

Australia abandons coal power plant closure plans

September 6 2012



Coal is stockpiled at the coal port of Newcastle in Australia's New South Wales state in April 2012. The Australian government Wednesday walked away from talks to close down some of the nation's highest-polluting, coal-fired, power stations, in a move condemned by its key coalition partner the Greens.

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Resources Minister Martin Ferguson said Canberra had ended its negotiations with the power sector—a major producer of [greenhouse gas emissions](#) in Australia—because the electricity firms wanted too much compensation.

The talks centred on the closure of five coal-fired plants with 2,000 megawatts of capacity from 2016 as part of the government's plan to

reduce carbon emissions by five percent of 2000 levels by 2020.

Ferguson said the government had a set amount of compensation above which it was not prepared to go and there was a "significant difference" between what the companies wanted and how much was on offer.

"I think the Australian community expects us to pursue those negotiations on the basis of what is fair value, because in the end we're dealing with taxpayers' money," he told reporters.

Ferguson stressed that it was just one component of the Labor government's pollution reduction policy, which includes renewable energy targets and a [carbon tax](#) paid by major [industrial polluters](#), which will transition to a European Union-linked carbon [emissions trading scheme](#) in 2015.

The conservative opposition accused centre-left Labor of abandoning the power station plan in a bid to save money and achieve a budget surplus in 2013 as promised.

The environment-focused Greens party, a key partner in Labor's [coalition government](#), condemned it as "short-sighted" and called for Ferguson to scale back industry compensation offered as part of the carbon tax plan.

"This is a breach of the commitment made to the public and to the planet to close down our dirtiest coal-fired power stations," said Greens leader Christine Milne.

Australia is among the world's worst per capita polluters due to its reliance on coal-fired power and mining exports.

Electricity generation accounted for 35.3 percent of Australia's total

pollution in the year to March, representing 193.1 million of the 546.8 million tonnes of carbon dioxide equivalent emitted.

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Citation: Australia abandons coal power plant closure plans (2012, September 6) retrieved 26 June 2024 from <https://phys.org/news/2012-09-australia-abandons-coal-power-closure.html>

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