

# Jay Weatherill's 'no offer by Alinta' claim stuns business chiefs



South Australian Premier Jay Weatherill. Picture: Kelly Barnes

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Business leaders have been left stunned after Jay Weatherill, during a debate a year out from the next state election, claimed that Alinta Energy had made no offer to keep the state's last coal-fired power station open.

This is despite *The Australian* in August revealing correspondence between Alinta Energy and state Treasurer Tom Koutsantonis, obtained under Freedom of Information laws, in which the government rejected a transition plan to keep the Northern power station in Port Augusta open until 2018. The plant permanently shut in May, with immediate price surges of almost 75 per cent and a wind-reliant grid that has led to a spate of blackouts.

The government is continuing to deny access to 12 documents sought under FOI by the opposition, which are being reviewed by the ombudsman, and will not reveal how much financial assistance was sought by Alinta.

Yesterday, during a pre-election leaders' debate hosted by Business SA and the Property Council, Mr Weatherill was asked by Opposition Leader Steven

Marshall to “tell the 650 people here today” how much Alinta wanted to keep its baseload power station open to help with the transition to renewable power.

“It was put to you, it was put to cabinet, and it was rejected — tell us now whether it was much higher than the \$550 million energy plan you’re now putting on the people of South Australia.”

As the audience applauded, the Premier shook his head. “They (Alinta) were never offering to do that, simple as that,” he said. Pressed by the debate moderator, the Premier insisted there was “absolutely” no offer on the table, but later said he would not reveal what Alinta had asked for.

FOI documents show Alinta took a firm transition plan seeking financial support to the government on May 6, 2015. A fortnight later, Mr Koutsantonis rejected the approach, advising chief executive Jeff Dimery that “the support requested would not be forthcoming”.

In a follow-up letter to Mr Dimery, the Treasurer said: “The government considered Alinta Energy’s revised proposal and is unable to accommodate the - significantly increased funding request.”

Mr Dimery said in June 2015 that despite talks with the government to stay open, its policies to promote high levels of renewable energy generation had forced the power station’s closure.

Mr Weatherill this week recommitted SA to its 50 per cent renewable energy target, saying it had almost been achieved.

Opposition energy spokesman Dan van Holst Pellekaan last night said voters had the right to know what it would have cost to keep the Northern power station operating. He said it was understood the support requested by Alinta was less than 10 per cent of the \$550m cost of the Weatherill government’s energy strategy.

“If there was no offer then why is a confidentiality gag in place and why is the government fighting 12 Freedom of Information applications?” he said.

The debate came a day after Mr Weatherill traded insults with federal Energy Minister Josh Frydenberg at an AGL announcement in Adelaide. Mr Frydenberg labelled the state’s new energy policy as the Premier’s “\$550m admission of failure”.

Mr Weatherill on Tuesday said the state would “go it alone” and released a six-point energy plan.