

## **Frydenberg: no clean energy decision today**

Minister for the Environment and Energy, Josh Frydenberg, PM Malcolm Turnbull and Minister for Resources and Northern Australia, Senator Matthew Canavan. Picture: Kym Smith

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Energy Minister Josh Frydenberg says reform of Australia's national electricity market is urgent and requires a national response. However he ruled out any decision on a clean energy target at today's COAG meeting with his state and territory counterparts as some threaten to go it alone.

The energy ministers meeting in Brisbane today are expected to be briefed by members of Chief Scientist Alan Finkel's inquiry, electricity market regulators and the consumer watchdog.

The federal government has accepted 49 of the 50 recommendations from the Finkel Review, but is still considering the clean energy target proposal.

Ahead of the meeting, some state ministers have said if the commonwealth doesn't commit to a target, they'll look at implementing one without federal involvement.

On his way into the meeting this morning, Mr Frydenberg said the government was today seeking to make "substantial progress" on implementing the recommendations of the Finkel review.

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No time for light bulb moments "There will be discussion about the clean energy target, but ... we received the report just five weeks ago," Mr Frydenberg said.

"We need to get this right. Dr Finkel made it very clear that the clean energy target, if it would be implemented would be from 2020, so there is no rush. What is important is to get the policy right."

Responding to comments from the chair of the Coalition's energy policy committee Craig Kelly that "people will die" in winter as a result of renewable energy policies making power unaffordable, Mr Frydenberg said the government had made a supplement available to help pensioners deal with increasing electricity prices.

"The Turnbull Government has made that supplement available, \$75 for individuals, \$125 for couples, because we are aware the pressure of rising electricity prices is having on the household budget, particularly for those vulnerable Australians, and those older Australians with particularly tight budgets," Mr Frydenberg said.

“The best way to drive down electricity prices is to get reform to the market, and that is what the meeting today will focus on, and I am confident that we can make substantial progress on the Finkel recommendations.”

Mr Frydenberg said the government would also restrict gas exports because gas is increasingly setting the price of electricity.

“By doing that, we will ensure that electricity price also be lower over time,” he said. Mr Frydenberg was unequivocal about Australia sticking with its commitments to the Paris agreement, despite Mr Kelly suggesting we should join US President Donald Trump in abandoning the accord. “We signed up and ratified the Paris agreement, one of more than 150 countries to do so,” he said.

“Our commitment of a 26-28% emissions reduction target by 2030 on 2005 levels is substantial, and one we are committed to achieving. “Just as we beat our first Kyoto target, we are on track to beat our 2020 target by 224 million tonnes, and I’m sure we will beat our 2030 target.

“So we’re not pulling out of Paris, we are committed to it, and we are ensuring that we can reduce emissions in the most cost effective way, ensuring that we never compromise the security and the affordability of our electricity system.”

Going into the meeting, Queensland Energy Minister Mark Bailey said the Labor states would take matters into their own hands if an agreement couldn’t be reached. “In the absence of (a resolution) today, it will be the states here who will be writing to the Australian Energy Market Commission, and asking them to get design work started on a Clean Energy Target,” Mr Bailey told reporters in Brisbane.

His South Australian counterpart Tom Koutsantonis agreed, but said he believed Mr Frydenberg was trying to bring the “divided” coalition together on the issue. “So what we’re saying is let’s get on with the work, we can’t wait for you to fix your internal issues,” Mr Koutsantonis said.

Can’t stop the states from going it alone

Labor frontbencher Anthony Albanese earlier said the government could not stop the states from going it alone on a clean energy target. But his Liberal counterpart Christopher Pyne said what the states and territories should be doing is removing their moratoria on gas exploration. “That is fuelling higher energy prices, pardon the pun,” Mr Pyne told the Nine Network. “The states can’t try to push this off onto the commonwealth.

“We are doing our bit and we are stopping gas companies from being able to export their gas until they have provided enough here for domestic users, but we need more gas being created and that means we need more exploration.”

Mr Albanese accused Mr Kelly of trying to lift his own profile with his controversial comments. “Craig Kelly might want to go back to the 1950s with Tony Abbott but he shouldn’t ask all Australians to go back and keep him company,” he said. “What the Finkel report said very clearly, done by Australia’s chief scientist, is that renewables would be the

cheapest form as energy as we go forward. “That is why they recommended it. We need national leadership on this issue. This is a failure of national leadership. “The fact that today we are having a national energy ministers meeting whereby the commonwealth isn’t able to say that they support the recommendation that they themselves commissioned for a clean energy target, this is an abrogation of Commonwealth leadership and Australians are paying the price.”

PM “hopes” people won’t die due to rising energy costs Asked whether Mr Kelly was right that people would die because of rising energy costs, Prime Minister Malcolm Turnbull said: “I absolutely hope not.”

“I can assure you we are doing everything we can to bring downward pressure on energy prices,” Mr Turnbull told the Seven Network.

“My government is taking the unprecedented action of limiting exports of gas from the east coast of Australia to ensure that there is adequate gas supply in the market, because the principal reason for the recent increase in energy prices has been the big increase of the price of gas and that has been driven by a shortage because more of the gas is being exported and there is not a mark now for the domestic market.” Mr Turnbull downplayed Labor calls for him to sack Mr Kelly as chair of the government’s energy policy committee on energy. “Everyone is entitled to their opinion,” he said.

“Clearly people who cannot afford to keep themselves warm, particularly if they are old, during the winter obviously face real challenges. “What I would just say is that I recognise, we understand household energy costs, power bills have doubled over the last 10 years for the average household, that is being driven by a number of factors but the most recent rises have been driven by the price of gas.”