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Submission

to

Department of Resources, Energy and Tourism

on

Draft Energy White Paper 2011

Compiled for Clarence Environment Centre

by John Edwards

Honorary Secretary

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Preamble

The Clarence Environment Centre has maintained a shop-front in Grafton for over 22 years, and has a proud record of environmental advocacy. Therefore, because the provision of energy is at the very core of the solution to global warming, we are compelled to comment on the White Paper.

Regrettably, we have found the Paper to be the most frightening document we have ever had to assess. From the outset it is made clear that Australia has no plans to stop or even slow the growth of mining and export of coal and gas, seemingly boasting (page xiii) that: “*At current rates of depletion, Australia has many decades worth of known gas and uranium reserves, and at least a century of coal.*” This means there are people alive today that will likely live to see a world with no fossil fuels, all of which will have been burned to contribute to a planet that is at least 6°C hotter (refer IEA Outlook 2012), a climate change level that is described as “catastrophic”.

After bragging that “*Australia is currently the world’s largest coal exporter, third-largest uranium producer and in future years will be the world’s second-largest liquefied natural gas exporter*”, the White Paper justifies this all-out push to sell off Australia's natural resources by claiming (page xiii) that, “*these exports will continue to support improved living standards for billions of people in our region*”. There is no consideration, or even mention, of the climatic consequences of this caring, unselfish act of charity to our less fortunate neighbours. There is no mention of the fact that most of the region from Pakistan to the Philippines have suffered unimaginable horrors from the worst floods in recorded history over the past 2 years. Nor any mention of the plight of Pacific Island nations drowning under sea level rise, all the result of climate change through the past burning of those fossil fuels.

Therefore, we see the White Paper as an indicator of a morally corrupt administration, pandering to multinational conglomerates, rather than providing any serious assessment of Australia's long-term energy needs, while the long term welfare of Australians, and the world community, is ignored.

Summary

The White Paper relies heavily on the International Energy Agency's (IEA) “*World energy outlook 2011, IEA, Paris, 2011*”. That year old document became redundant in January 2012 with the release of the IEA's latest outlook report. In a major change of direction that previously conservative agency has highlighted the fact that if the world continues with business as usual, global temperatures could rise by 6°C within the next 90 years.

The IEA now flags the fact that the situation is so dire that, under the 450 scenario (limiting greenhouse gas emissions to 450 parts per million), the global carbon budget will jump from 80% to 95% in just 5 years. This means that only emissions-free generation plants should be built after 2017, with a need to reduce coal-fired electricity by 60%, and gas-fired by 4% by 2035.

The White Paper however, flags only that “conventional” coal-fired power stations “*could have been replaced by 2050*”, mainly by gas (developed with funding from the Government until 2050 (see page xix)). This is predicted to result in 44% of Australia's electricity coming from gas by 2050, which is still a polluting energy source.

The most dramatic changes in the IEA's 2012 outlook is for non-hydro renewable energy, flagging the need for an increase from 4% in 2008 to 34% in 2035. However, the figures from the White Paper, sourced from the IEA's 2011 outlook, shows non-hydro renewable energy growing to only around 12% by 2035.

The Clarence Environment Centre believes the Government's acknowledgment (page ix) that: "*We have undertaken further key reforms... that will drive **a long-term transformation** to cleaner sources of energy*", confirms that its energy policy is now redundant. Put simply, the IEA believes we have 5 years, and no longer have the luxury of considering solutions over the "long-term".

Therefore, we believe the White Paper should be withdrawn from exhibition and rewritten to reflect the IEA's latest warnings.

A brief history of failure

While the connection between atmospheric carbon dioxide and global warming was identified more than a century ago, the imminent threat that the burning of fossil fuels poses to global weather did not become a matter of world-wide concern until the 1970s.

