# Evaluating Australia's Energy Future: Renewable Energy vs. Nuclear Power

Submission to the House Select Committee on Nuclear Energy.

### Contents

Evaluating Australia's Energy Future: Renewable Energy vs. Nuclear Power
Executive Summary: Australia's Energy Future - Renewable vs Nuclear Power2
1. Introduction2
2. Overview of Australia's Current Energy Landscape3
2.1 Current Energy Mix in Australia3
2.2 Policy and Infrastructure Context4
2.3 Socioeconomic and Environmental Considerations4
3. Renewable Energy in Australia5
3.1 Carbon Budget Analysis for Renewable Energy5
3.2 Health Impacts and Costs of Renewable Energy5
3.3 Financial Costs of Renewable Energy6
4. Nuclear Energy in Australia8
4.1 Carbon Budget Analysis for Nuclear Energy8
4.2 Health Impacts and Costs of Nuclear Energy8
4.2 Einancial Costs of Nuclear Energy
4.5 Financial Costs of Nuclear Lifergy
5. Environmental and Socioeconomic Implications
<ul> <li>5. Environmental and Socioeconomic Implications</li></ul>

## Executive Summary: Australia's Energy Future -Renewable vs Nuclear Power

This report evaluates the viability of renewable energy and nuclear power as Australia seeks to transition away from fossil fuels and meet its net-zero emissions commitments by 2050. The analysis compares both energy pathways across environmental, health, financial, and socioeconomic dimensions.

#### **Key Findings**

#### **Renewable Energy**

- Demonstrates lower lifecycle emissions (3-25 gCO<sub>2</sub>/kWh) and significantly reduced capital costs
- □ Allows for modular, staged deployment with shorter implementation timelines
- □ Creates substantial employment opportunities (projected 45,000 jobs by 2030)
- □ Faces challenges with intermittency and storage requirements
- □ Currently supplies approximately 30% of Australia's electricity needs

#### Nuclear Power

- Offers reliable baseload power with low operational emissions
- □ Requires substantially higher initial investment and longer development timelines
- □ Faces significant challenges including:
  - High construction and decommissioning costs
  - Complex waste management requirements
  - Lack of domestic expertise and infrastructure
  - Potential community opposition
- □ International examples show consistent cost overruns and delays

#### **Financial Implications**

- □ Renewable projects demonstrate greater cost-effectiveness with levelized costs of:
  - Solar PV: AUD 35-55/MWh
  - Onshore Wind: AUD 50-65/MWh
  - Compared to Nuclear: AUD 80-140/MWh

 Nuclear projects globally show significant cost escalations, often 2-4 times initial estimates

#### Recommendations

Given Australia's abundant renewable resources, existing infrastructure, and the urgency of emissions reduction targets, renewable energy presents a more viable immediate pathway forward. While nuclear power could potentially provide valuable baseload capacity, the extensive timeframes and investment required for implementation make it less suitable for meeting near-term climate objectives.

The optimal strategy involves:

- 1. Accelerating renewable energy deployment
- 2. Investing in energy storage technologies
- 3. Modernizing grid infrastructure
- 4. Maintaining flexibility for future energy mix adjustments

This approach aligns with Australia's economic and environmental goals while minimizing implementation risks and maximizing speed of deployment.

## 1. Introduction

The ongoing global climate crisis, coupled with pressing energy demands and policy imperatives, has intensified Australia's need to reconsider its energy infrastructure and sources. As Australia strives to meet its international commitments to reduce greenhouse gas emissions, such as those outlined in the Paris Agreement, the Federal Government is examining sustainable energy pathways to balance economic growth with environmental and health responsibilities. The House Select Committee on Nuclear Energy has initiated a call for expert submissions to evaluate the viability of nuclear power as a potential component of Australia's energy mix. This report addresses this inquiry by presenting a rigorous, comparative analysis of renewable energy and nuclear power across key metrics: carbon budgets, health impacts and costs, and overall financial implications from production to decommissioning.

This analysis aims to provide a comprehensive evaluation of the environmental, social, and economic trade-offs associated with both renewable and nuclear energy pathways. The report assesses each option's long-term viability in reducing emissions, minimizing health risks, and maintaining economic stability within Australia's unique geographic, demographic, and infrastructural context. Ultimately, this report seeks to offer data-driven insights to guide policymakers in making an informed decision on whether nuclear power should

complement or replace renewable energy efforts in the pursuit of a sustainable energy future for Australia.

