

CSIRO nobbles nuclear (again) to support Labor's 'cheap renewables' fantasy

28 May—The Commonwealth Scientific and Industrial Research Organisation was once a world leader in inventing and developing technologies and industrial processes to improve the lives of Australians, and indeed all mankind. Now, under the direction of the Albanese Labor government, it is actively suppressing them, by producing junk research to support self-destructive policy prescriptions driven by ideology and fealty to vested interests.

The technology in question is nuclear power. The junk research is the annual “GenCost” report, produced in collaboration with federal gas and electricity market manager the Australian Energy Market Operator (AEMO), which purports to show that “firmed renewables” (wind and solar power backed by batteries, pumped hydro and/ or “peaking” gas turbines) are the cheapest pathway for Australia to achieve “net zero” greenhouse gas emissions, and nuclear the most expensive at nearly twice the price. Meanwhile the government refuses to countenance lifting the federal legislative ban on nuclear power, and thereby allow AEMO to do a proper costing in its biennial Integrated System Plan (ISP), despite having effectively admitted the ban is pointless—since if nuclear were really so uneconomical, the “free market” (of which Labor is no less enamoured than the Liberals) would never deign to invest in it anyway. Thus while almost all the world has by now come to see nuclear as absolutely necessary to achieving “net zero” without collapsing civilisation in the process, Australia—despite being by far the most uranium-rich nation on Earth—seems determined to remain both figuratively and, if coal plants continue to be shut down with nothing to replace them, soon literally in the dark.

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Excerpt of article by Richard Bardon, *Australian Alert Service*, 29 May 2024. [Download the PDF here to keep reading.](#)

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By Richard Bardon

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The 2022-23 GenCost report used blatantly deceptive modelling to hide the overall costs of “renewables” by ignoring the enormous expense of all the major transmission and storage projects which must be completed by 2030 to connect and support them as “bank costs”, while assigning arbitrarily high capital costs to the Small Modular Reactors (SMRs) the federal Opposition had proposed be installed on the sites of retiring coal-fired plants (thus requiring no new transmission infrastructure at all). In GenCost 2023-24 the CSIRO performs the same trick by misrepresenting certain economic metrics, and sneakily re-defining others to suit its own purposes. (But not being afraid of comparative longevity, efficiency and average availability of renewables versus both SMRs and large conventional nuclear plants; and even arbitrarily doubling the capital cost of the latter, to make renewables look competitive.

Misused metrics

First, it must be asked why CSIRO, “Australia’s National Science Agency”, is doing economic modelling in the first place, let alone modelling so clearly tailored to support political agendas with no regard to the actual science involved. This is true not only of its work in the field of energy; for example, in 2022 CSIRO published research purporting to show that the Bradfield water diversion scheme in North Queensland, to turn millions of hectares of Australia’s and interior into irrigated farmland, was “1. ‘Renewables are cheaper than coal-fired’”, *ABC*, 18 Aug. 2023, see also A. Morrison, “The high cost of locks that make renewables seem cheaper than they are”, *First Economics* (posting, 23 July 2023).

2. “CSIRO’s Bradfield scheme assessed a real-world fit”, *ABC*, 28 Sept. 2022.

Just one example of the massive difference in the construction costs of nuclear vs renewables, which the CSIRO has tried to distort.

“technically feasible ... [but] not commercially viable”. As the Australian Alert Service reported at the time, however, this conclusion was based on an economic premise adopted by Australian governments in the 1990s and early 2000s, that water projects must recoup their costs solely by the sale of water to irrigators. Where that premise applied historically, it would have stopped most of the infrastructure projects that built Australia—namely including the wildly successful Snowy Mountains Scheme that turned previously arid areas of the Murray-Darling Basin into Australia’s “food bowl” and drove a ten-fold increase in Australia’s nominal gross domestic product (GDP) between 1949 and 1974. In other words, CSIRO ignored the overall economic returns the Bradfield scheme would generate, in favour of a narrow focus on mere financial returns. Even were its electricity cost projections accurate it would at best have fallen into the same trap regarding nuclear power. But they are not—and deliberately so.

As noted above, a complete comparative analysis of the overall risks of various power sources, including transmission and firming, sought properly to be done not by CSIRO but by AEMO; and indeed it has been asked repeatedly by political leaders, analysts and energy industry participants to do so. AEMO agrees on its website that its ISP “demonstrates that new renewables with new transmission, firmed with hydro, batteries and gas—is the lowest cost way to supply electricity to Australian homes and businesses as coal-fired generation retires”, but adds that the ISP “does not model technologies that are not allowed under existing laws”—including nuclear, which is banned nationwide under the Australian Radiation Protection and Nuclear Safety Act 1998 and Environment Protection and Biodiversity Conservation Act 1999, as well as by state laws in Victoria (1983) and South Australia (2008). AEMO claims however that GenCost “shows that nuclear generation is higher cost and has a longer lead time than renewables backed by storage and transmission”.

The problem is that GenCost does not model full system costs. Instead its assessment is based on the so-called “levelised cost of electricity” (LCOE), which is calculated by dividing lifetime costs (i.e. of installation and operation) by the amount of energy produced by each