

Date: 19 June 2024

## **SACOME welcomes Coalition's Zero-Emissions Nuclear Policy announcement and supports a bipartisan push for Nuclear Adoption**

**The South Australian Chamber of Mines & Energy welcomes the Federal Coalition's Zero-Emissions Nuclear Policy Announcement, which includes Port Augusta as an identified location.**

South Australia has been at the forefront of the energy transition nationally, with over 70% of our energy generation coming from renewable sources. However, this transition has significantly impacted the State's commercial and industrial base, with SACOME analysis identifying that system security costs charged by AEMO have escalated by over 200% since 2016, with no signs of this trend abating.

Whereas previously system security costs were barely a feature, commercial and industrial customers have reported these costs now represent 20-30% of their electricity bills.

SACOME has previously made submissions to the Commonwealth Government regarding the need to lift the country's nuclear prohibition and provide optionality to both current and future governments in meeting the nation's prospective energy needs.

In 2015, a Royal Commission was conducted into South Australia's future role in the Nuclear Fuel Cycle. The Commission, led by former South Australian Governor Kevin Scarce, [delivered its final report in May 2016](#) and recommended that the South Australian Government "*pursue removal at the federal level of existing prohibitions on nuclear power generation to allow it to contribute to a low-carbon electricity system, if required.*"

Since the Commission, no South Australian Government of any political persuasion has pursued this recommendation, or undertaken preparatory work necessary for the establishment of nuclear.

SACOME notes comments made by the Hon. David Spiers, Leader of the Opposition in his 2024-25 State Budget reply speech stating his support for revisiting the Nuclear Royal Commission process and examining options for a future nuclear fuel cycle in South Australia.

Consistent with its long-standing policy position, SACOME sees considerable value in bipartisan discussion of nuclear and welcomes further action in this regard.

In 2022, SACOME commissioned a community sentiment survey of 600 South Australians to evaluate the views of the public for a balanced conversation on nuclear energy.

### **South Australian Chamber of Mines & Energy**

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The survey found that 75% of South Australians support having an *"informed and balanced conversation about having a nuclear energy industry in South Australia"*.

58% also support progressing the necessary political dialogue and regulatory reform to enable future nuclear energy use in South Australia; while more than 6 in 10 adults agree that, given the continuing cost and reliability issues present in the Australian Electricity Market, all energy sources - including nuclear - should be considered.

SACOME has consistently called on both major parties to provide funding for government agencies to undertake the work necessary to ready South Australia as part of a national nuclear program.

Opposition to nuclear in recent times has focussed on the levelised cost of energy (LCOE), with little regard to the impact of escalating energy costs on the viability of manufacturing sector in South Australia, nor the immense scale of decarbonised energy needed to transition global economies.

The Malinauskas Government's State Prosperity Project is reliant upon the delivery of industrial heat to support three smelters producing copper, critical metals, iron and steel.

The South Australian Government is presently committed to the increased rollout of renewables and hydrogen, technologies which are currently unproven at scale.

Consistent with SACOME's 'energy agnostic' position, nuclear is a proven source of industrial heat that can support the State Governments ambitions for a net zero future, subject to the appropriate regulatory frameworks and strategic planning being in place.

While SACOME does not wish to revisit the uncertainty and disorder that has characterised energy policy debate over the last decade, nuclear should be included by decision makers and regulators as a reliable, efficient, small-footprint and net-zero power source.

SACOME encourages the State Government to implement measures that build South Australia's nuclear readiness and help to keep South Australia at the forefront of the national energy transition while supporting the decarbonisation of heavy industry and economic growth in our State.

### Comments attributable to Rebecca Knol, CEO SACOME

*"SACOME supports the Coalitions Nuclear Policy which provides a sensible pathway to energy security, utilising existing infrastructure and industry expertise."*

*"Nuclear is a safe, reliable and affordable energy source, capable of generating baseload power with zero emissions."*

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*"Coupling modern reactor technology, with the State's abundant uranium, natural gas and renewable energy sources can facilitate rapid decarbonisation and ensure our State and its industry has access to dependable and affordable power."*

*"The findings from the Royal Commission remain relevant today. There is a need to pursue removal at the federal level of existing prohibitions on nuclear power generation to allow it to contribute to a low-carbon electricity system "*

*"SACOME has consistently called for an Energy Transition Plan. Eight years into the energy transition, South Australia remains without a transitional pathway and continues to have the highest electricity prices in the nation."*

*"While SACOME recognises that the State has committed to energy path dependency through an ever-increasing reliance on renewables and nascent hydrogen, we continue to call for all viable energy technologies to be included in a South Australian Energy Transition Plan."*

*"Australia is the only G20 nation that is not using or considering nuclear energy due to a Federal legislative prohibition. South Australia hosts 25% of the world's uranium which we export around the world, enabling other countries to meet their decarbonisation targets, just not our own."*

*"An amendment to the Federal Environment Protection and Biodiversity Conservation Act 1999 – the removal of four words 'a nuclear power plant' – would allow industry to explore nuclear as part of South Australia's energy mix."*

**To learn more about nuclear energy visit: [www.sacome.org.au/nuclearenergy](http://www.sacome.org.au/nuclearenergy)**

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**About SACOME**

The [South Australian Chamber of Mines and Energy](http://www.sacome.org.au) is the leading industry association representing companies with interests and connections to the South Australian resources and energy sector.