## 2. Overview of Australia's Current Energy Landscape

## 2.1 Current Energy Mix in Australia

Australia's energy sector is characterized by a heavy reliance on fossil fuels, with coal, natural gas, and oil accounting for approximately 75% of the nation's total energy production and consumption as of recent statistics. Although this fossil fuel dependency has historically supported Australia's energy demands and contributed significantly to its economy, it poses substantial challenges in meeting the country's commitment to net-zero emissions by 2050. The shift towards low-carbon energy sources has, therefore, become a primary objective for Australia.

In recent years, the nation has made significant strides in renewable energy adoption, particularly in solar and wind power. Solar energy, bolstered by Australia's favourable climate and sunlight exposure, accounts for the largest share of renewable generation. Wind energy follows closely, primarily sourced from onshore wind farms concentrated in coastal regions with high wind resources. These renewable sectors currently supply around 30% of Australia's total electricity needs, a proportion expected to increase with the implementation of new projects and technological advancements in storage.

However, renewable sources such as solar and wind are inherently variable, dependent on weather and time-of-day factors, which presents challenges to grid reliability and stability. To mitigate these challenges, investments in energy storage technologies—such as lithiumion batteries, pumped hydro, and hydrogen—have become essential to the broader adoption of renewable energy. Despite these advancements, renewable energy alone may not yet be able to meet Australia's 24/7 energy demands consistently, especially in peak demand periods. This intermittency has spurred discussions on whether nuclear power could serve as a supplementary or alternative energy source to strengthen the reliability of Australia's energy grid.

## 2.2 Policy and Infrastructure Context

Australia's policy framework supporting renewable energy has been progressively strengthened over the past decade, with both state and federal governments implementing measures to encourage clean energy generation and reduce emissions. The Renewable Energy Target (RET), a nationwide policy, has been pivotal in driving investments in renewable infrastructure, mandating that a significant portion of electricity is sourced from renewable energies. In addition, state-level incentives and regulations, including subsidies, feed-in tariffs, and investment in renewable technology research, have further accelerated the shift towards a low-carbon economy.

On the nuclear energy front, Australia currently has a legislative ban on the construction and operation of nuclear power plants under the Australian Radiation Protection and Nuclear Safety Act (1998) and the Environment Protection and Biodiversity Conservation Act (1999). While nuclear power remains a polarizing topic, recent energy shortages, coupled with the urgency of emission reduction goals, have reignited interest in considering nuclear energy as part of Australia's energy portfolio. The House Select Committee on Nuclear Energy has been established to assess the feasibility, risks, and benefits of adopting nuclear power, especially small modular reactors (SMRs), which offer reduced spatial and resource requirements compared to traditional reactors.

The existing energy infrastructure in Australia was primarily designed for large, centralized coal and gas plants, which raises practical challenges for integrating nuclear power, should it be permitted. Australia's vast, sparsely populated landscape, coupled with complex transmission networks, implies that any energy transition will require substantial investment in grid upgrades to accommodate new energy sources, including potential nuclear sites. For nuclear energy to become viable, significant regulatory, infrastructural, and societal adjustments would be essential. Conversely, renewable energy is progressively fitting into existing grid frameworks, yet it continues to face technical and economic challenges related to scalability, especially in storage and peak-time reliability.

## 2.3 Socioeconomic and Environmental Considerations

The adoption of renewable and nuclear energy also has broader socioeconomic and environmental implications that affect communities, particularly those in rural and regional areas where energy infrastructure is often located. Renewable energy projects, such as solar and wind farms, have proven beneficial in creating jobs, diversifying local economies, and reducing emissions. These projects also require extensive land, which can sometimes impact agricultural activities and local ecosystems, necessitating careful planning and community engagement.

Nuclear energy, if pursued, would introduce different socioeconomic dynamics. Nuclear facilities tend to offer long-term, skilled employment opportunities and potentially higher wages than some renewable energy roles, but they also require intensive training, stringent safety standards, and strong public support due to the perception of risks associated with nuclear accidents and radiation. Moreover, nuclear waste management poses long-term environmental and health challenges, requiring permanent storage solutions and rigorous regulatory oversight, both of which are complex and costly.

