The clean coal myth: Pitfalls of carbon capture and storage exposed as govt bankrolls scheme

Golden Beach is an idyllic section of Victoria’s Ninety Mile Beach. It boasts a pristine coastline, plentiful fish, multitudes of birds and the skeletal remains of an 1897 shipwreck. But there is a cloud hanging over this lovely place.

A publicly-funded state government project called CarbonNet has earmarked the area for carbon storage. This February, seismic testing for a suitable carbon storage site began in the waters off Golden Beach.

CCS ‘money pit’

CCS is also known as geosequestration or carbon control and sequestration (or as we mostly call it, ‘the money pit’). It involves removing CO2 from power station flue gases by absorbing them into an aqueous solution containing chemicals known as amines. You then extract the CO2, compress it into a liquid and pump it into a storage facility. In this case, the space left by an old gas reserve off the Gippsland coast.

There are well-founded and grave concerns about CCS. Despite billions of dollars being spent in projects worldwide, the possibility of dangerous leakage remains, rendering the exercise futile. Leakage of any more CO2 than 1% every 1,000 years would undermine the process entirely.

Additionally, the chemicals that they are using to try to trap carbon can degrade into highly toxic compounds that may cause adverse health effects and environmental damage. We don’t yet know how the leakage of these compounds into the marine environment will affect marine life and ecosystems. The results could be toxic and devastating. The released amines degrade into highly toxic compounds that may cause adverse health effects and environmental damage and include nitrosamines, one of the most potent carcinogens in tobacco smoke.

So, CCS makes coal power plants produce greater quantities of toxic chemicals, reduces their efficiency and is exorbitantly expensive. More power is required to run the capture process and further power to capture the carbon emitted for that process, in a continuous feedback loop. The cost of capturing the extra carbon was not considered when CCS was first proposed, resulting in the economic failure of pilot projects so far.

Victoria’s coal policy, Statement on future uses of brown coal, relies heavily on the imagined future success of CCS to continue the use of coal. Alarmingly, these so-called clean alternatives include converting brown coal to hydrogen to be sold to Japan for motor vehicle fuel.

Until we give up on the fantasy of clean coal through CCS we will not address the real issue: the need for a complete phase out of coal for a safe climate future. CCS is also a highly ineffective way to reduce carbon output. It would be easily outpaced by simple reductions in energy use. One commentator calculated that, “Simply by not overfilling our kettles, we could remove about the same amount of CO2 as saved by CCS at a major power station.”
Clean coal myth exposed

• Continued from p1

State and federal governments and the Global CCS Institute have spent millions in support of CarbonNet. Nationally, Australia has spent $1.3 billion on CCS technology. Truckloads of money on an experimental technology that’s not yet proven to work anywhere. The Victorian government must stop funding CCS research and re-allocate any remaining funds towards job creation in the LaTrobe Valley.

Renewable energy is cheaper

Solar and wind energy are both currently cheaper than CCS and continuously decreasing in price. Renewables are already reliable, and unlike CCS, are reducing our carbon output. The funding wasted here would be better spent on improving and rolling out proven renewable technology, but there is a dangerous, misplaced hope keeping old coal alive in a warming climate.

Sarang Supekar and Steve Skerlos, from the engineering school at University of Michigan, write: “Keeping the coal in the ground is not only the most economical way of reducing carbon emissions, it is a sure way to save thousands of lives every day due to cleaner air. It is a classic case of “prevention,” through decarbonization of energy systems, being better and cheaper than the “cure” of CO2 capture.”

The seismic testing at Golden Beach shows that the state government and CarbonNet are taking the CCS process seriously despite its unproven and risky reputation. The Gippsland coastal community near Golden Beach has recently been subjected to the exhausting process of fighting onshore gas exploration, and in nearby Seaspray disused fracking wells sit alongside farmland. Fortunately the locals are well versed in the arts of challenging toxic industries, but they are few in number, and need our support.

