



Fossil Fool Bulletin

Fossil fools in the spotlight this week: A resource for people working to end the fossil fuel era in Australia

Published by Eve Sinton • fossil.fool.bulletin@gmail.com

FFB 1:25 • 22 MAY 2018

Gas import terminal riles residents

Residents of Crib Point, on the Mornington Peninsula near Melbourne, are fighting to stop AGL putting a floating storage regasification unit (FSRU) at Crib Point jetty.

AGL would regasify the liquid natural gas (LNG) to and pump it to Pakenham via a new 55km pipeline to built by APA Group.

'Save Westernport – No AGL Gas Terminus at Crib Point' is a group of residents whose concerns include the risk of fire and explosion, the impact on seawater quality and the health of nearby RAMSAR-listed wetlands and Woolleys Beach.

AGL and APA Group are currently holding community meetings in Crib Point and creating draft assessments for the Federal and Victorian State governments.

Risk of catastrophic explosion

Local resident Dale Stohr said, "The AGL FSRU would extract 450 million litres of fresh seawater from Westernport Bay every day for cooling purposes and treat it with chlorine before releasing this sterile water back into the Bay.

"We are especially concerned about the risk of a BLEVE (boiling liquid expanding vapour explosion) reaching the local population of Crib Point. There have been no risk assessments available from AGL as yet.

"We had our own local community meeting last week attended by over 100 residents and we have collected over 600 signatures for a petition to Parliament."

The group is also using social media, such as Facebook page **No AGL gas**

terminus for Crib Point to help the community fight back.

Crib Point was the site of a BP oil refinery in the 1960s and 70s; the jetty is now used by United Petroleum to import fuel for petrol stations.

Why import while gas exports grow?

AGL's project to import LNG from interstate or overseas is one of at least three gas import proposals for eastern Australia, despite the country being one of the world's biggest LNG exporters.

Mitsubishi is backing a joint venture for a gas import terminal near Adelaide, and Andrew Forrest-led Australia Industrial Energy is looking for a port in New South Wales.

The idea has emerged because two-thirds of the gas drilled in eastern Australia is exported to Asia and the Middle East, after successive governments failed to legislate a domestic reserve.

The government is now using energy security as a lever to push for expanded gas production across the nation.

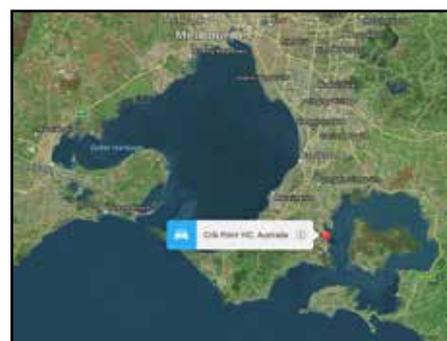
AGL says the Crib Point project will source gas at competitive prices from Australian and international suppliers for customers in south-eastern Australia. The gas would be transported on LNG ships, transferred to the FSRU ship, converted from liquid form back into gas and then piped into the existing transportation network.

The ship would be moored at Crib Point. Depending on demand, between 12 to 40 LNG ships per year would moor alongside to resupply the FSRU with LNG.



ABOVE: the Mornington Peninsula Leader aired residents' concerns last week.

BELOW: Crib Point, on Westernport Bay.



Plant and equipment for processes such as metering and odorisation will be installed onshore at the jetty.

On board the FSRU vessel, the LNG is stored at a temperature of -161°C in cryogenic storage tanks. To convert the liquid back into a gas, seawater would

• Continued p2

• P 3: Kepco's mine could drain Bylong River

• P 4: Narrabri – gas gives less than renewables

• P 5: This week's fossil news in summary

• Continued from p1

be used to warm the LNG.

The difference in temperature between the inlet seawater and outlet seawater is approximately 7°C, which then blends back to ambient temperature. The discharge water contains chlorine which disperse into surrounding waters.

Environmental risks being identified

AGL says environmental risks are currently being identified, such as any impact on marine ecology, RAMSAR, water birds, seagrass and mangroves, emissions, air, water and noise.

Potential noise levels of up to 115 dB(A) have been recorded from moored ships, booster pumps and compressors.

According to the most recent edition of the US-based *Fracking Compendium*, the infrastructure for gas operations such as LNG import poses its own risks to public health and the climate.

Compressor stations and pipelines are major sources of air pollutants, including benzene and formaldehyde, constituting potential health risks to those living nearby while offering few offsetting economic benefits.

Instead, they are often associated with loss of tax revenue and economic development for the communities where they are sited and traverse.

The health and safety risks associated with processors and pipelines include fires, explosions, and leaks.

LNG creates acute public safety risks

LNG explodes when spilled into water and, if spilled on the ground, can turn into rapidly expanding, odorless clouds that can flash-freeze human flesh and asphyxiate by displacing oxygen.

If ignited at the source, LNG vapors can become flaming “pool fires” that burn hotter than other fuels and cannot be extinguished.

LNG fires burn hot enough to cause second-degree burns on exposed skin up to a mile away (1.6km).

One of the most disastrous outcomes of any LNG accident is a boiling liquid expanding vapour cloud explosion (BLEVE).

LNG facilities pose significant risks to nearby population centres, and have been identified as potential terrorist targets, according to the *Fracking Compendium*.

FFB

Injury and damage radius for a BLEVE explosion



The inner circle marks a two kilometre radius from the proposed Crib Point LNG import terminal; the outer ring marks five kilometres. LNG fires burn hot enough to cause second-degree burns on exposed skin up to 1.6km away, and first degree burns up to 2.3km distance. In one instance, debris from an LNG tank explosion in the USA landed 5.2km away. Picture: Google Earth

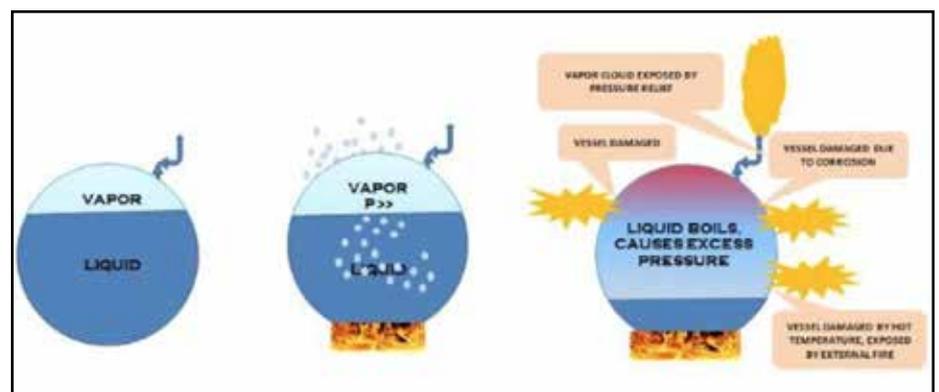
Inset: Excelsior, a Floating Storage and Regassification Unit. Photo: Excelerate Energy

“Liquefied natural gas (LNG) has large fire and explosion hazard. Through the boiling liquid expanding vapour cloud explosion (BLEVE) quantitative evaluation model, it can be drawn that, when exposed to the fireball radiation after 15s and within 1400 m from the LNG ship, more than 50% of the people would die; within 1600m more than 50% would be second degree burn; within 2300m more than 50% would be first degree burn. That is to say that the consequences of boiling liquid expanding vapour explosion (BLEVE) are very serious, which can cause enormous property damage and casualties.”