In summary, Australia's current energy landscape is at a pivotal point, with renewable energy expanding its role yet encountering limitations in scalability and reliability, and nuclear energy presenting a potential but highly controversial alternative. The next sections of this report will explore, in detail, the specific carbon budgets, health impacts, and financial costs associated with renewable and nuclear energy, providing a holistic perspective for policymakers evaluating the feasibility of a nuclear-inclusive energy future in Australia.

## 3. Renewable Energy in Australia

## 3.1 Carbon Budget Analysis for Renewable Energy

Renewable energy sources are widely recognized for their low carbon footprints, particularly in operation. However, lifecycle emissions—those associated with the full life span of renewable installations—are an essential part of evaluating their net carbon impact. Solar, wind, hydro, and other renewable technologies typically have higher emissions during their initial production and manufacturing stages, particularly for materials like steel, concrete, and rare earth metals used in solar panels and wind turbines.

**Production and Lifecycle Emissions**: For solar power, manufacturing silicon-based photovoltaic (PV) cells involves substantial energy, often from fossil fuel-dependent grids. Lifecycle emissions for solar are estimated to be approximately 20-60 grams of CO<sub>2</sub> equivalent per kilowatt-hour (gCO<sub>2</sub>e/kWh) when considering production, transport, and end-of-life disposal. For wind energy, the production of large steel components, transportation, and installation account for most of its emissions, with lifecycle emissions ranging from 4-12 gCO<sub>2</sub>e/kWh. Hydropower varies greatly depending on the scale of installation and impact on local ecosystems, with smaller installations producing fewer emissions.

**Operating Emissions**: Once operational, most renewable energy sources produce negligible to zero direct carbon emissions. This characteristic makes renewables favourable in reducing the overall carbon intensity of the energy sector. Wind and solar, for instance, emit effectively no CO<sub>2</sub> during operation, aside from maintenance-related transportation and occasional replacement of parts.

## 3.2 Health Impacts and Costs of Renewable Energy

Renewable energy has significantly lower health impacts compared to fossil fuel-based energy due to the reduction in air pollutants. However, there are notable health considerations and risks associated with production, installation, and maintenance phases.

**Direct Health Risks**: Health risks during the production and installation of renewable infrastructure include exposure to hazardous materials (e.g., cadmium and lead in PV cells) and physical risks, particularly in the installation and maintenance of high structures like

wind turbines. Workers in mining for critical minerals, such as lithium and cobalt, also face health hazards, though much of this mining occurs outside of Australia.

**Health Benefits**: The reduction in air pollution from renewable energy contributes to significant public health benefits, particularly in urban areas where pollution from fossil fuels is a primary concern. Replacing coal and gas with renewables is projected to reduce respiratory and cardiovascular conditions, leading to reduced public health costs and improved quality of life.

**Health Cost Comparison**: In terms of health-related financial impacts, renewable energy is associated with lower health costs than fossil fuels due to the reduction of particulate matter and other pollutants. Studies suggest that renewable energy-driven air quality improvements could save billions in healthcare costs related to respiratory and heart diseases, although specific savings are variable based on location and population density.

## 3.3 Financial Costs of Renewable Energy

#### Initial Investment vs. Staged Project Commissioning

Renewable energy projects such as solar farms and wind farms are known for their flexibility in financing and development, particularly because they can be built and commissioned in stages. This phased approach enables portions of a renewable project to become operational and begin generating electricity—and thus revenue—long before the entire project is complete. By contrast, nuclear power plants require the entirety of the plant to be fully constructed, tested, and licensed before any electricity can be generated, often leading to lengthy delays in productivity and revenue generation.

**Staged Commissioning of Solar and Wind Farms**: Large-scale solar and wind farms are typically developed in modular sections. Each section or phase, comprising a portion of the total installed capacity, can be completed and brought online incrementally, allowing a gradual ramp-up of generation capacity. This phased commissioning has several economic and operational advantages:

- Early Revenue Generation: By bringing sections of the project online as they are completed, renewable energy developers can start generating revenue from electricity sales sooner. This staged approach is especially beneficial when projects are financed through loans or private investment, as partial revenue generation can help offset initial costs and reduce financial strain.
- Reduced Financial Risk: Phased construction limits financial exposure by spreading the capital investment across a longer timeline. Developers can monitor the performance of initial phases and adjust designs, budgeting, or expansion plans based on real-time data and changing market conditions, which reduces overall financial risk.