Follow the ‘No Carbon Storage on the Ninety Mile’ Facebook page to follow local news at Golden Beach. If you know anyone living or holidaying at Golden Beach, make sure they’ve heard about this.

Originally published in Chain Reaction #132, April 2018. National magazine of Friends of the Earth Australia.

www.foe.org.au/chain_reaction_132

Santos underestimates Narrabri CSG waste salts by over 50%

Lock the Gate Alliance is calling on the NSW Government to give the people of the Narrabri and Coonamble districts a solemn pledge that it will ensure Santos fixes up the gaping holes in its groundwater impact assessment following criticism from expert reviewers.

A review of Santos’ response to submissions by Dr Matthew Currell of RMIT University, commissioned by EDO NSW, found serious failings:

- Very little data has been collected that characterises the groundwater that will be targeted for removal by Santos, and how it interacts with other groundwater systems;
- There are contaminants of significant potential concern within the groundwater that will be brought to the surface by Santos that were not flagged in the EIS and are not given any further substantial discussion in the Response to Submissions, including concentrations of Arsenic above levels known to be hazardous to human health;
- Santos has underestimated the volume of waste salts that will be produced by its water treatment plant by 50% or more.

“It sort of shocked me”

“It sort of shocked me the lack of additional data collection and field work,” Dr Currell told Fairfax Media.

Dr Currell’s review, along with several other expert reviews, has been provided to the Department of Planning and Environment, which is now assessing the project.

Lock the Gate Alliance spokesperson Georgina Woods said, “The fate of North West farming communities now hangs on the good faith of the Department of Planning and the NSW Government.

“Let’s be frank: you can have the snazziest computer model in the world but if you don’t use comprehensive and accurate data to calibrate it, you might as well be plucking numbers out of a hat to guess the impact of this gasfield on precious groundwater.

“We can’t afford to muck around with this. It’s absolutely imperative that this risky project is subject to the highest possible standard of assessment and decision-making.

“Santos has had 12 months since it developed its EIS to rectify the problems in it and it seems they haven’t done so. Its Response to Submissions continues to leave gaping holes in key areas of concern.

“We’re seeking assurance from the Government that all the missing data will be collected and analysed before any decision is made and that the final decision puts the interests of the people of Narrabri and New South Wales first.”

(See news item p9.)

Dr Wayne Somerville’s new book, Shallow Thought, Deep Mind: What you need to succeed, thrive and make the world better, is for everyone who takes on life’s challenges and dreams of brighter tomorrows.

The book can be purchased from website www.drwaynesomerville.com for $24.99 which includes postage anywhere in Australia and GST. The e-book version is available on Amazon. An audio book is coming.
Adani: No customers, no finance, but still a threat

Market Forces

Adani has gone relatively quiet recently about their central Queensland Carmichael coal mine and rail project. With no financiers, no major customers and continued opposition by community and traditional owners, the Carmichael project is looking more unlikely now than it ever has in the past eight years.

Yet some avenues remain open for Adani to find the money to build the mine and railway line. Here we take a look at where Adani is at right now and how it could still get the project off the ground.

2017 ends badly for Adani

Adani’s cancellation of the “official launch” of the Carmichael mine project in October 2017 due to “rain” (it was never rescheduled), set the tone for the last two months of 2017, which brought an avalanche of bad news for Adani.

Bowing to public pressure, Qld Premier Palaszczuk vetoed the proposed taxpayer-funded loan to Adani that was to be provided through the Northern Australia Infrastructure Facility (NAIF).

Then, in early December, four large Chinese banks ruled out lending to Adani. The Chinese embassy in Australia also declared that Chinese money would not fund the Carmichael mine. This cut off the last obvious source of capital for Adani and brought the total to 28 major banks that won’t touch the project.

One week before Christmas 2017, Adani’s mine construction partner, Downer, cancelled their non-binding agreement, walking away from the project. While Adani tried to spin Downer’s actions as a decision it took to bring the mine construction in-house, the Australian Financial Review reported that Downer had requested the cancellation. Adani was now without funders or an experienced mining services partner.