(2012 International Symposium on Safety Science and Technology Fire and explosion risk analysis and evaluation for LNG ships, by LI Jianhua & HUANG Zhenghuab, Hebei, China – Elsevier.)

The graphic below, from an industrial safety page, shows how an external fire source causes an LNG storage vessel to explode. While the liquid LNG can't ignite, escaping vapours are highly flammable and explosive. Discovery TV footage of BLEVE explosions can be seen at:

<https://www.youtube.com/watch?v=NuPVEsQaGB0>



Sydney Knitting Nannas say "Water is Life"

Sydney Knitting Nannas & Friends gathered in Martin Place last Friday, with a message – Water is Life.

The asked people to ban fracking, and stop Santos before they destroy the Pilliga and the Great Artesian Basin.

Photo: Sydney Knitting Nannas



Advice ignored: Kepco mine may dry up Bylong River

Documents released under freedom of information laws reveal that the Department of Primary Industries warned last year that the proposed Bylong coal mine could lead to the Bylong River 'drying up'.

The proposed mine would be the first ever in the secluded Bylong Valley, between Denman and Mudgee, 200km north-west of Sydney.

Lock the Gate Alliance spokesperson Georgina Woods said, "It is completely unacceptable for the NSW Government to approve a coal mine that will cause a river to dry up.

Extraordinary, unacceptable impact

"This is an extraordinary and unacceptable impact that should now trigger urgent action from the NSW Government to reject this mine and step in to protect our river systems.

Despite the advice from DPI about the impacts on the river system, the NSW Department of Planning has since recommended the Bylong coal mine for approval.

As reported by the ABC, the DPI state in the released documents that the Bylong mine "would potentially result in significant sections of the Bylong River to cease flowing".

They have previously warned that the 'worst case scenario' is likely from the project and that water supply will be diminished to other authorised water users but this is the first public admission that the Bylong River may dry up.

However, this stark advice is not included in the Preliminary Assess-



Bylong Valley. Photo: Lock the Gate

ment Report that was prepared by the Department of Planning. Instead, the report says "the project is unlikely to significantly affect groundwater and surface water resources, water users or the environment."

"The public and the Independent Planning Commission have not been given frank advice about the dramatic impact this mine is expected to have on the Bylong River" Ms Woods said.

"It's very disturbing to see that advice from the DPI about impacts on the river has not been included in the preliminary assessment report.

"We're calling for an urgent investigation into how such a devastating impact on an important river system has effectively been ignored and hidden" she said.

The *Sydney Morning Herald* reported South Korean company Kepco is

planning to build a series of open-cut and underground mines in the Bylong Valley, to produce up to 6.5 million tonnes of coal each year for export to Korea for electricity generation.

Kepco land buy-up sees residents leave

In order to get the licences for the amount of water needed to run the mine, Kepco had to buy up thousands of hectares of land.

Among its purchases were historic homes, thoroughbred studs, strategic farmland and the local school.

Locals said those purchases left the community as a shadow of its former self, with many residents leaving the area.

Kepco also quelled any opposition to the mine, with the purchases reportedly including gag-clauses.

Narrabri: Renewables have more to offer than CSG



A CSG exploration area near Narrabri.
Photo: Lock the Gate

A report launched last week in the New South Wales North West town of Narrabri that offers hope that renewable energy development could deliver hundreds of lasting jobs in the district.

Narrabri is the proposed location of a highly controversial coal seam gas proposal by Santos, but the research released today by the Institute for Sustainable Futures at the University of Technology Sydney reveals that in comparison to Santos' gasfield, renewable energy could deliver more numerous and more lasting jobs.

Narrabri Shire is part of the New England Renewable Energy Precinct, set up by the NSW Government in 2010 to attract new investment. Two current solar energy projects are proposed in the area and Narrabri Shire Council Economic Social Plan 2000-2015 cited the potential for the region to develop a "green economy" and listed solar and wind power as potential industries.

Narrabri local, Rohan Boehm is hosting the launch and said, "We are very excited at the vision of Narrabri exporting affordable and reliable renewable energy to the rest of New South Wales. This is development that would invest in our region for the long term and we're keen to make it a reality.

Report author and Research Director at the UTS Institute for Sustainable Futures Dr Sven Teske outlined the findings of the report.

Dr Teske said, "I have modelled renewable energy scenarios all around the world and the potential in Narrabri is exciting. Renewable energy markets

are leaping ahead and if this district chooses to use its natural advantages, it could generate 500 permanent skilled local jobs by 2030, on a fraction of the land area that the proposed coal seam gasfield would occupy."

Mr Boehm concluded, "When we listen to what's on offer from Santos we have to ask, are the jobs you're talking about going to last longer than a mortgage? And what will be the legacy you leave us? We'd rather choose durable stable jobs in an industry that doesn't compromise the natural resources that make Narrabri Shire what it is.

Adani: no sovereign risk

An analysis by leading economist Saul Eslake finding no threat of damage to Australia's credit rating if the Adani mine was stopped.

He says an analysis of the criteria used by ratings agencies, such as Standard & Poor's, suggests there is no reason Australia's sovereign risk rating would be affected by stopping Adani's coal mine on environmental grounds.

Australia's sovereign risk rating has not been affected by previous changes in government policy, including: The end of sand mining on Fraser Island; Bans on uranium mining; Restrictions on logging; Bans on CSG exploration.

Australian Conservation Foundation Chief Executive Officer, Kelly O'Shanassy, said the report clearly rejects the main remaining objection to a Federal Government stopping the construction of Adani's polluting coal mega-mine.

News this week

Contractor **AECOM** has followed **Downer** in 'demobilising' from the Adani rail and mine project. **Adani** took a \$17.6 million write-down on the venture. Negotiations with **Townsville** Council over a subsidy for an Adani airport have also **stalled**, with the negotiation period extended until June. A generally **negative look** for the mine, although Adani says it's '100% committed'.

The *NT News* continued its **campaign for fracking** in the Territory with a double-page spread demeaning opponents and quoting at length from **Santos MD Kevin Gallagher's** pro-fracking speech to the APPEA conference in Adelaide.