Adaptability to Grid Demand: As grid demand or policy incentives shift, phased renewable projects allow developers to pause or scale down the project if conditions become less favourable. This is particularly advantageous in rapidly evolving energy markets where demand, grid capacity, and financial incentives can change quickly.

**Comparative Timelines with Nuclear Projects**: Nuclear power projects, by necessity, require extensive construction and regulatory approval before any electricity generation can commence. For instance, recent nuclear projects in Europe and the United States often exceed ten years from initial planning to commissioning. In comparison, large solar and wind projects can begin contributing to the grid within one to three years, with phased additions incrementally increasing capacity and output over time. The ability to build renewable energy capacity quickly and modularly is a key advantage, particularly when timely emission reductions and renewable energy targets are priorities.

#### Maintenance and End-of-Life Costs

While renewables have minimal operational fuel costs (since sunlight and wind are free resources), they do incur maintenance expenses related to component wear and tear, weather exposure, and environmental degradation. Solar farms, for instance, require periodic cleaning of panels to maintain efficiency, especially in areas prone to dust and pollution. Wind farms require regular inspections and servicing of turbine blades, which may erode or suffer mechanical issues over time.

End-of-life disposal is a growing consideration, especially for solar panels and wind turbine blades, which are not easily recycled. Solar panels have an average lifespan of 25-30 years, after which they may need replacement or recycling. However, recycling technology for solar panels is still underdeveloped and expensive, as is the case for wind turbine blades made from composite materials that are challenging to process. Addressing these disposal costs in the future will likely require a combination of improved recycling technology and policy-driven producer responsibility frameworks.

#### **Decreasing Technology Costs and Access to Investment**

Technological advancements and economies of scale have driven down the costs of solar and wind technology substantially over the past decade. Solar photovoltaic (PV) costs have decreased by approximately 80% in the past ten years, while wind energy costs have similarly declined due to improvements in turbine efficiency and manufacturing scale. This trend enhances the financial attractiveness of renewable energy projects, making them cost-competitive or even more economical than conventional energy sources, depending on regional conditions and market dynamics.

As of 2023, levelized costs for utility-scale solar PV and onshore wind are estimated at approximately AUD 35–55/MWh and AUD 50–65/MWh, respectively, compared to the global average of AUD 80–140/MWh for nuclear power.

Renewable projects in Australia benefit from various financing options, including government incentives, private investment, and public-private partnerships. Government subsidies and renewable energy certificates (RECs) further enhance the financial feasibility of renewables, reducing the effective cost to developers and consumers. The Australian Renewable Energy Agency (ARENA) and the Clean Energy Finance Corporation (CEFC) support the renewable sector by providing funding, grants, and expertise for innovative and scalable renewable projects, thereby lowering barriers to entry.

## 4. Nuclear Energy in Australia

## 4.1 Carbon Budget Analysis for Nuclear Energy

Nuclear power offers a low-emission energy source with a substantial base-load generation capacity. However, its lifecycle emissions—encompassing uranium mining, fuel processing, plant construction, and waste management—are considerably more complex than renewables.

**Production and Lifecycle Emissions**: Nuclear power's lifecycle emissions range from 6-24 gCO₂e/kWh, mainly from construction and fuel processing. Uranium mining, a key contributor to nuclear fuel's lifecycle emissions, has a varying impact depending on ore grade and location. While the emissions per unit of electricity are relatively low once operational, nuclear energy's lifecycle emissions are higher than those of wind and solar, largely due to the extensive material and energy inputs required for plant construction and decommissioning.

**Operating Emissions**: During operation, nuclear reactors produce negligible direct carbon emissions, making them comparable to renewables in terms of operational carbon footprint. However, the long-term carbon implications of nuclear waste management, which necessitates highly secure containment over centuries, are non-trivial and factor into the total carbon budget.

## 4.2 Health Impacts and Costs of Nuclear Energy

Nuclear energy poses unique health and safety risks due to the presence of radiation, both for workers in the nuclear industry and potentially for communities near nuclear sites. Although modern nuclear reactors incorporate stringent safety protocols, historical nuclear incidents underscore the importance of considering potential health impacts.