Against this backdrop, it was no surprise that Adani missed the latest of its deadlines to reach financial close on 31 March 2018. It has refused to set a new deadline.

Despite these setbacks Adani claims to be “100% committed” to the Carmichael coal project, and while developments appear to have slowed in 2018, there are a few key areas to watch.

Areas to watch

1. Export Finance and Insurance Corporation (Efic) keeps taxpayer funding option open

Efic is a Federal Government body that finances Australian companies which export or wish to export. In 2012, the Productivity Commission recommended Efic stop supporting large corporations. As a result, the Abbott Government Trade Minister Andrew Robb changed Efic’s rules so it could no longer finance onshore mining projects.

This rule change had the intended effect of opening up another avenue for taxpayer funding of the Carmichael project. Efic later revealed they had considered financing three separate Adani suppliers, and that one had been approved, although that deal later fell through.

Efic testified in Senate Estimates on 1 June 2018 that it is not currently considering any applications from Adani or Adani suppliers. This is good news. However, Efic remains a potential financier of the Adani coal mine.

2. Adani refinances Abbot Point coal port debt while trying to sell some of it

Another potential source of funds for Adani’s Carmichael project is to sell down its stake in the proposed mine and/or the Abbot Point coal port, which Adani has owned since 2011.

Reports from 2014 and 2016 show that Adani has been unsuccessfully trying to sell a stake in the port for years. In 2018 they appointed investment bank Rothschild to advise on the sale. Adani’s inability to find a buyer could be linked to the gloomy economic outlook for Abbot Point port, with the amount of coal contracted to be shipped via take-or-pay contracts predicted to fall rapidly from 2020.

While Adani hasn’t yet found anyone foolish enough to buy a stake in Abbot Point, it has been successful in refinancing part of the debt linked to its purchase.

Adani owes around $2 billion with a large tranche of this due to mature in November 2018. After a desperate almost year-long search Korean asset
Adani: No customers, no finance but still a threat

Continued from p3

The coal plant that was supposed to be a major customer for the coal for this power station was running at a loss. Adani is also looking to build the 1600MW Godda power station, which will sell expensive electricity to Bangladesh. Adani Australia’s CEO said in March 2018 that the coal for this power station would come from Carmichael despite the plant being in India’s most coal-rich state. Construction has yet to begin for this project, with Adani facing fierce resistance from local landholders whose lands are being compulsorily acquired. Godda power station could end up as a destination for some of Adani’s Australian coal, but the project remains speculative.

So, Adani’s plans to get the Carmichael coal project off the ground appear more fanciful than ever. After years of trying Adani still doesn’t have financial partners to fund the project or customers for their coal. It has been unable to sell a stake in its Abbot Point coal port and had to scrape the bottom of the barrel to refinance its debt.

Some of Adani’s political backers are also losing patience. It still faces strong resistance to its plans from the Wangan and Jagalingou traditional owners who have refused to give their consent. Adani’s trouble with the Carmichael project is now impacting upon the rest of its business too, with institutional investors abandoning the company.

The fight must continue

However, the situation could quickly change. Adani still has a means for accessing Australian taxpayer funds via Efic, and strong support from major political parties in India and Australia. The most recent example is the supposedly “free market” LNP party in Queensland voting in July 2018 for the Australian Government to build and run the railway line between the Galilee coal basin (where Carmichael would be) and the Abbot Point port in the Great Barrier Reef World Heritage Area. While it’s hard to imagine any company or individual being foolish enough to risk their money on the Carmichael project, until the project is stopped by an act of government or by Adani finally abandoning it, the fight against it will continue.

Take action here: https://www.marketforces.org.au/efic/

Mining interests behind Liberal push to sell ABC

When the Liberal Party’s peak council voted to sell the nation’s public broadcaster the Australian Broadcasting Corporation (ABC) at a national convention in Sydney last month, their move was backed by free-market think tank, the Institute of Public Affairs (IPA).