APPEA also provided a platform for gas barons to spruik **pipelines** and **LNG import terminals** to service the eastern Australia gas market – despite the fact that two-thirds of gas produced in the east is shipped off to Asia.

While the government – especially **Matt Canavan** – talked up fuel security fears, a Deloitte report said **electric vehicles (EVs)**, especially if powered from solar installations, would vastly reduce dependence on oil imports. The take-up of EVs could drive oil prices down from the current US \$90 to \$30 a barrel by 2025 – a huge **disruption** to the oil and gas sector.

However, Canavan continues to push **national fuel security** as a lever for more **oil and gas** drilling Australia-wide.

Norwegian-owned **Statoil** is pushing towards oil drilling in the Great Australian Bight, and encountering opposition from seven local councils. The **Mayor of Kangaroo Island** jettied off to Norway to deliver a '**not welcome**' message to Statoil's AGM at Stavanger. He is backed up by Yorke Peninsula, Victor Harbor, Alexandrina, Holdfast Bay, Yankalilla and Elliston councils.

Leigh Creek Energy (LCK) will begin construction of its pilot **UCG** (underground coal gasification) plant in SA, even as the fallout continues from **Linc Energy's rogue UCG disaster** in Qld. LCK still awaits two approvals from the SA government. FFB is gobsmacked the project has come this far.

In the news this week:

This week Fossil Fool Bulletin has summarised 24,500 words of news for your convenience. [Click on the links](#) to view original articles. (Subscriptions may be required)

THE ADANI SAGA

<https://www.townsvillebulletin.com.au/business/adani-announces-176m-writedown-of-carmichael-megamine/news-story/02fef6d0081216d5d77a6cbad431b8>

Adani announces \$17.6m writedown of Carmichael megamine

John McCarthy & Andrew Backhouse,
Townsville Bulletin 4./05/2018

Adani has made a \$17.6 million writedown on its Carmichael megamine project in central Queensland in the latest sign of trouble for the Indian conglomerate.

The writeown was booked by its Australian unit Adani Mining in an Indian stockmarket filing in Mumbai. ...

The company also announced the reappointed Gautam S. Adani as an executive chairman of the company for a further period of five years.

<https://www.theguardian.com/business/2018/may/16/carmichael-rail-line-engineering-firm-says-it-has-demobilised-from-adani-project>

Carmichael rail line: engineering firm says it has 'demobilised' from Adani project

Ben Smees, *The Guardian*, 16/05/2018

The global engineering company AECOM, the firm that had been designing Adani's \$2.2bn rail line to its Carmichael coalmine, says that it has "demobilised" and is no longer working the project with the Indian conglomerate – but Adani says it is still "100% committed to the Carmichael project".

Engineering design contracts often have several milestones at which point the design is reviewed and the project then moves to another phase. The AECOM contract was ended at such a milestone with all contracts honoured. But sources have told Guardian Australia the expectation had been that AECOM would shepherd the rail project to its conclusion. ...

<https://endcoal.org/2018/05/adanis-forlorn-hope-that-the-global-coal-market-will-save-its-carmichael-mine/>

Adani's forlorn hope that the global coal market will save its Carmichael mine

Bob Burton, *EndCoal*, 16/05/2018

Adani recently flagged that it is pinning its hopes for its beleaguered Carmichael thermal coal mine in Australia



Galilee Blockaders called on AECOM to stop working with Adani.

Photo: Galilee Blockade

on growth in the Asia-Pacific market, even though the Australian Government's own resources forecaster is now painting a gloomy picture for coal exporters. ...

Adani has variously touted the Carmichael coal project as producing between 25 million and 60 million tonnes a year for export, a huge volume for a declining market to absorb.

As Adani's coal would be low-quality coal and be produced at a high cost to cover the huge infrastructure costs, the project wouldn't stand a chance in the global market.

• **Bob Burton is the Editor of CoalWire, a weekly bulletin on global coal industry developments published by CoalSwarm.**

<https://newmatilda.com/2018/05/17/engineering-firms-withdrawal-adani-coal-project-final-nail-coffin-says-greenpeace/>

Engineering firm's withdrawal from adani coal project should be 'final nail in the coffin', says Greenpeace

Chris Graham, *New Matilda*, 17/05/2018

One of the world's largest engineering firms – and a key partner in Indian company Adani's push to open up the Galilee basin in Queensland to coal mining – has confirmed it is no longer involved in the controversial project, sparking celebrations among environmental campaigners. ...

Yesterday, AECOM, an international

corporation with assets worth almost \$6 billion, confirmed it had "demobilised" from Adani Group's project, joining a growing list of partners and investors who have walked away from the venture.

The deal lasted less than a year, after being signed in July 2017. Overnight, AECOM's share price jumped 1 per cent in the wake of the news. ...

"This should serve as the final nail in the coffin for this environmentally and economically unsustainable project that most stakeholders have already walked away from," Greenpeace Australia Pacific Campaigner Jonathan Moylan said. ...

<https://www.townsvillebulletin.com.au/news/townsville/townsville-council-extends-negotiation-over-adani-air-strip/news-story/82f4aea5b2b6919d909a5366bdd771fc>

Townsville council extends negotiations over Adani airstrip

Tony Raggatt, *Townsville Bulletin*, 18/05/2018

Mayor Jenny Hill says she remains committed to creating jobs as the Townsville City Council extends a negotiating period to invest in an airstrip for Adani as the resources company embarks on work to prepare for mine infrastructure construction and operation.

Cr Hill was commenting after confirming a confidential matter it considered

in a recent closed session related to its contentious plan to invest up to \$18.5 million in airstrip infrastructure in the Galilee Basin to secure the city as a fly-in fly-out hub for Adani's Carmichael coal mine. ...

Meeting minutes show the council adopted a recommendation to extend the negotiating period for the "FIFO hub transaction documents" until June 30. ...

COAL ROCKS ON

<http://www.abc.net.au/news/2018-05-14/bylong-mine-in-upper-hunter-to-proceed-despite-threat-to-water/9748574>

Hunter Valley's Bylong River could 'dry up' as department ignores advice of NSW Water Office

Michael Slezak, ABC, 14/05/2018

A large foreign-owned mine planned for prime agricultural land in the NSW Hunter Valley could cause the Bylong River and local creeks to "dry up", according to an assessment by the NSW Water Office obtained under freedom of information laws. ...

The documents were requested under NSW FOI laws by a company owned by the family of disgraced former Labor power-broker Eddie Obeid, but made their way to anti-coal group Lock The Gate. ...

<https://www.smh.com.au/business/the-economy/who-are-australia-s-largest-carbon-emitters-20180514-p4z43.html>

Who are Australia's largest carbon emitters?

Cole Latimer, SMH, 15/05/2018

The Clean Energy Regulator has named Australia's ten highest carbon emitters, with coal-fired generators taking out the majority of positions. ...

