

## Nationals still not sure NEG will lead to lower power bills



Australian Deputy Prime Minister Michael McCormack. Picture: AAP

Joe Kelly, The Australian, 12:00AM June 29, 2018

Nationals MPs are publicly demanding “proof” the government’s national energy guarantee will drive down prices and have confirmed there was a partyroom push to create a new fund of up to \$5 billion to underwrite base-load generators, including coal-fired power.

Labor seized on unrest within Nationals ranks yesterday to heap pressure on Malcolm Turnbull, asking the Prime Minister in question time whether he would use taxpayer money to fund new or existing coal-fired generators.

Opposition energy spokesman Mark Butler has signalled Labor could oppose the NEG if the policy facilitates subsidies for coal, with Mr Turnbull refusing to say whether government assistance is on the table. “The government’s policy is technology-agnostic and facilitates investment in all forms of generation,” he said. “Our focus is on reducing energy prices. That is what our policy is directed at.”

Victorian Nationals MP Damian Drum yesterday told Sky News his colleagues had pushed for a government fund of up to \$5bn to help underwrite the delivery of reliable energy including coal-fired power generation. “There are some in the party that do want it,” Mr Drum said.

The Australian revealed yesterday that Nationals leader Michael McCormack had been charged with raising a set of “discussion points” directly with Mr Turnbull, headlined by the fund of up to \$5bn. However, Nationals MPs were still uncertain yesterday of the outcome of any meetings between the two leaders.

While Mr Drum said the Nationals were “fully supportive” of the guarantee, he also argued the minor Coalition party was “asking for further proof” on the policy that is being championed by Energy Minister Josh Frydenberg.

“The Nats want to see unequivocal evidence,” he said.

Mr Drum said his colleagues were focused on ensuring any new policy brought down power prices, but appeared uncertain about whether the guarantee would achieve that objective and described it as a “complex beast”.

Asked if he was certain prices would come down under the policy, Mr Drum replied: “No, I’m not sure but I’m of that belief.”

Mr McCormack said his party supported the NEG but emphasised the need to drive down power prices as a key objective. “We continue to work on an energy plan which can deliver reliable energy supply while lowering costs and reducing emissions to meet set targets,” he said.

Former Nationals leader Barnaby Joyce said the key issue on which the government should focus was power price reductions for households and businesses. “I don’t really care what AEMO (Australian Energy Market Operator) says. I don’t really care what any minister says. I’ve listened to all these models and theorists and theories before,” Mr Joyce told The Australian.

“There is only one person I’m going to listen to and that is the person at 123 Smith Street who receives a white envelope with a little transparent window in the front of it — and it’s called the power bill.”

AEMO was forced to intervene in the market yesterday afternoon to ensure security of the South Australian grid was maintained. An AEMO spokeswoman would not disclose the specific reason for the notices, citing confidentiality clauses with commercial operators, but said the action would be in effect until 5pm today.

Additional reporting: Luke Griffiths