The IPA recently launched the book Against Public Broadcasting, making the case for selling off the ABC.

Back in 2014, the IPA denounced the ABC as a “green activist” and has accused the broadcaster for its “bias” in reporting on fossil fuels and renewable energy.

It has commissioned iSentia to conduct media analysis of ABC’s reporting on Australia’s energy choices.

The iSentia data showed that the ABC depicted renewable energy industry highly favourably, the coal industry unfavourably, and the coal seam gas (CSG) industry highly unfavourably.

The IPA’s focus on the ABC’s portrayal of the mining industry suggests powerful mining interests are behind the move to destroy public broadcasting.

The IPA doesn’t disclose its sponsors, but mining magnate Gina Rinehart and companies such as Exxon, Shell, Caltex and BHP-Billiton are thought to be major players.

It advocates free market economics, privatisation, deregulation, limited government, and a free market approach to environmental problems.

Interview: CSG on the Darling Downs

Karen Auty talks about the CSG water that goes into the Chinchilla drinking water supply, the health impacts on gasfield residents, the visits by politicians and government reps who then do nothing to help, the buyouts, the make good agreements, the industry and its private health service plus more.

Recommended listening!


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https://www.thebentleyeffect.com/
Report warns coal and CSG driving up electricity prices

An ACCC report last week found that changes in the costs of generation, in particular increases in the costs of gas and black coal has been a key factor in the increase in wholesale electricity prices.

The ACCC’s report reveals that for every $1/GJ rise in gas prices, the wholesale price of electricity rises by up to $11/MWh. The report comes just a week after AI Group released a report arguing that the use of gas in the electricity system needs to shrink to make electricity more affordable.

Lock the Gate Alliance spokesperson Georgina Woods said:

“There’s no doubt that electricity price rises have been caused in large part by export LNG terminals in Queensland driving up domestic gas prices and more gas won’t solve the problem.

“We need to stop adding more high cost unconventional gas into the electricity market, and the Narrabri gas project will produce the most expensive gas in the east coast market.

“Renewable and storage should be the priority for NSW, not the risky, costly Narrabri gas project that will jeopardise the groundwater of rural communities in the process.

“Australians should also take heed of the ACCC’s warning that coal fuel prices are also rising and that this too has played a role on wholesale electricity price rises.

“We’ll be paying more than we need to for energy for as long as we shackle our electricity market to the volatile costs of generation, especially for gas and coal-fired generation.

“Hot days are the greatest challenge for our electricity system and especially for gas and coal-fired generators. Our system now struggles to meet peak demand without rooftop solar and other renewables,” says Ben Oquist, Executive Director of The Australia Institute.

“The sun shining is the cause of our electricity system’s demand peaks. It is the cause of many breakdowns in our gas and coal-fired generators,“ says Mark Ogge, researcher at The Australia Institute and author of the report.

“We saw this when Loy Yang B broke down on January 18th, and solar stepped into the breach. Fortunately, the sun does shine, a lot, exactly when we need solar most.”

“The sun shining is the cause of many breakdowns in our gas and coal-fired generators,” says Mark Ogge, researcher at The Australia Institute.

Next month’s CSG and Public Health Conference, to be held at Narrabri, is an evidence-based conference for health professionals and public policy decision-makers. Presentations include:

- Health impacts of living in or near a gasfield – the evidence
  - Dr Helen Redmond, Rehabilitation Physician and Member of Doctors for the Environment Australia (NSW)

- Are emissions from the unconventional gas industry associated with hospitalisations in the Darling Downs, Queensland?
  - Dr Gerard McCarron, Queensland General Practitioner

- Sources of emissions in the gas field - focus on gaseous emissions
  - Mrs Shay Dougall, Work, Health, Safety and Environment Specialist, and former Chinchilla gasfields resident

Mental Health concerns for CSG host communities
- Dr Methuan Morgan, Psychologist, University of New England

Applying Health Impact Assessment in CSG developments
- Professor Melissa Haswell, Faculty of Health, Queensland University of Technology

There is an optional evening panel discussion and open forum.