**Radiation and Occupational Risks**: Workers involved in uranium mining, nuclear fuel processing, and plant operation face occupational risks from radiation exposure. While these risks are minimized through strict safety measures, prolonged exposure in mining and processing settings can increase risks of radiation-related diseases.

Accidents and Public Health Risks: While nuclear accidents are low-probability events, their potential health consequences are severe, as seen in incidents such as Chernobyl and Fukushima. A major nuclear accident can lead to long-term environmental contamination, health impacts (e.g., cancer risk), and displacement of affected communities, along with substantial economic costs for mitigation and cleanup.

**Health Cost Comparison**: Health costs in the nuclear sector are comparatively high due to the costs associated with monitoring and preventing radiation exposure and managing potential accidents. However, nuclear energy offers an air-pollution-free alternative, reducing respiratory illnesses associated with fossil fuel emissions, which yields net public health benefits under normal, accident-free conditions.

## 4.3 Financial Costs of Nuclear Energy

#### High Initial Investment and International Experiences with Cost Overruns

The financial costs of building nuclear energy infrastructure are among the highest in the energy sector, largely due to the stringent requirements for safety, regulatory compliance, and technological expertise. International experience shows that nuclear power plants consistently encounter cost overruns and delays, largely due to the complexity of design, regulatory changes, and the limited pool of highly specialized contractors available to handle these projects.

For instance, the Olkiluoto 3 reactor in Finland and the Flamanville 3 reactor in France both using European Pressurized Reactor (EPR) technology—serve as prominent examples. The Olkiluoto project was initially estimated at €3 billion and expected to take four years to complete, yet it ultimately took over 14 years to finish at a final cost of approximately €11 billion. Similarly, the Flamanville 3 reactor faced multiple delays, with costs ballooning from an initial €3.3 billion estimate to nearly €13 billion. These projects underscore the financial risks associated with nuclear power, where unforeseen technical challenges, changes in regulatory requirements, and complex design revisions can lead to substantial budget increases.

Such international experiences have raised concerns in Australia, where a lack of domestic nuclear industry expertise could further exacerbate these challenges. Importing foreign expertise, managing new regulatory frameworks, and building a skilled workforce for nuclear projects would add to the capital burden, increasing the financial risk.

#### **Operational and Waste Management Costs**

Operating a nuclear power plant incurs relatively low fuel costs, given uranium's high energy density, but ongoing costs related to safety, maintenance, and regulatory compliance are substantial. Additionally, nuclear waste management represents a significant and ongoing financial liability. Spent nuclear fuel and other radioactive waste require careful handling,

#### Inquiry into nuclear power generation in Australia Submission 69

processing, and storage, which is expensive and demands specialized facilities and workforce training.

**International Waste Management Practices**: Few countries have successfully established long-term waste repositories for high-level radioactive waste. For example, Sweden and Finland have developed advanced waste storage programs, with Finland's Onkalo repository becoming the first operational deep geological repository designed to isolate spent fuel for up to 100,000 years. The repository's development has been costly and complex, requiring decades of research, planning, and construction at an estimated final cost of over €3 billion.

In the United States, the Yucca Mountain project—originally intended to serve as a longterm storage facility—was ultimately canceled after decades of planning and more than \$15 billion (USD) in investment. The project's termination underscores the sociopolitical and logistical challenges of establishing long-term storage sites. Consequently, much of the highlevel waste in the U.S. is stored in temporary facilities, posing a financial and environmental burden.

Australia would face similar challenges in managing nuclear waste, given the absence of existing facilities or experience with high-level waste. Establishing secure, long-term storage solutions would entail significant capital and time, potentially requiring international cooperation or the adoption of costly new technologies.

#### **Decommissioning Costs and Long-Term Financial Commitments**

Nuclear plants generally have operational lifespans of around 40–60 years, after which decommissioning is necessary to dismantle the reactor, safely dispose of radioactive materials, and rehabilitate the site. Decommissioning is a highly complex and costly process, with expenses often reaching or exceeding the original construction costs. Internationally, the costs associated with decommissioning vary widely but remain substantial in all cases.

**Examples of Decommissioning Costs**: In the United Kingdom, for instance, the projected cost of decommissioning all nuclear sites is estimated to exceed £130 billion over the next century, primarily funded by taxpayers. In the U.S., the decommissioning of the San Onofre Nuclear Generating Station in California is expected to cost around \$4.4 billion (USD), underscoring the long-term financial commitments governments face when managing nuclear facilities at the end of their lifecycle.