Nearly half of all of Australia's direct emissions, 49.7 per cent, came from just ten companies and their assets.

The data also shows Queensland is the nation's top emitting state.

Based on the CER's annual breakdown here are Australia's largest emitters.

1. AGL – 43.4 million tonnes;
2. Energy Australia – 21.7 million tonnes;
3. Stanwell Corp – 18.6 million tonnes;
4. Origin Energy – 17.2 million tonnes;
5. CS Energy – 14.1 million tonnes;
6. Engie (trading as International Power (Australia) Holdings) – 11.4 million tonnes;
7. OzGen Holdings – 10.3 million tonnes;
8. Woodside Petroleum – 10.2 million tonnes;
9. Loy Yang Holdings P/L – 10.1 million tonnes;
10. Glencore – 9.7 million tonnes.

<https://www.theguardian.com/environment/2018/may/15/almost-half-of-australian-big-business-moving-to-renewables>

Almost half of Australian big business moving to renewables

Ben Smee, The Guardian, 15/05/2018

Almost half of Australia's large businesses are actively transitioning to cheaper renewable energy, including many going off the grid by building their own generators and battery storage, as power bills threaten their bottom line.

A new report by the Climate Council details the increased speed of a business-led transition to renewables as power bills have increased.

The average household and small-business energy bill is more than 80% higher than a decade ago. Gas prices have increased threefold in five years.

Many businesses – including 46% of large operations – have responded by seeking green alternatives. The Climate Council report, released on Tuesday, said the capacity of Australian businesses to generate their own solar power had doubled in less than two years. ...

<https://www.inverelltimes.com.au/story/5403136/politicians-to-be-sent-coal-and-water-in-a-jar/?cs=1523>

NSW politicians will be sent a 'desktop reminder' with a difference.

Inverell Times, 15/05/2018

As they are surveyed about whether they support or oppose coal mining in the Sydney Water Catchment ahead of a parliamentary debate next week, [NSW politicians] will be sent a jar containing a lump of coal and water.

Battle for Berrima president Ken Wilson said the message was that coal and water "just don't mix".

"This is especially true of the Sydney

Water Catchment where unbelievably coal exploration and mining is not only allowed by the NSW Government to take place but future proposals for new mines and extensions of existing mines are being seriously considered," he said. ...

Mr Wilson said in many locations coal mines continued to cause significant damage to water systems that fed into the catchment.

"That issue and the prospect of other current and future coal mines causing irreversible damage to the Catchment spurred 13500+ to sign a petition."

The petition calls for:

A moratorium on any coal mining in the Catchment

An immediate audit of all discharges from disused, operating and moth-balled coal mines in the Catchment

An open and transparent Parliamentary Inquiry into the issue of coal mining within the Catchment

Mr Wilson said the petition would be debated in the Legislative Assembly on May 24.

https://www.canberratimes.com.au/environment/climate-change/carbon-bomb-clive-palmer-seeks-nod-for-mine-twice-the-size-of-adani-s-20180515-p4zfe5.html?utm_medium=rss&utm_source=rss_feed&google_editors_picks=true

'Carbon bomb': Clive Palmer seeks nod for mine twice the size of Adani's

Peter Hannam, Canberra Times, 17/05/2018

Mining billionaire Clive Palmer is seeking approval to develop a Queensland coal mine twice the size of the controversial Carmichael project - but has done so by drawing heavily on environmental work done by other mines proposed for the region.

The federal environment department told Fairfax Media it will decide by Monday whether the Alpha North mine

Battle for Berrima is sending this reminder to the desks of NSW politicians: Coal and water just don't mix – as they present a petition for a moratorium on mining in the Sydney water catchment. Photo: Battle for Berrima



proposed by Mr Palmer's Waratah Coal company will require "detailed assessment under national environmental law," according to a spokeswoman.

The monster mine planned for the Galilee Basin, abuts Adani's Carmichael mine, and is separate from a proposal by Mr Palmer to develop the China First mine, also in the region. ...

Alpha North's footprint would be about triple Carmichael's, at 144,000 hectares, or about 27 times that of Sydney Harbour, according to Greenpeace, which lodged a submission against the mine. ...

Jonathan Moylan, a campaigner for Greenpeace, said the project represented "a whole additional carbon bomb" to that advanced by Adani. ...

<https://www.townsvillebulletin.com.au/business/decision-looms-for-clive-palmers-alpha-north-coal-mine-twice-the-size-of-adani/news-story/574b26561952d57e4cc775a-f1e28a6b4>

Decision looms for Clive Palmer's Alpha North coal mine twice the size of Adani

Andrew Backhouse, *Townsville Bulletin*, 18/05/2018

Millionaire Clive Palmer will soon learn the fate of his proposed coal mine in Queensland which could be twice the size of the Adani project.

The massive mine will be located in the Galilee Basin region within Barcardine, Charters Towers and the Isaac local government areas, which have historically been used for primary production. ...

GAS, GAS, GAS

<http://www.adelaidenow.com.au/news/opinion/peter-clements-kangaroo-island-mayor-tells-oil-giant-statoil-to-back-off-no-drilling-in-the-bight/news-story/1f72c751fcb533789462fda2b9926082>

Peter Clements: Kangaroo Island Mayor tells oil giant Statoil to back off, no drilling in The Bight

Peter Clements, *The Advertiser*, 15/05/2018

Kangaroo Island Council is now one of seven coastal local governments opposing the Norwegian owned Statoil's plans to drill for oil in the Great Australian Bight, with Alexandrina Council voting its opposition just last week.

We on Kangaroo Island have been fighting against this industry establishing itself for the past six years and for good reason. Kangaroo Island would bear the full brunt of an oil spill from deep-sea oil drilling in the Great Australian Bight and has everything to lose. Kangaroo Island is the jewel of South Australia's tourism industry and

The jewel of South Australia's tourism industry, Kangaroo Island, will be put at risk by Norwegian company Statoil's drilling plans. Photo: Australia.com



its produce trades on the island's clean green reputation. ...

I will be telling the oil giant Statoil and its shareholders about the growing community opposition when I attend its annual general meeting in Stavanger, Norway, this week and will implore the company to quit its plans to drill in the deep, rough and remote waters of the Great Australian Bight, just as BP and Chevron have already done. ...

A spill would be devastating for South Australia's \$442 million fishing industry and its tourism industries in coastal regions, worth more than \$1 billion. The two industries employ more than 10,000 full-time positions.

The Great Australian Bight waters are deeper, more treacherous and more remote than the Gulf of Mexico. Statoil's former Bight partner BP's own oil spill modelling showed a spill from an ultra-deepwater well blowout in the Great Australian Bight could impact anywhere along all of southern Australia's coast, from Western Australia right across to Victoria through Bass Strait to NSW and around Tasmania. A spill could hit Adelaide in 20 days and could hit Port Lincoln and Kangaroo Island in 15 days.