Contact the conference secretariat for information: phone 0416 077 753 or email: csghealthforum@protonmail.com
Inside the news

Queensland’s Department of Environment and Science has solved the problem of dirty, smokey flaring from QCLNG’s gas liquefaction plant on Curtis Island. In a ‘Yes Minster’ move, the authority has advised the company to flare at night, so the black smoke won’t be visible (p10).

Independent Australia’s article on the Linc underground coal gasification pollution incident, by John Jiggens, is well worth a click to read the whole story. The Linc stink promises to keep lawyers busy for almost as long as it takes to clean up Linc’s mess (p8).

While controversy festers over Santos’ Narrabri gasfield, some commentators say loony gas import plans for eastern states will kill the project. The prospect of gas imports could give the NSW government a reason to can Santos’ licence, although the company says its gas will beat imports on price (p9).

It has emerged that while resources minister Matt Canavan pushes hard for a nuclear waste storage site in South Australia, the feds have been shouting locals taxpayer-funded trips to Sydney. From school kids to landowners around the towns of Kimba and Hawker, 225 country residents have toured Sydney’s Lucas Heights reactor to be educated about nuclear waste (p11-12). A $10 million ‘community fund’ bribe awaits whichever town lands the nuke dump.

FFB thinks the dump could be used as a Trojan horse to introduce high-level radioactive waste from overseas.

The Coalition’s climate wars rumbled on, with Tony Abbott using the issue to destabilise Malcolm Turnbull’s leadership on the National Energy Guarantee (NEG). Abbott’s determination to destroy Turnbull is so extreme that he doesn’t care if the planet is destroyed in the process (p13-14).

Meanwhile, Great Barrier Reef tourism operators have called for “all our political leaders … to fight for the future of our reef. The carbon pollution from coal, oil and gas is heating the air and the oceans to dangerous levels,” they said (p7).
In the news this week:

This week Fossil Fool Bulletin has summarised 21,600 words of news for your convenience. Click on the links to view original articles. (Subscriptions may be required)

THE ADANI SAGA

Adani says it could start works at Abbot Point without traditional owners’ input

Ben Smee, The Guardian, 07/07/2018

Adani says it will proceed with new construction work at its Abbot Point coal terminal with or without the involvement of Juru local traditional owners, amid an escalating dispute about the protection of sacred sites. ...

Guardian Australia has seen correspondence that confirms Adani plans to soon begin work at Abbot Point that is outside the area covered by a cultural heritage management plan and has not been surveyed or assessed by Juru people.

The situation is the result of a complex native title law dispute. ...


Adani Enterprises sees decline in investor interest

ET Bureau, 07/07/2018

Mumbai: Adani Enterprises, one of the best performers on Dalal Street in 2017, is no longer popular with institutional investors. Brokerage CLSA said it has dropped coverage of Adani Enterprises due to lack of investor interest amid demerger of various businesses and project hurdles. The demerger of better parts of the business and resistance to the coal operations in Australia have led to low interest in shares of Adani Enterprises, CLSA said in a note on Friday. ...


‘Huge step’: Tourist industry wakes up to reef’s climate risks

Peter Hannam, SMH, 07/07/2018

Tourist operators on the Great Barrier Reef are shifting their stance on climate change, with the peak industry body opposing Adani’s “mega coal mine”, and acknowledging fossil fuel use has to be phased out.

In an unprecedented declaration, a year in the making, the Association of Marine Park Tourism Operators (AMP-TO) and Australian Marine Conservation Society (AMCS) called on “all our political leaders...to fight for the future of our reef”. ...

“...The carbon pollution from coal, oil and gas is heating the air and the oceans to dangerous levels,” the statement said, noting the record marine heatwaves in 2016 and 2017 had damaged coral reefs worldwide. “It’s not too late to save our Reef but time is critical.” ...

