

Tony Abbott dismisses business pleas for energy policy stability AFR, Phillip Coorey, June 28



Former Prime Minister Tony Abbott during Question Time at Parliament House in Canberra on Wednesday 27 June 2018. fedpol Photo: Alex Ellinghausen Alex Ellinghausen

Former prime minister Tony Abbott has dismissed the energy policy concerns of the agriculture, mining, manufacturing and business sectors as those of vested interests trying to game the system.

Mr Abbott, who is leading an internal push to scuttle the National Energy Guarantee, said he was unmoved by direct appeals by business to Coalition MPs on Tuesday to get behind the NEG. They all argued they supported the policy and it was the last chance for a political consensus which has been missing for more than a decade and which has caused high prices and increased volatility.

Those who spoke to the Coalition and answered questions included representatives of BHP which is one of the nation's biggest energy users, BlueScope Steel, the Business Council of Australia, the National Farmers' Federation, the Minerals Council of Australia and the Australian Industry Group.

Speaking on radio 2GB on Wednesday, Mr Abbott was dismissive, saying many of the same groups had previously wanted the Coalition to support Labor's proposed emissions intensity scheme. He said he was "sceptical about businesses with a vested interest in gaming the system". "There are many of

them with a vested interest in gaming the system and they are gaming the system," he said.

He then singled out AGL Energy which was not among the groups or sectors to brief the Coalition MPs. He accused AGL of wanting to decommission the Liddell power station in NSW in 2022 so it could drive up the price of power. "It doesn't care about blackouts, it doesn't care about keeping prices down," he said. "What AGL wants right now is not in Australia's interests."

The NEG would bind energy retailers to source electricity which would have to meet both a reliability target and a target to reduce the sector's emissions by 26 per cent by 2030 on 2005 levels.

Industry, business, the government and the Energy Security Board which designed the NEG say it will introduce policy stability that will end the investment strike in the power, guaranteeing supply and lowering prices.

Energy Minister Josh Frydenberg will seek the support of the states at a meeting in August and then allow the Coalition party room to scrutinise the legislation before it is put to Parliament.

Mr Abbott said the "legislation should be approved by the party room first and the "Labor premiers" made to agree with Coalition policy, not the other way around.

He said any deal approved by Labor premiers would enable federal Labor, if elected, to ramp up the emissions reduction target.

He accused Mr Frydenberg of being so keen to get a deal, "that's what will happen".

Mr Abbott made the same push in the party room on Tuesday but was outnumbered by colleagues who back the NEG and have grown tired of their former leader.

Labor believes the emissions reduction target should be 45 per cent. Shadow energy and climate change minister Mark Butler is watching the policy development carefully and has warned the government about legislating to lock in the 26 per cent for the full 10 years from 2020 until 2030.