BP's statement that a major oil spill in The Bight would be good for the South Australian economy is too unbelievable to contemplate and demonstrates the arrogance of some companies in this industry. ...

The local governments opposed to oil and gas exploration in The Bight now include Kangaroo Island, Yorke Peninsula, Victor Harbor, Alexandrina, Holdfast Bay, Yankalilla and Elliston. ...

• Peter Clements is the Mayor of Kangaroo Island.

<http://www.abc.net.au/news/2018-05-15/australia-oil-supply-plummets-with-drilling-likely-in-bight/9763932>

'Alarmingly low' oil supplies may prompt more drilling in Great Australian Bight, minister warns

Isabel Dayman, *ABC*, 15/05/2018

Concerns about national security and energy supply could prompt further bids to drill for oil in the Great Australian Bight, the Federal Resources Minister has warned.

In his address to the Australian Petroleum Production and Exploration Association's (APPEA) annual conference in Adelaide on Tuesday, Federal Resources Minister Matt Canavan said the Bight could play a vital role in bolstering Australia's domestic oil supply. ...

Mr Canavan said allowing exploration in the Bight was as much about national security as it was economics and the environment.

"Any individual proposal for the Great Australian Bight will be properly assessed, but to just put up the white flag to say we can't do it flies in the face of the experience we have had as a nation for nearly 50 years now in safely operating oil and gas infrastructure," he said.

Kokatha elder Sue Haseldine said a spill would be disastrous for the Bight's Indigenous and non-Indigenous communities. ...

<https://www.theguardian.com/environment/2018/may/15/more-of-the-great-australian-bight-opened-to-oil-and-gas>

More of the Great Australian Bight opened to oil and gas

Lisa Cox, *The Guardian*, 15/05/2018

On Tuesday the government released 21 new acreages that petroleum companies will be able to bid for across

six basins off Western Australia, South Australia, Victoria and the Ashmore and Cartier Islands.

The announcement came as protesters gathered outside the Australian Petroleum Production & Exploration Association's annual conference in Adelaide to oppose new oil and gas drilling in the bight. Later on Tuesday, Kangaroo Island's mayor, Peter Clements, was speaking at Statoil's annual general meeting in Norway to highlight community opposition to the project.

The Wilderness Society said on Tuesday that the government was "acting insanely in trying to push oil and gas exploration in the Great Australian Bight" in waters that were pristine and where development was risky. ...

<http://www.abc.net.au/news/2018-05-16/nt-seabed-mining-moratorium-extended-three-years/9764622>

NT seabed mining moratorium extended, drawing mixed reaction from stakeholders

Jacqueline Breen, ABC, 16/05/2018

The Northern Territory Government has quietly extended a moratorium on seabed mining.

The extension was never publicly announced by the NT Government. ...

The ABC confirmed that the moratorium, which was due to expire, will now remain in place until 2021.

<https://www.northerndailyleader.com.au/story/5400334/twice-as-many-jobs-if-narrabri-chooses-renewables-over-gas-report/>

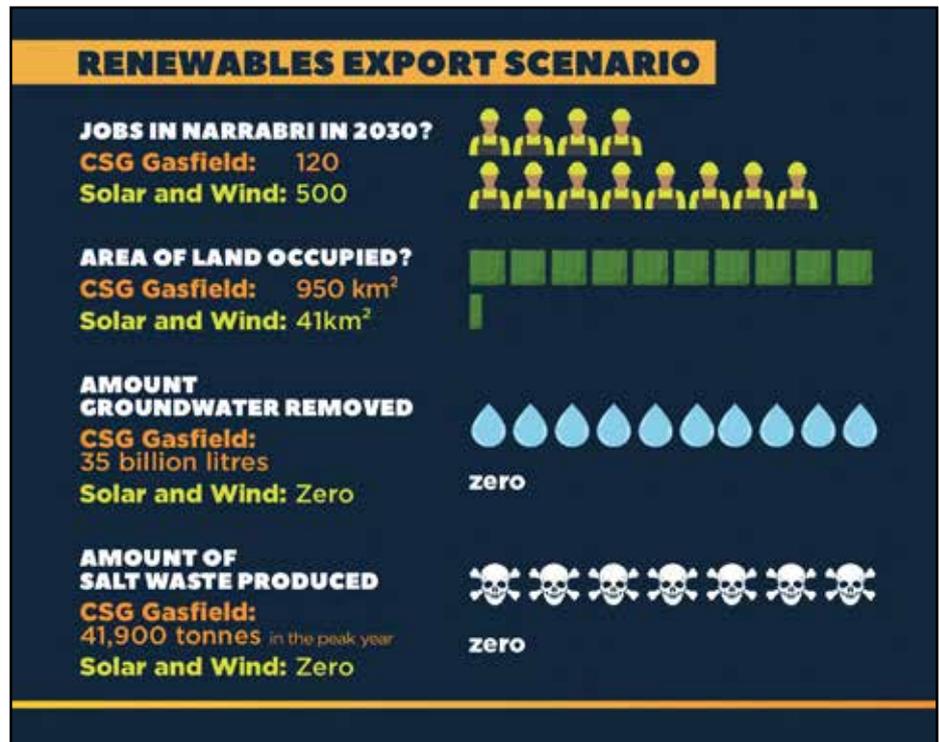
Narrabri renewable energy jobs twice that of coal seam gas: report

Jamieson Murphy, Northern Daily Leader, 15/05/2018

Narrabri would have more than double the amount of jobs if it chose to go down a renewable energy path, rather than the coal seam gas path, a new report states.

The report was conducted by the University of Technology Sydney's Institute for Sustainable Futures, at the request of environmental group Lock the Gate.

A conservative model based on the state's current renewable energy policies found Narrabri had the potential for up to \$1 billion in investments, through the installation 622MW of solar and 175MW of wind power, which would take up just four per cent of the land area required for the proposed Narrabri gasfield.



A report by University of Technology Sydney's Institute for Sustainable Futures says renewable energy projects would supply more jobs than a proposed gasfield and use only four percent of the land area.

The report says that would create 500 permanent local jobs in operation and maintenance created by 2030, which would be local jobs as "a fly-in fly out workforce is not feasible".

Santos says its Narrabri Gas Project would create 1300 jobs during construction and 200 ongoing roles during its 25-year lifetime.

Report author and institute director Sven Teske said the Narrabri region would "leap ahead" if it chose to use its natural advantages, with the jobs created lasting well beyond the end date for the Narrabri gasfield. ...

<https://www.theland.com.au/story/5407119/santos-declares-no-gas-drilling-on-liverpool-plains/?cs=4951>

Liverpool Plains CSG drilling not in our plans, Santos says

Jamieson Murphy, The Land, 17/05/2018

Santos has announced it has no plans to drill in the Liverpool Plains, leading to farmers and environmentalist calling for the company to put their money where their mouth is by rescinding the exploration licence covering the black-soil plains.