• The author travelled to the Great Barrier Reef courtesy of the Climate Council.

https://www.miningmonthly.com/sustainability/international-coal-news/1341933/adani-gets-extension-on-water-scheme

Adani gets extension on water scheme

Mining Monthly, 06/07/2018

The federal government has delayed its decision on whether Adani’s water scheme for its proposed $16.5 billion Carmichael coal project in Queensland requires federal environmental assessment and has instead requested more information from the company.

Adani’s North Galilee Water Scheme involves the extraction of 12.5 billion litres of water each year from the Suttor River to run the Adani Carmichael coal mine. It involves a10 billion litre off-stream storage and a 110km pipeline.

The government has asked the mining company for more information about the likely impacts on water resources and threatened species. ...

COAL ROCKS ON

Developing new Galilee Basin coalmines will cost 12,500 jobs, analysis shows

Ben Smee, The Guardian, 15/07/2018

Developing new coalmines in the Galilee Basin would cost 12,500 jobs in existing coalmining regions and replace only two in three workers, modelling by the Australia Institute shows.

Job creation has long been an aggressive rallying call for supporters of Adani’s Carmichael megamine and other proposals in the untapped Galilee Basin, which combined would produce 150m tonnes of thermal coal each year.

But the Australia Institute report concludes that even if Australia’s thermal coal exports increase, and the world does not act on climate change, highly automated new mines in the Galilee would on balance cost the industry jobs. .
BHP calls for Aurizon to be brought to heel

John McCarthy, Courier-Mail, 10/07/2018

BHP has called for the Government to legislate future powers to enable Queensland Competition Authority to bring Aurizon to heel.

The mining industry has claimed Aurizon has a gun to the head of coal companies in the dispute that threatens up to $4 billion in coal exports, but it's the first time since the introduction of the mining tax by the Rudd government that the industry has rallied to fight off a threat.

An estimated 20 million tonnes of coal exports are threatened by an Aurizon decision to alter its maintenance of the central Queensland coal network.

That strategy followed draft decision from the Queensland Competition Authority drastically reducing the amount of revenue Aurizon could make from the monopoly track.

Labor MP tells miner constituents that coal has no future

Greg Brown, The Australian, 13/07/2018

Labor MP Pat Conroy tells coal workers in his Hunter Valley electorate that there is no long-term future in coal-fired power generation in Australia.

Mr Conroy, who represents the coalmining electorate of Shortland, yesterday backed Bill Shorten in the election campaign.

The company said it would hold information sessions in Penola and Katnook to be located at the existing Katnook gas plant.

The company has also recently commenced the engineering design for a new 10 Terajoule/day gas processing facility to be located at the existing Katnook gas plant, approximately 9 km south of Penola.

Beach Energy increases search for gas in South East with an additional well announced

Erin Jones, The Advertiser, 10/07/2018

Beach Energy will drill an additional conventional gas well near its contentious Haselgrove-3 well, south of Penola in the state’s South East.

The oil and gas company will also commence design of a new $22.6 million Katnook processing facility, to be located at the existing Katnook gas plant.

The company said it would hold information sessions in Penola and Millicent next month to update the communities on its plans.

Gas exploration is contentious in the region and prompted the Limestone Coast Protection Alliance to call for a ban on all forms of gas exploration and development ahead of the election.

The group believed drilling would contaminate the region’s crucial aquifers and the region’s reputation as a clean and green producer of food and wine would be destroyed.

West Torrens joins fight against drilling for oil in the Great Australian Bight

Anthony Johnson, Westside Weekly Messenger, 11/07/2018

West Torrens has joined eight other coastal councils in opposing a bid by Norwegian oil company Equinor to drill an exploration well in the Great Australian Bight.

Port Adelaide Enfield Council voted to oppose the move last month.