Australia's lack of decommissioning infrastructure or expertise would necessitate not only substantial investments but also long-term financial planning. If nuclear power were adopted, the government would likely need to establish dedicated financial reserves and regulatory frameworks to fund decommissioning, creating an additional economic challenge.

#### Medium- and Long-Term Waste Storage Site Availability

The scarcity of viable medium- and long-term nuclear waste storage sites is a pressing issue globally. High-level radioactive waste, particularly spent nuclear fuel, must be isolated for thousands of years, and finding suitable locations for such long-term storage has proven difficult due to geological, environmental, and sociopolitical factors.

International experience shows that finding and licensing secure, long-term storage sites is a formidable task. In addition to Finland's Onkalo facility, Sweden has made progress with its Forsmark repository, yet these facilities are exceptions. Most countries, including major nuclear energy users like the U.S., France, and Japan, rely on interim storage solutions, often at or near reactor sites, due to the absence of long-term facilities. This approach increases risks and costs over time, as interim storage was never intended for decades-long waste containment.

For Australia, finding and developing a suitable site for high-level waste storage would be a new endeavour, requiring extensive geological studies, regulatory reviews, and community consultation. The timeline for establishing such a facility could span decades, adding another layer of delay and cost to a potential nuclear energy strategy. Without a viable long-term solution, Australia would likely have to rely on costly and complex interim storage methods, potentially involving temporary facilities at reactor sites or partnerships with international nuclear waste management programs.

#### **Financial Risk Summary**

The financial costs associated with nuclear energy include significant upfront capital, costly waste management, long-term decommissioning liabilities, and the potential for unplanned expenses due to delays or regulatory changes. Australia's lack of experience in nuclear infrastructure, coupled with the risks observed internationally, underscores the need for extensive planning, funding, and expertise development if nuclear power were pursued.

The international experiences of nuclear projects reveal a recurring trend: higher-thanexpected costs, lengthy delays, and unresolved challenges around waste management and decommissioning. For Australia, these factors highlight the critical importance of evaluating nuclear power not only as a technological solution but as a major financial commitment with potentially unanticipated, long-term economic impacts.

## 5. Environmental and Socioeconomic Implications

### 5.1 Environmental Impact of Renewable Energy

#### **Reduced Carbon Emissions and Climate Benefits**

Renewable energy sources such as solar, wind, and hydro have minimal direct carbon emissions, contributing significantly to climate change mitigation. Lifecycle analyses show that solar and wind energy release 3–25 grams of CO<sub>2</sub> per kilowatt-hour (kWh) generated, compared to hundreds of grams for fossil fuel-based energy. This low-carbon profile allows renewables to play a crucial role in reaching Australia's climate goals and reducing its national carbon footprint.

#### Land Use and Habitat Disruption

Large-scale renewable projects, however, do have environmental impacts related to land use and habitat disruption. Solar farms require considerable land, especially in high-capacity installations, which can affect biodiversity and land available for agriculture. Wind farms, while occupying less ground space, can disrupt bird and bat populations. In Australia, careful site selection and habitat preservation practices are essential to mitigate these effects. The practice of dual-use land for solar projects, combining agriculture with solar installations (known as "agrivoltaics"), is gaining traction as a solution to reduce land competition.

#### Waste Generation and Recycling Challenges

As mentioned, renewable technologies present future waste management challenges, particularly for wind turbine blades and solar panels. The limited recyclability of these components raises environmental concerns regarding disposal. However, Australia has opportunities to establish early recycling infrastructure and incentivize circular economy practices within the renewable sector.

### 5.2 Environmental Impact of Nuclear Energy

#### Low Operational Emissions but High Lifecycle Costs

Nuclear energy has low operational carbon emissions, often on par with or lower than renewables, around 12–25 grams CO<sub>2</sub>/kWh across its lifecycle. Nuclear reactors, once operational, emit virtually no direct greenhouse gases. However, the full lifecycle of nuclear energy, including uranium mining, fuel processing, plant construction, and decommissioning, results in a carbon footprint higher than that of wind or solar but still significantly lower than fossil fuels. A specific environmental concern is the thermal pollution from cooling towers, which can raise water temperatures by approximately 3°C in adjacent rivers, negatively affecting aquatic ecosystems. This heating alters downstream ecosystems, often reducing biodiversity and disrupting species that are sensitive to temperature changes.

