

INQUIRY INTO GENTRADER TRANSACTIONS

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Submission

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Privatisation is not the solution for NSW energy production because of the disastrous environmental impacts caused by the projected increase in CO2 emissions. We will diminish our ability to create employment in regional areas that could see clear benefits from public investment in large-scale renewable energy projects. Relocalization through the building of communities involved in the green energy revolution is also an intelligent way to ease the congestion in our cities.

Many valid reasons for opposing this asset sale exist and they include

- An increase in household power bills to make profits for the gentraders
- Subsidised coal prices thwart our transfer to cleaner forms of energy because they are then less financially competitive
- Less control of our ability to reduce greenhouse gas emissions if the private sector manages the generator outputs
- Sabotaging the incentives to reduce power consumption
- Unnecessary plans to build a number of new coal or gas powered sites for baseload electricity, when other sustainable options exist
- The need to decentralise and create small scale renewable energy systems using smart grids to manage the demand

The contracts associated with the NSW governments power privatisation plan are disturbing because although it appears that future coal purchases are no longer the government's responsibility, there is no guarantee that the community may ultimately pay for other costs, that have not been disclosed, as a result of the secretive nature of the deal. The real costs of this asset sale must be evaluated and made public.

Destroying a valuable income stream for such a poor return is bad economics and is strongly opposed by the majority of voters in NSW. Privatisation of the power industry was not an election issue and the government had no mandate to do so.

Yours sincerely,

Prudence Wawn