It decided to take action after hearing “catastrophic” warnings from Port Adelaide Residents Environment Protection Group president Tony Bazeley.
Mr Bazeley said the effect on the Port River and the Adelaide Dolphin Sanctuary in the event of a major spill would be “in the lap of the gods”.


‘Shocked’: Santos CSG project omissions stoke opponents’ concerns

Peter Hannam, SMH, 12/07/2018

Santos’ proposed $3 billion coal seam gas project near Narrabri has large information gaps involving its environmental risks, raising concerns from opponents as well as the local mayor.

The company’s response to 23,000 submissions to its environmental impact statement released earlier this year offered “no substantial revision or redesign” to its initial report, according to an assessment by Matthew Currell, a senior lecturer at RMIT University’s School of Engineering.

“It sort of shocked me the lack of additional data collection and field work,” Dr Currell told Fairfax Media. …

Catherine Redding, Narrabri shire mayor, said the council wanted Santos to be clearer “about what’s happening with the disposal” of salts produced by the project. …

Graziers such as Tony Pickard, who has battled Santos for a decade over plans to drill wells within a kilometre of his property, said analysts’ reports predicting its demise were likely premature.

“The whole thing’s done with smoke and mirrors,” Mr Pickard said, adding he expected Santos would aim to secure approvals to proceed and then sell it to another buyer. “The fight’s nowhere near over.”

https://www.theguardian.com/environment/2018/sep/05/shocked-santos-csg-project-omissions-stoke-opponents-concerns

Santos’ Narrabri project faces the chop

Perry Williams, The Australian, 09/07/2018

Santos’ long-delayed Narrabri gas project in New South Wales could be axed if the Andrew Forrest-backed liquefied natural gas import terminal proceeds.

The state government would likely treat the billionaire’s LNG scheme as a new source of gas supply to help justify rejecting the development of the Narrabri coal-seam gas facility, according to Macquarie analysis.

While Narrabri’s economics would remain justified regardless, the broker argues the approval process would be a tough sell for the government given gas would already be flowing from the $300 million Port Kembla plant.


Gas import spells end of Santos’ controversial Narrabri CSG, analysts say

Cole Latimer & Peter Hannam, SMH, 09/07/2018

Analysts say four proposed new gas import terminals around Australia have ended Santos’ contentious NSW Narrabri coal seam gas project.

Santos’ Narrabri project is a proposed $3 billion gas operation that has been consistently opposed by environmental groups, and now Macquarie Bank analysts believe the rise of Australian gas import terminals will end all potential government support.


Macquarie issues dire warning on LNG import effect on prices

Angela Macdonald-Smith, AFR, 09/07/2018

Importing LNG into the south-east could further boost east coast gas prices rather than lower them, Macquarie Equities has suggested in research that has been swiftly rejected by backers of import projects but looks set to be seized by their critics. …

Indeed, the biggest winners from importing LNG would be producers of gas in the south that would be selling into a higher-priced market, Macquarie said, singing out Shell, Beach Energy and the Esso-BHP Bass Strait venture among others. …

Meanwhile, AGL’s project, which would also have a new gas pipeline built to Pakenham, has attracted strong opposition from some residents worried about environmental and safety risks, and the impact of a new pipeline through agricultural fields.

AGL is offering residents discounts on their electricity and gas bills to help win support.


Gas: importing exports will lead to more profiteering

Bruce Robertson, Michaelwest.com, 11/07/2018

Importing gas to solve the challenge of rampaging gas prices is ludicrous and only paves the way for the gas cartel to further profiteer at the expense of consumers. The answer is clear; a “domestic reservation policy” which earmarks Australian gas for Australia consumers. What is lacking is political will. …

Despite our enormous reserves of gas, there are now four gas import terminal projects on the go; four facilities being developed to import gas into Australia. All are backed by major gas market players, either locally or globally. Although Australia may soon surpass
Qatar as the world's largest exporter of LNG, we have failed to provide gas at a reasonable price for our own people. ...