#### Nuclear Waste and Long-Term Containment Risks

A critical environmental concern associated with nuclear energy is radioactive waste. Highlevel waste remains hazardous for thousands of years and requires secure, stable storage to prevent contamination of ecosystems and water sources. Australia lacks a nuclear waste disposal infrastructure, meaning that any nuclear development would necessitate new, long-term waste management solutions. International experience with nuclear waste repositories shows the potential for delays, high costs, and opposition from communities, posing significant environmental and social challenges.

### 5.3 Socioeconomic Implications of Renewable Energy

#### Job Creation and Economic Development

The renewable energy sector is a proven engine for job creation and economic development. Jobs in construction, installation, maintenance, and associated supply chains are numerous and varied, providing employment opportunities in both urban and regional Australia. Solar and wind projects, for instance, create more jobs per unit of energy produced than fossil fuels or nuclear energy due to the labor-intensive nature of installation and maintenance.

#### **Energy Access and Community Participation**

Renewable energy can enhance energy access and allow for community-driven energy projects. Distributed solar systems, particularly in remote and rural areas, have enabled communities to achieve energy independence and reduce reliance on central power stations. By contrast, nuclear energy development often requires large centralized plants, limiting local control and participation.

### 5.4 Socioeconomic Implications of Nuclear Energy

#### **High-Skill Employment and Nuclear Expertise Development**

Nuclear power plants require a highly skilled workforce for safe operation, maintenance, and regulatory compliance. Building a nuclear sector would create high-skill jobs in fields such as engineering, physics, and environmental science, potentially establishing a new avenue for workforce development. Estimated job creation for nuclear plants in Australia could reach approximately 5,000 jobs during construction and fewer than 1,000 for ongoing operations per reactor. However, nuclear workforce training is costly and requires substantial long-term investment. Given Australia's current lack of nuclear expertise, developing this workforce could involve significant time and financial commitments.

#### **Community Concerns and Societal Acceptance**

Public perception and community acceptance are critical challenges for nuclear energy projects. Communities near proposed nuclear sites often express concerns over safety, waste, and potential health risks. In countries like Germany and Japan, strong community opposition to nuclear power has shaped national energy policies. In Australia, where the nuclear sector is undeveloped, community concerns could significantly influence the feasibility of nuclear energy adoption.

## **Conclusion: Comparative Summary**

In evaluating the potential roles of renewable and nuclear energy in Australia's future energy mix, it is clear that both options offer distinct benefits and challenges. Renewable energy is characterized by rapid deployment, modular scalability, and low lifecycle emissions, making it well-suited to meet immediate and long-term energy and climate goals. However, renewables also face challenges related to land use, waste disposal, and intermittency, necessitating storage solutions and grid adjustments.

Nuclear energy, while offering a low-emission alternative with reliable baseload power, presents high initial costs, complex waste management requirements, and substantial sociopolitical barriers. The establishment of a nuclear sector in Australia would demand large-scale investment in infrastructure, workforce training, and regulatory frameworks.

The following table summarizes the comparative strengths and challenges of renewable and nuclear energy.

Criterion	Renewable Energy	Nuclear Energy
Carbon Emissions	Very low lifecycle emissions (wind: 3–15 gCO <sub>2</sub> /kWh, solar: 20–25 gCO <sub>2</sub> /kWh)	Low operational emissions, but higher lifecycle emissions (12–25 gCO <sub>2</sub> /kWh)
Capital and Operational Costs	Lower capital costs, highly scalable, modular staging allows phased commissioning	Very high initial costs, long lead times, high decommissioning costs, entire plant must be completed before operation
Project Risks	Short timelines, lower risk with staged deployment; adaptable to changing market needs	Long timelines, high financial and regulatory risks, prone to costly delays
Energy Reliability	Variable; requires storage solutions for consistency	Reliable baseload power
Environmental Impact	Minimal emissions; land use challenges, limited recyclability	Low emissions but thermal pollution impacts ecosystems, significant long- term waste challenges
Waste Management	Disposal challenges for solar panels and turbine blades	Long-term radioactive waste storage required, high containment costs
Job Creation	28,000 jobs (2023); projected 45,000 by 2030, especially in	Estimated 5,000 for construction per reactor; <1,000 for operation, high