So dire were the warnings from scientists, that governments around the world met at Villach, Austria in 1985 to attempt to formulate plans to combat the problem. Three years later in June 1988, some 300 scientists and policy-makers from 48 countries, met in Toronto, a meeting that became known for its "Call for Action", vowing to reduce CO² emissions by 2005 to 20% below those in 1988. In 1990, Australia's Hawke Labour Government adopted this as an interim planning target, and in 1991 produced an Energy Guide, explaining appliance labeling and promoting energy-wise actions as a first step to achieving that target.

At the Rio Earth Summit in 1992, 155 countries, including Australia, signed the UN Framework Convention on Climate, which nominated the year 2000 as the year signatories would reduce greenhouse gas emissions to 1990 levels. The breathtaking failure of that plan can be directly attributed to the tactics of the fossil fuel industry, and actions of world leaders, particularly in developed countries, that in many cases can only be described as corrupt.

As it is CO² emissions have risen unchecked to the present day, with 2011 global emissions reportedly rising by more than 5% on the previous year. Worldwide, Australian exported coal has been a major contributor to this uncontrollable rise.

Current view of the International Energy Agency

The 2011 World Energy Outlook, released by the International Energy Agency early in January 2012, found the world is on track to build enough fossil-fuel power stations, energy-intensive factories and buildings by 2017 that will, as quoted in the "Age", "***close the door on keeping climate change to a safe level***".

Australian Governments, at both State and Federal levels, have been complicit in this by actively encouraging and supporting an escalation of coal mining and coal exports, under the smoke screen promise of clean coal technology. That technology is likely impossible, and cannot possibly be developed to a level that can make any difference, for at least 20 years. The 2007 NSW Owen Inquiry found that even if Carbon Capture and Storage (CCS) technology could be perfected, it would take half the energy produced by each power station to run the the CCS unit.

The White Paper

The opening paragraph of the draft white paper confirms the Government has no plans for significant change. After explaining that a secure and reliable energy source, "*... is fundamental to our modern economy and society*", it then continues with the statement that, "*competitively priced energy has been a cornerstone of Australia's economic and social development*", and that: "*In this context, it is critical that energy policy continues to strike an appropriate balance in delivering energy security, facilitating economic development and meeting clean energy goals*".

Those goals are currently aimed at reducing emissions levels for 2020 to a pathetic 5% below 2000 levels, which is clearly unachievable given that emissions have already risen some 40% above 2000 levels, with no signs of dropping in the immediate future. The comment (page 44) that: “*Around 60% of Australia’s greenhouse gas reductions in 2020 could come from purchasing international abatement*”, confirms that the Government also realises that its proposed energy policy cannot achieve any emissions reduction.

At the same time, various State government policies have made the development of wind energy more difficult, and solar energy concessions have been dramatically reduced in recent times, just two sets of actions put in place to support the coal and gas industries.

The Clarence Environment Centre is particularly concerned with comments such as that (page xiii) which claims: “*In the decades to come we need clean energy technology breakthroughs to allow us to commercially exploit our clean energy resources in the form of wind, solar, ocean and geothermal energy, along with carbon capture and storage technologies*”. This is a clear indication that these technologies will only be adopted if and when they can compete with cheap coal.

The prediction that Australia's exports of coal and gas will more than double by 2035 with statements like: “*Australian coal production is expected to continue its strong growth over the course of the decade and beyond*”, and that “*Australia’s unconventional gas resources bring the promise of extensive economic opportunities*”, is the scariest of all. With no likelihood of any effective world-wide development and of roll-out of carbon capture and storage possible by 2035, the burning of those fuels will ensure catastrophic climate change. The scary thing is, everyone knows that business as usual will lead to a catastrophic future for our children and grandchildren yet, not only do we plan to continue that business as usual, but are actually escalating it.

We believe that statements like (page xv), “*Carbon capture and storage for coal and gas-fired generation, like other potential baseload technologies such as geothermal and large-scale solar, could play a major role in our long-term energy mix*”, must be changed to reflect reality. Geothermal and large-scale solar can, and already do, provide base-load power, and that passage should read “*geothermal and large-scale solar must play an immediate role in our energy mix*”.