At the company's annual general meeting, Santos CEO Kevin Gallagher emphatically stated expanding in to the Liverpool Plains was not in the gas giant's long-term plans.

"We have no plans to drill wells in the

Liverpool Plains," Mr Gallagher said.

"The Narrabri Gas Project is contained. Our plans are simply not to drill in the Liverpool Plains.

"The fact that the permit area we have covers the Liverpool Plains is just something we have to live with. We can't cut it off, it's there, but our plans are to the north of that."

Liverpool Plains farmer David Quince, who raised the issue at the AGM, said he was sceptical of the company's promise not to drill within the Petroleum Exploration Licence (PEL).

"I take everything they say with not just a grain, but a lump of salt," Mr Quince said

"If they've got no intention of drilling there, why the hell have they still got an office in Gunnedah?"

"If Santos is so adamant they're not going to drill there, they should put people in that area at ease and forfeit the licence." ...

<http://www.ntnews.com.au/business/feature-controversial-nt-fracking-decision-was-the-right-move/news-story/f11b65ba3a84f70debeb7103baac1273>

Feature: Controversial NT fracking decision was 'the right move'

Ashley Manicaros, NT News, 19/05/2018

If any good is to come out of the hydraulic fracturing debate in the



The Murdoch-owned NT News continues a propaganda campaign in support of fracking the Territory.

Northern Territory, it is the gas industry realising how important taking the community with you is.

A majority of Territorians breathed a sigh of relief when a decision was finally made to lift the ban and allow the development of onshore gas by the Gunner Government. ...

The core opponents to hydraulic fracturing will remain pawns to a larger game, which is every bit as filled with corporate self-interest as the ones they so passionately criticise.

The foundations of opposition were formed three years ago in the Territory and went uncontested by industry and government. The seeds of discontent had spread here from international and interstate opposition. Professional anti-fossil fuel campaigners like Lock the Gate started a slow door-to-door information, or misinformation as the industry would describe it, campaign.

These were seasoned professional activists brought to the NT, seconded from global movements to educate those at the grassroots level, so they would become the foot soldiers. ...

<https://www.dailytelegraph.com.au/news/construction-to-start-soon-after-key-approval-for-leigh-creek-gas-project/news-story/29fc81aae86045442029c82202d2ec27>

Construction to start soon after key approval for Leigh Creek gas project

Cameron England, The Advertiser, 15/05/2018

Leigh Creek Energy says it will start building its pilot gas plant at Leigh

Creek next week after being granted the first of three final approvals. ...

Managing director Phil Staveley said the company could now start site works. ...

“This is a monumental moment for the company as it moves towards its objective of being a key provider of energy in Australia.” ...

“LCK and its contractors are scheduled to commence on-site assembly and commissioning of PCD modules and supporting services and equipment next week,” the company said.

“This is expected to take approximately eight weeks.

“During this stage of the PCD, personnel will be in a range of accommodation in Leigh Creek and Copley, and at the on-site camp that will exist for the brief construction period.

“In conjunction with this activity, three process wells will be drilled to service the underground, in-situ gasification chamber, on approval of the PCD process well drilling Activity Notification.

“This activity is projected to last for 25 days” ...

<http://www.afr.com/business/mitsubishi-backs-800m-gas-solution-for-south-australia-20180513-h0zzz7>

Mitsubishi backs \$800m gas solution for South Australia

Matthew Stevens, AFR, 13/05/2018

Japan’s Mitsubishi Corporation is backing the joint venture that is working to solve South Australia’s future energy

needs with a “virtual pipeline” project that would see liquid natural gas imports linked to a new firming capacity power station. ...

Mitsubishi has invested \$15 million to fully finance a feasibility study on a proposal to land imported shipments of liquid natural gas at Pelican Point, 20 kilometres south of Adelaide, where it would be converted, stored and used to fuel a related power station development and be sold into South Australian gas markets. ...

This is the second “virtual pipeline” proposal that has been backed by major Japanese industrialists and it has become increasingly obvious that Japan Inc generally is drawn to the growth opportunities created by the structural disconcert of Australia’s energy market.

In February the Financial Review revealed that former Santos executive James Baulderstone had lured Marubeni and the emperor of LNG traders, JERA, into a joint venture with Andrew Forrest that aims to rescue he state from its twin gas and power dilemmas. ...

Baulderstone’s project has apparent access to the intellectual and financial capital needed and the former Santos and Duet executive is currently working to make a decision on which regional NSW port might be the best site for his floating re-gas and storage vessel and is attempting to lock in custom for the gas and power he wants to sell.

As constructed at present, the Baulderstone plan would see the Forrest-led Australian Industrial Energy joint venture secure the economics of its re-gas terminal by “facilitating” construction of a 750 megawatt power plant that would offer firming supply to the fragile east coast power markets.

The third re-gas proposal is slightly different both because it is not driven by a market disrupter and because the investment proposition is not sustained by building cornerstone gas demand through the related construction of new power generation.

AGL has committed \$20 million to fund feasibility work on building a gas import facility at Crib Point on Victoria’s Western Port Bay. AGL has targeted 2019 for a final investment with the aim of delivering first gas by 2020-21.

<http://www.ntnews.com.au/business/first-gas-to-customers-from-50-billion-inpex-project-may-be-delayed-until-late-this-year/news-story/1eb0fc651a78b05a418e9ceb-9fc3e7f>

First gas to customers from \$50 billion Inpex project may be delayed until late this year

Ashley Manicaros, NT News, 16/05/2018

First gas to customers from the \$50 billion Inpex project may be delayed until late into the second half of this year, the NT News can reveal.

Industry sources at the Australian Petroleum Production & Exploration Association conference in Adelaide say the complexity of the construction program has impacted on the timelines.

<http://www.afr.com/business/energy/gas/shell-australia-chief-lays-down-challenge-to-gas-industry-20180514-h10112>

Shell Australia chief lays down challenge to gas industry

Angela Macdonald-Smith, AFR, 15/05/2018

Shell's most senior representative in Australia is set to issue a challenge to oil and gas industry leaders to leave behind their "corporate comfort zones" and become stronger advocates for the massive economic and community benefits delivered by the industry.

In an address to be given to the APPEA oil and gas industry conference in Adelaide on Tuesday, Zoe Yujnovich, who is also chairwoman of the association, says it is up to the sector to make its case and puts some blame on industry for not engaging in a wider debate. ...

"We must extend the conversation to the lounge rooms, train stations and coffee queues across the country where 60 square centimetres of screen has become the only battleground that really matters," Ms Yujnovich will say.