#### Inquiry into nuclear power generation in Australia Submission 69

Criterion	Renewable Energy	Nuclear Energy
	installation and maintenance	training costs
Community Impact	Community-driven projects possible, greater local control	Public opposition potential, centralized plants
Scalability	Highly scalable and adaptable	Limited flexibility due to high capital investment
Sociopolitical Acceptance	Generally high, with some land use concerns	Mixed; significant societal and safety concerns

#### **Final Remarks**

Given the urgency of reducing emissions and Australia's renewable resource abundance, renewable energy appears to align more closely with Australia's near-term energy and climate objectives. Nuclear energy, while offering valuable baseload potential, would require extensive investment, regulatory adaptation, and societal support, making it a long-term prospect rather than a readily deployable solution. A strategy integrating renewables with energy storage technologies and grid modernization efforts may provide a balanced, economically viable approach to achieving Australia's sustainable energy goals.

## References

- Renewable Energy Lifecycle Emissions: IPCC (2018) Annex III. <u>https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc\_wg3\_ar5\_annex-</u> <u>iii.pdf#page=7</u>.
- 2. **Nuclear Energy Lifecycle Emissions**: World Nuclear Association. (2020). *Comparison of Lifecycle Greenhouse Gas Emissions of Various Electricity Generation Sources*.

https://staging.world-nuclear.org/getmedia/3418bf4a-5891-4ba1-b6c2d83d8907264d/performance-report-2020-v1.pdf.aspx

#### Section 2.1: Current Status of Renewable Energy

1. **Australian Energy Market Operator (AEMO)**. 2024 Integrated System Plan (ISP). AEMO provides insights into the progress of renewable energy in Australia, outlining the share of renewables in the national grid and the projected energy mix.

- AEMO, "2024 Integrated System Plan," Australian Energy Market Operator, 2024. Available at: <u>https://aemo.com.au/energy-systems/major-</u> publications/integrated-system-plan-isp/2024-integrated-system-plan-isp
- 2. **Clean Energy Council**. *Clean Energy Australia Report 2024*. This report offers an overview of Australia's renewable energy sector, including growth in solar, wind, and hydro, and the economic and policy drivers behind the expansion.
  - Clean Energy Council, "Clean Energy Australia Report 2024," Clean Energy Council, 2024. Available at: <u>https://cleanenergycouncil.org.au/news-</u> resources/clean-energy-australia-2024-report
- 3. Department of Climate Change, Energy, the Environment and Water (DCCEEW). State of the Climate Report 2023. The DCCEEW provides data on renewable energy's contribution to national emissions reduction and economic impacts.
  - Department of Climate Change, Energy, the Environment and Water, "State of the Climate Report 2023," Australian Government, 2023. Available at: <u>https://www.dcceew.gov.au/climate-change/publications/australiasemissions-projections-2023</u>

#### Section 3.1: Financial Costs of Renewable Energy

- 1. International Renewable Energy Agency (IRENA). *Renewable Power Generation Costs in 2023*. IRENA's annual reports offer comprehensive cost data for renewable energy technologies, providing benchmarks for the cost-efficiency of solar PV and wind energy globally.
  - International Renewable Energy Agency, "Renewable Power Generation Costs in 2023," IRENA, 2024. Available at: <u>https://www.irena.org/Publications/2024/Jul/Renewable-energy-statistics-2024</u>.
- 2. Lazard. Levelized Cost of Energy Analysis, Version 17.0 (2024). Lazard's analysis compares the levelized costs of various energy sources, including utility-scale solar and wind, highlighting declining costs in renewables.
  - Lazard, "Levelized Cost of Energy Analysis—Version 17.0," Lazard, 2024.
     Available at: <u>https://www.lazard.com/media/xemfey0k/lazards-lcoeplus-june-2024-vf.pdf</u>
- 3. **BloombergNEF**. *New Energy Outlook 2024*. BloombergNEF provides projections and current cost comparisons for renewable energy investments, especially focusing on the cost trends of solar and wind energy.

 BloombergNEF, "New Energy Outlook 2024," Bloomberg, 2024. Available at: <u>https://about.bnef.com/new-energy-outlook/</u>