Solar thermal and geothermal power generators are already providing base-load power in Kenya and the USA respectively built, we understand, by Australians using Australian technology. Large scale solar and wind generators are already operating across Europe, and wave power generators have been built and successfully trialled in Britain.

Again we remind the Government that the IEA asserts that we do not have “decades” in which to adopt renewable energy, we have five years to make a serious switch. It is imperative that Australia acts immediately to ensure that renewable energy can compete with coal and gas, even if that means higher energy costs. It would be a small price to pay to secure a future for our grandchildren.

The big lie

There is an expression of the need (page xi) for: “*further gas market monitoring to better inform government decision-making... , given the growing importance of gas in our energy future – particularly as a result of the increasing use of gas for electricity generation ...*”.

There is a claim (page 154) that: “*Given the key role gas will play in meeting Australia’s future energy and climate change needs, it is essential that potentially critical energy resources, such as coal seam gas and new transmission pipelines, are developed safely and efficiently*”. This shows that the Government has accepted the big lie, promulgated by the industry, that **coal seam gas** is a low-emissions energy source, and an ideal interim fuel as the world moves to a low carbon future.

This claim is based on the fact that greenhouse gas emissions from burning gas to provide electricity are significantly less than coal, and it is acknowledged that natural gas is a lower emissions fuel. However, once all emissions created during the exploration, extraction, road and pipeline construction, transportation, and processing phases of coal seam gas are taken into account, it has been shown to be as dirty a fuel as coal (Cornell University research into shale oil, 2011).

These processes also include the atmospheric pollution from methane that is either vented, or flared, directly into the atmosphere, a bi-product that can be measured. However, there is the even more insidious problem which is known as “fugitive emissions”, the methane that escapes directly into the atmosphere from the earth's surface via cracks and fissures caused by the hydraulic fracturing processes, and which cannot be measured.

Despite these known facts, the White Paper claims: (page xi) *“There is a growing need to build further community support, understanding and engagement around critical energy sources such as coal seam gas*. Faced with catastrophic climate change, coal seam gas cannot be considered to be a critical energy source, and Government needs to stop wasting money on 'spin' to persuade the public that it is.

We are informed (page 239) that: *“As outlined in section 5.4, the government has recently announced new measures to improve the development of new coal seam gas and coal projects and to improve our understanding of associated water and related environment impacts”*. Section 5.4 contains a long list of actions the Government is considering taking. In the mean time however, exploration and extraction continues unabated, with toxic spills and leaks being reported, it seems, on a monthly basis.

Of the 7 pages of Section 5.4, titled “Strategic challenges”, the section devoted to **Environmental sustainability and land access**, was deemed worthy of less than 3 lines.

While the White Paper repeatedly claims that the Australian Government is committed to ensuring that mining development is environmentally appropriate and sustainable, at no stage does it mention how this is to be measured or achieved. Despite the claim (page 101) that: *“The government maintains a comprehensive environmental protection and management framework and engages closely with relevant state and territory governments”*, we are unaware of any mining proposal that has ever been denied final approval under that framework. Therefore, we believe those comments are simply meaningless “green-washing”.

The reality is, as the White Paper identifies (page 81), the total investment in coal seam gas will be around \$140 billion, with (page xviii) \$45 billion already invested in coal seam gas, The subsequent claim that: *“Sound scientific knowledge to engage and inform the public will be important as this industry delivers its projects”*, clearly shows that money is a powerful talker, with no suggestion that the disenfranchised public will be spared the ultimate impacts on their lives and livelihoods.

We urge Government to resist those financial pressures, and ensure that the Independent Expert Scientific Committee, and National Partnership Agreement, which are looking at the environmental impacts of coal seam gas projects with a view to addressing community concerns, will be truly independent, and stem the run-away development of these projects.

We appreciate the opportunity to comment on the White Paper, and sincerely hope that sanity prevails, and a serious effort is made to move directly to a renewable energy future.

Yours sincerely
John Edwards
Honorary Secretary.