<https://www.theaustralian.com.au/business/mining-energy/santos-seeks-greater-community-engagement-on-gas/news-story/935f145c16482dd65e158e3c015b565d>

Santos seeks greater community engagement on gas

Matt Chambers, The Australian, 16/05/2018

Santos chief Kevin Gallagher has called on the industry to support gas reservation in the Northern Territory and national interest tests on new LNG projects, as community and political concerns over gas prices grow and environmental activists mount successful campaigns against the industry.

The statements have ruffled some feathers at the Australian Petroleum Production and Exploration Association conference in Adelaide. ...

<https://www.theaustralian.com.au/national-affairs/evs-bad-for-oil-and-gas-sector-good-for-energy-security/news-story/8fa14a8633048c2c71457071a5073578>

EVs 'bad for oil and gas sector, good for energy security'

Ben Packham, The Australian, 16/05/2018

A predicted surge in electric vehicle ownership poses a threat to the oil and gas sector but could improve Australia's energy security by freeing the nation from dependence on foreign oil, according to a new report.

The Deloitte paper says electric vehicles are expected to become cheaper than equivalent internal combustion cars by 2025, heralding a major disruption to the energy sector that could drive down the cost of oil to \$US30 a barrel from the current \$US90.

It warned LNG prices could also slump, due to the link to crude oil prices, potentially threatening LNG projects. It said countries such as Australia, which imports 90 per cent of its liquid fuels, "have security-of-supply reasons to encourage fuel switching". ...

The Australian Energy Market Operator recently revised its forecasts for the rollout of electric vehicles, suggesting uptake could be twice as fast as previously thought. The revised numbers predict electric vehicles will consume up to 30,000GWh of electricity a year by 2027, or about 15 per cent of total demand.

<https://www.theaustralian.com.au/business/mining-energy/chevron-calls-for-joint-pipeline-to-link-big-western-australian-lng-projects/news-story/08d413209cc5942c373fc9d28ed92fd2>

Chevron calls for joint pipeline to link big Western Australian LNG projects

Matt Chambers, The Australian, 16/05/2018

Chevron Australia managing director Nigel Hearne has called for industry and government to work to link Western Australia's four big LNG projects and vast offshore gas resources through a big new pipeline to ensure they are developed efficiently with existing infrastructure.

<https://www.theaustralian.com.au/business/mining-energy/analysts-tip-east-coast-gas-price-rise-despite-added-supply-efforts/news-story/20cde069851cd-99f81913358a01c01d>

Analysts tip east coast gas price rise despite added supply efforts

Matt Chambers, The Australian, 17/05/2018

Leading gas market analysts Wood Mackenzie and EnergyQuest are tipping east coast gas prices to rise above \$10 a gigajoule, despite federal government and gas industry moves to divert more supplies to domestic markets.

The consultancies both released forecasts out to the middle of next decade at the Australian Petroleum Production and Exploration Association conference in Adelaide this week. And both had bad news for gas buyers, with the current contract prices of \$8 to \$10 a gigajoule set to rise. ...

Wood Mackenzie said east coast prices were forecast to head to between \$10 and \$13 a gigajoule.

<https://www.theaustralian.com.au/business/mining-energy/chevrons-lng-eastern-gas-supply-plan/news-story/c4b9319d95b59f16cd431b71794b8b65>

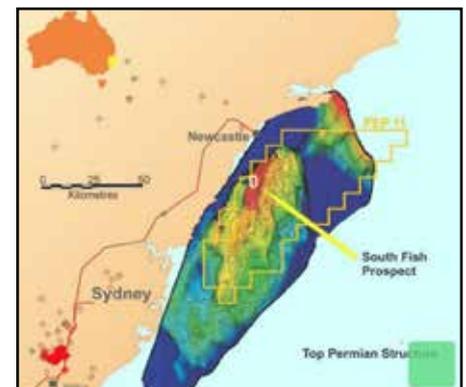
Chevron's LNG eastern gas supply plan

Matt Chambers, The Australian, 17/05/2018

Western Australia's two big LNG exporters have put in bids to supply AGL Energy's planned LNG import terminal, with Chevron saying Australian winter demand provides the opportunity to sell gas when Asian seasonal demand is low.

Chevron Australia managing director Nigel Hearne said the oil major — which runs the Gorgon and Wheatstone LNG plants — was in talks to supply LNG to east coast regasification terminals.

The plans have been developed by AGL Energy and, recently, the Andrew Forrest-backed Australian Industrial Energy. ...



Asset Energy's seismic exploration area.

<https://www.theherald.com.au/story/5404963/company-vigorously-pursuing-gas-exploration-off-east-coast/?cs=305>

NSW Parliament calls for Asset Energy's exploration licence to be suspended

Nick Bielby, Newcastle Herald, 16/05/2018

NSW Parliament is calling for the Turnbull government to suspend a petroleum exploration licence for an area off the coast of Newcastle where seismic testing has recently taken place. ...

Asset Energy spokesman Toby Foster said the company had proven it

could operate through “evolving” regulatory framework over several years and believed its projects had done no harm to the environment.

The NSW upper house passed a motion on Tuesday that called for a halt to Asset Energy’s exploration in the PEP11 licence area until concerns about the regulatory process had been addressed. ...

Greens MP Justin Field said, “Seismic testing off the coast of Newcastle caught the community by surprise but they’re now united in demanding no oil or gas fields off the NSW coast. Imagine sitting on the iconic Nobby’s Beach and looking beyond the waves at oil rigs, or the massive risk of a spill off Sydney’s Northern Beaches. ...

<http://www.ntnews.com.au/lifestyle/fishing/environmental-groups-urge-bight-drilling-ban/news-story/7546a322356f7bb05df2c9b37ff99769>

Environmental groups urge Bight drilling ban

Tim Dornin, AAP, NT News, 16/05/2018

Oil exploration in the Great Australian Bight is too risky, with a major spill putting the tourism and fishing industries at risk along with Australia’s coastal way of life, environmental groups say.

The Wilderness Society and Greenpeace came together with traditional owners and local councils on Tuesday to protest over plans by Norwegian energy company Statoil to drill in the Bight by October 2019.

They gathered outside the annual conference of the Australian Petroleum and Production and Exploration Association, urging the company to heed concerns. ...

FOSSIL POLITICS

<https://www.smh.com.au/politics/federal/federal-government-approved-flawed-nsw-environment-policy-20180513-p4zf17.html>

Federal government approved flawed NSW environment policy

Nicole Hasham, SMH, 13/05/2018

A NSW policy to counter the environmental damage caused by mines and other large developments was endorsed by the federal government despite bureaucrats knowing it contained serious shortcomings, freedom of information documents have revealed.

A former federal environment staffer has also told Fairfax Media that senior department officials “shut down” scrutiny of the NSW policy once the deficiencies began to emerge.

The revelations discredit assurances by the federal government that its controversial “one stop shop” to streamline environmental approvals for big projects would not weaken protections for threatened species and sensitive bushland. ...

