confirmed if no other private operator would step up. And how can they, with the government-owned VicForests determined to squeeze the log supply?

So how would the mill suddenly become viable if the government and the taxpayer became the owner? Unless Andrews intends it to become a virtual-reality timber mill, operating with virtual-reality logs? And also, presumably, using virtual-reality electricity from Victoria's virtual-reality power stations?

That's one — in the scheme of things, tiny — group of workers Andrews is prepared to throw taxpayer money at; the other is some 150 "lucky" workers at Hazelwood. Andrews thinks he's actually done a very clever deal, with AGL the owner of the Loy Yang A power

station. The government will give it \$20 million to fund a voluntary redundancy scheme to boot 150 of its own workers; so 150 ex-workers from Hazelwood can take their jobs.

And what about the other 850 or so Hazelwood workers who are losing or who have already lost their jobs? Well, apart from the 250 or so workers who will have continuing jobs at the dead power station for a while,

Andrews has got the same message to them as to the other six million Victorians: Get stuffed.

As I wrote last month, there is only one thing a responsible government had to do, in the interests of all Victorians: take over the Hazelwood station and keep it at least partially operating. If it's good enough for the government to buy the Heyfield timber mill, indeed if it is good enough for the government to do a special deal to ensure the Portland aluminium smelter keeps getting electricity, surely it is absolutely mandatory for a government to actually keep that electricity flowing to all six million Victorians?

BIZARRELY again, the smelter deal is probably the straw that will end up tipping the state's power supply over the edge. The smelter's closure would have made "half rational" — or at least, bearable — the closure of Hazelwood.

Again, let me stress, I am absolutely not saying the smelter's closure would have been a good thing. To misquote Oscar Wilde, to lose one — Hazelwood — could be considered a misfortune; to lose both — Hazelwood and the smelter — would have been utterly disastrous for the state.

I'm just pointing out that the smelter soaks up close to 10 per cent of all the power used in Victoria (and in a rational world, is the perfect, steady-demand customer for a statewide base-load power system). This means that it was effectively taking one third to one half of Hazelwood's power — with the rest going to SA when the "wind don't blow" over there.

So just in arithmetical terms, closing the smelter (and, cutting the line to SA?) would have made "rational" the closing of Hazelwood. The reduced demand and reduced supply would have pretty much balanced out.

That though, is pure "Alice-in-Wonderland rationality".

Because even so, as was made blindingly, dangerously clear by events in both SA — when the wind blew too hard — and NSW, when the sun shone too strongly for too long, without Hazelwood we are likely to see blackouts in all three states if that happened again. Even with mild weather in Victoria.

Don't give the finger to six million Victorians, Mr Premier. Just keep Hazelwood open.

## **SLIDING TOWARDS PRECIPICE**

AUSTRALIA is sliding, seemingly inexorably and at an accelerating pace, towards the electricity generation precipice.

We are now facing the almost certain prospect that we are going to enter an extended period, running into years if not decades, of chronic power shortage.

We face blackouts next summer across the three southeastern states, Victoria, NSW and South Australia. Indeed, it's possible — but, hopefully, at this stage unlikely — they could come as soon as this winter. But if not then, or either by a miracle, next summer, they are all but certain after that.

At a functional level, averting the risk, the certainty, is easy. We just have to keep Victoria's Hazelwood coal-fired power station open.

On a day when it's hot both in NSW, so air conditioners are whirring, and also in SA, when wind turbines are generally not, Hazelwood has been the only thing that has already avoided blackouts in both those states.

What exactly do supposedly sane people think is going to happen the next time's there a similar combination of weather? Yes, weather, not "climate".

To say nothing of the most fundamental responsibility of leadership?

Yes, it makes basic sense to — eventually — close Hazelwood. And indeed, other coal-fired stations. Not because they are supposedly "dirty", defined by the amount of CO2 they emit — nothing like most of the coal-fired stations in India and China which really are dirty, pumping out dirty bits of grit.

Why don't we, incidentally, identify the "dirtiest" Australian, similarly defined by how much CO2 that "dirtiest" of 25 million "dirty" Australians, exhales each day? But close them because they really have reached the end of their lives. And close them, in an orderly way, where replacement base-load stations have been built.

Malcolm Turnbull's scheme to pump water uphill is as mad as Jay Weatherill's plan to build a big battery.

Both might keep the lights on for a few minutes. Then we go black.