



A NEW VICTORIAN ECONOMY CLEANING UP OUR ENERGY SYSTEM

The Greens' plan to remove coal fired power that is no longer needed

With our excess power supply and urgent need to address global warming, Australia faces a simple decision. We can either transition away from the oldest and dirtiest coal power stations, creating jobs along the way or we can destroy our new, clean, efficient renewable energy industry - which Abbott and Napthine want to do.

We have a choice of chaining ourselves to the past or embracing the future. With 9000MW more energy than we need in Australia, there has never been a better time to transition from polluting coal to renewable energy.

Victoria has more energy than it needs and the average age of its power plants is a staggering 40 years old. With Victoria hosting the dirtiest energy in the country, this is a unique chance for the state to make a national contribution to dramatically reduce Australia's emissions and set up Victoria for the jobs rich energy mix of the future.

Victoria can phase out Australia's dirtiest polluting power stations without risking any blackouts or price spikes and deliver serious climate benefits without a single taxpayer dollar being spent.

> CREATING A CLEAN ENERGY STATE IN VICTORIA

As part of the Greens national plan to remove unnecessary coal generators in each state, Victoria is the priority. If Victoria was a country, it would be the world's fifth biggest producer of brown coal.ⁱ

The Australian Energy Market Operator has identified up to 2200 Megawatts (MW) of brown coal generation that is no longer needed in Victoria in 2015.ⁱⁱ A further 1450-3100MW can be taken out of the system in 2023.

The Greens plan, working in combination with the new clean power being brought on line by the Victorian Renewable Energy target, will:

- Phase out Hazelwood, Anglesea and one of Yallourn's four units in 2015.

- In 2023, the other three units of Yallourn and Loy Yang B can be retired.

- This would remove 21 million tonnes of CO₂ from Victoria every year from 2023 and reduce the pollution intensity of Victoria's power system by a massive 27%.

The Greens plan will require amendments to the *Electricity Industry Act 2000 (VIC)* or require the Minister to withdraw generation licences.

All this will occur without any taxpayer funding going to coal generators. Over the past few years of the Napthine/Baillieu government, our brown coal power stations have received over \$1.8 billion in public money. They don't need a cent more.

It will create a steady stream of local jobs in the LaTrobe Valley and Anglesea as the rehabilitation of mines and decommissioning of power stations requires a significant workforce stretching well over a decade.

> EXCESS CAPACITY

Australia's two independent Energy Market Operators have identified excess capacity in each Australian state that can be removed without affecting the reliability of electricity.ⁱⁱⁱ

Many coal plants are either underperforming or not operating, but they are refusing to close down in the hope of more government hand-outs - whether through Direct Action or winding back the Renewable Energy Target which the government's own review acknowledged would improve the asset values of coal generators by \$9.3 billion.^{iv}

The Greens plan would re-boot Australia's inevitable transition to a clean energy system without taxpayer handouts.



For as long as these big polluters are waiting for government payments, they are undermining the opportunity for new investment and jobs that large clean energy projects create.

These old plants are risking community certainty because they can close at any time and throw people out of work unexpectedly.

Further, old mothballed plants are also creating a false sense of energy security because they say they can turn on when needed. But because they are not bringing in any revenue, they won't invest in maintenance. As AGL has acknowledged this means 'forced outage rates will increase and over time security of supply will become less certain.'^v

> A JOBS RICH TRANSITION

With the non-stop technological advances in renewable energy, the rapid decline in construction costs and the fact that clean energy is already cheaper to run than fossil fuels, the end of the coal age is inevitable.

In the last two years the Australian coal industry has shed more than 10,000 jobs, and half a dozen coalmines have closed^{vi} while earlier this month Redbank power station in NSW announced its closure.^{vii}

The uncertainty faced by workers in places like the LaTrobe Valley can, and should, be resolved. We cannot let these communities stagnate.

Rehabilitating coal mines and decommissioning generators is full of jobs-rich potential if done under a planned and staged program. A majority of LaTrobe Valley residents^{viii} and the local CFMEU want rehabilitation plans brought forward.^{ix} The Greens are determined to create these jobs now.

Mine rehabilitation across the Latrobe Valley, according to Environment Victoria would create around 450 skilled and unskilled jobs for more than a decade and provide a billion-dollar economic stimulus to the region.^x

There is also the great opportunity to replicate what is already occurring in places like Nottingham in the UK, where massive solar farms are being built over the top of disused coal mines.^{xi} These transitional projects keep employment local and make the most out of existing grid infrastructure on their door step.

Renewable energy is a jobs rich industry with more people already employed putting solar panels on rooves than in the entire coal mining industry.^{xii} Clean energy is not a threat but an employment opportunity for places like Anglesea and the LaTrobe Valley.

The Greens' jobs plan will create a LaTrobe Valley taskforce, comprised of members of the local community, and teamed with experts in planning, employment and consultants from government and the private sector. The taskforces will:

- **Create staged plans of moving from rehabilitating one section of a mine site to the next. This would ensure a constant stream of jobs in capping spent coal batters and establishing revegetation for many years to come.**
- **Engage with the coal companies and local authorities to get the most out of the legally required plant decommissioning and remediation work plans.**
- **Work with ARENA and CEFC to fast-track the construction of solar farms and renewable projects over disused mines.**
- **Implement the re-training and transition work-plans that the community itself has prioritised to diversify their local employment.**

The Commonwealth's Building Stronger Regions Fund will ensure this taskforce is well-resourced, closely connected to the community and can support the necessary training, work plans and grant applications that the community itself has determined.

ⁱ <http://www.worldcoal.org/resources/coal-statistics/>

ⁱⁱ Australian Energy Market Operator 2014 *Statement of Opportunities* page 2.

ⁱⁱⁱ Australian Energy Market Operator 2014 *Statement of Opportunities* page 2. Independent Market Operator of Western Australia 2013 *Statement of Opportunities* page 73.

^{iv} ACIL Allen *RET Review Modelling* 7 August 2014 page 48.

^v See footnote i; page 19.

^{vi} Matthew Stevens *Australian Financial Review* "Aussie coal doing more with less" 25 July 2014.

^{vii} Tristan Edis *Business Spectator* "Another coal power station bites the dust" 5 November 2014.

^{viii} Louis Nelson *LaTrobe Valley Express* "Mine rehab an election winner?" 13 November 2014.

^{ix} Louis Nelson *LaTrobe Valley Express* "Jobs Ripe for the Taking" 8 September 2014

^x Environment Victoria *Preventing the Preventable* October 2014 pages 3 and 6.

^{xi} Anesco to transform former collieries with 30MW solar array <http://www.ansco.co.uk/ansco-to-transform-former-colleries-with-30mw-solar-array/>

^{xii} Sophie Vorrath *RenewEconomy* "Solar Industry provides far more jobs in Australia than coal" 29 July 2014.