Documents obtained under freedom of information laws by Humane Society International show federal bureaucrats found aspects of the NSW assessment approach were substantially weaker than the national standards. Despite the concerns, the federal government in 2015 accredited the NSW policy, which has since been used to assess contentious developments including Santos’ Narrabri Gas Project and the open-cut Bylong coal mine near Mudgee. ...



<https://www.smh.com.au/politics/victoria/andrews-government-opens-up-state-s-western-coastline-to-gas-drilling-20180516-p4zfp6.html>

Andrews government opens up state’s western coastline to gas drilling

Adam Carey, SMH, 16/05/2018

More than 1300 square kilometres of coastal waters and coastline in western Victoria has been opened up to gas exploration by the Andrews government, including potential drilling from onshore.

Industry has been invited to bid for the right to explore for gas along a vast stretch of ocean between the Twelve Apostles Marine National Park and the South Australian border.

The offer includes the right to drill for gas from onshore, even though the Andrews government has banned onshore gas exploration or drilling until mid-2020. ...

<https://www.theguardian.com/environment/2018/may/14/gas-fuels-australias-third-straight-year-of-rising-emissions>

Gas boom fuels Australia’s third straight year of rising emissions

Lisa Cox, The Guardian, 14/05/2018

Australia’s greenhouse gas emissions continue to soar, increasing for the

third consecutive year according to new data published by the Department of Environment and Energy.

The Turnbull government published new quarterly emissions data late on Friday which reveals Australia’s climate pollution increased by 1.5% in the year to December 2017.

The expansion in LNG exports and production is identified as the major contributor to the increase, but the data shows a jump in emissions across all sectors – including waste, agriculture and transport – except for electricity, the one area that recorded a decrease in emissions.

In particular, the department’s data shows a 10.5% increase in fugitive emissions from the production, processing, transport, storage, transmission and distribution of fossil fuels such as coal, crude oil and natural gas, driven by an increase of 17.6% in natural gas production. ...

<https://www.theguardian.com/business/grogonomics/2018/may/15/its-no-surprise-emissions-keep-going-up-theres-no-price-on-carbon>

It’s no surprise emissions keep going up. There’s no price on carbon

Greg Jericho, The Guardian, 15/05/2018

Late last Friday, the government quietly released the latest data on greenhouse gas emissions and, as has been the case since the ending of the carbon price, they show emissions are increasing. But the figures also highlight that the government’s current plan to focus almost exclusively on electricity, through its national energy guarantee, means Australia will be unable to meet its commitment to reduce economy-wide emissions by 28% below 2005 levels by 2030.

The government is never all that excited about releasing the quarterly update on greenhouse gas emissions. In December it released them the week before Christmas, and this time it released it late Friday afternoon – the end of budget week.

The minister for environment and energy, Josh Frydenberg, didn’t bother to even put out a media release which, given the importance of the figures to his portfolio, would be like the treasurer not bothering to note the release of the quarterly GDP figures. ...

News this week ... from previous page

<https://www.theaustralian.com.au/national-affairs/poles-and-wires-firms-face-price-gouge-probe/news-story/abf2aa943ef89ffb55ca1243bfd03938>

Poles and wires firms face price-gouge probe, compo claims

Joe Kelly & Rachel Baxendale, *The Australian*, 15/05/2018

Bill Shorten has called for energy companies who have allegedly been caught gouging customers by as much as \$400 million a year to cover inflated corporate tax liabilities to refund "every cent".

The Labor leader's call comes after the Turnbull government today asked the Australian Energy Regulator to review the extent to which customers are being overcharged, amid suggestions power network and gas pipeline companies are collecting at least three times as much from customers as they need to cover their corporate tax liabilities, costing the average household an extra \$40 a year. ...

<http://www.abc.net.au/news/2018-05-16/naif-announcement-in-the-northern-territory/9767466>

NAIF fund faces uncertain future despite Government plan to fast-track projects

Jane Bardon, *ABC*, 16/05/2018

A barramundi farm outside Darwin has become just the second project to be offered a loan from the Federal Government's Northern Australia Infrastructure Facility loan fund.

Humpty Doo Barramundi will use a \$7 million loan, along with another promised \$22 million, for an expansion that would increase its production of 3,000 tonnes of fish per year by 30 per cent.

"This is the first stage of a five-year program. We're looking at increasing direct employment from 50 to cover 100 people," the farm's owner Dan Richards said.

Before the Government relaxed lending rules last month, the \$5 billion fund had only made one other loan — \$16 million to a Western Australian marine supply base project in Onslow.

[Adani's Carmichael coal mine was a prospect for a \$1 billion NAIF loan until the Queensland government vetoed the idea.]

<https://www.reuters.com/article/column-russell-energy-australia/rpt-column-green-penny-finally-drops-for-australia-oil-and-gas-industry-russell-idU5L3N1SM2XK>

Green penny finally drops for Australia's oil and gas industry: Russell

Clyde Russell, *Reuters*, 15/05/2018

How can Australia's oil and gas industry, on the cusp of becoming the world's largest exporter of liquefied natural gas (LNG), have failed so comprehensively in the public relations battle against environmental activists?

This was the question posed by Kevin Gallagher, chief executive of Santos Ltd, the country's No. 2 oil and gas producer, to the annual conference of the Australian Petroleum Production and Exploration Association.

It's taken several years, but the country's LNG producers have finally realised there is mounting public anger against their industry, and they are very much on the back foot when it comes to telling what they believe is a positive story.

The public relations problems for the industry have been brewing for several years, but have been greatly exacerbated in the past year by a combination of factors.

These include sharply higher natural gas prices for domestic consumers and a well-orchestrated campaign by green activists against the industry. ...

<https://www.gladstoneobserver.com.au/news/pressure-on-as-qlds-gas-plan-12-months-overdue/3416033/>

Pressure's on as Qld's gas report 12 months overdue

Teagan Annett, *Gladstone Observer*, 16/05/2018

The pressure is on to release the Queensland gas supply and demand action plan, which is almost 12 months overdue.

In November 2016 a discussion paper with 29 recommendations to help solve the challenges facing gas producers and buyers was released, the first industry-wide gas discussion paper in Queensland.

Now, 18 months after the discussion paper was published - the plan tipped to manage Queensland's gas issues has not been released, prompting Liberal National Party politician Dale Last to ask why.

Minister for Natural Resources Mines and Energy, Dr Anthony Lynham, is expected to respond to Mr Last's parliament tabled question in June to explain why the final plan has not been released. ...

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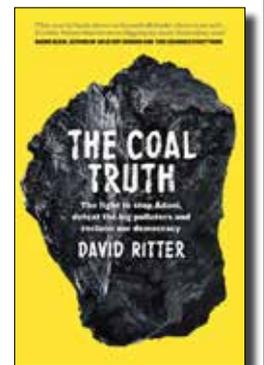


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