To the four import terminals: there is a terminal proposed for Port Kembla in NSW. This one is backed by Andrew "Twiggy" Forrest, JERA and Marubeni. There is another at Cribb Point in Victoria being built by AGL, another still in Victoria for ExxonMobil, and Mitsubishi's Pelican Point project in South Australia. ...

Importers, particularly the large Japanese trading houses, see a fantastic opportunity to access the high-priced domestic East Australian energy market. There can be no better illustration of this than the gas import terminal proposal for South Australia, which includes building a gas-fired power station so it can access the excessive prices paid by gas and electricity consumers in Australia. 

Essentially, Australia is exporting gas at a cheap price, putting that gas through the expensive liquefaction and shipping process, and then re-importing that gas and putting it through the re-gasification process. This is embedding a number of costs in our gas which we simply should not be paying. ...

- Bruce Robertson is a gas analyst with the Institute for Energy Economics and Financial Analysis (IEEFA). Robertson has been an activist fighting against AGL's coal seam gas project at Gloucester in NSW and was responsible for the analysis which made "gold plating" of Australia's electricity networks a national issue.


Eco group: LNG decision straight out of 'Yes Minister'
Andrew Thorpe, Gladstone Observer, 11/07/2018

An amendment to QCLNG's environmental authority which clarifies smoke emitted at night does not meet the definition of "visible smoke" has been likened to BBC comedy Yes Minister by a local environmental group.

The environmental authority was amended on June 29 after an application by QGC for more flexibility to give off smoke during maintenance works such as shut-downs.

The company is restricted to emitting a total of seven hours of visible smoke per year.

Smoke density is determined using the Ringelmann Smoke Chart, which grades smoke based on its darkness.

In the latest amendment to the environmental authority, the Department of Environment and Science acknowledges smoke released at night will not result in a Ringelmann reading of greater than two, so smoke released at night cannot be considered "visible".

Smoky flaring at night has therefore always been allowed.

The company's request for an increase in the cap from seven hours per year to 29 hours was denied, but the cap on individual flaring events was raised to 90 minutes in safety-related circumstances.

The Gladstone Conservation Council, which opposed the change, was informed of the decision earlier this month.

"When I found out I was angry at first, then I couldn't stop laughing," co-founder Cheryl Watson said. Ms Watson said the decision was part of a broader struggle when it came to environmental agreements.

"People were happy to have that industry there under certain conditions, but the fact is those facts no longer apply – they change them," she said.

"Instead of making the companies abide by the environmental authority, the government has bent over and found little ways to work around the restrictions with them." ...


Galilee Energy raises capital to progress coal seam gas intentions in Queensland
Filip Karinja, Smallcaps, 10/07/2018

Gas development company Galilee Energy (ASX: GLL) has raised around A$5.66 million before costs as part of a placement to sophisticated investors. ...

According to the gas explorer, the net proceeds of the funds raised from the placement will be used to assist in progressing the Glenaras gas project and to meet all other general working capital expenses. ...

The Glenaras gas project is located in the western portion of Queensland's Galilee Basin and is highly prospective for coal seam gas (CSG) with an independently certified 3C contingent resource of more than 5,313 PJ. ...


Coal seam gas: NSW licences effectively extended indefinitely due to legal loophole
Nick Evershed & Lisa Cox, The Guardian, 12/07/2018

Licences needed for coal seam gas exploration in New South Wales have been effectively extended indefinitely past their expiry date, due to a legal loophole.

Gas exploration – both conventional-
al and coal seam gas — in the state requires a petroleum exploration tenement. Analysis of the NSW government’s tenements database shows 14 titles listed under “current titles” that are past their expiry date. …

If the government does not approve or deny a renewal application, a tenement can remain in effect without being subject to the safeguards and reporting requirements built into the renewal process.

Most of these licences cover the region known for coal seam gas stretching from the Hunter Valley to the area around the Pilliga state forest that were not captured by the NSW government’s buyback of CSG exploration licences, and one licence covers an area off the coast of Sydney and Newcastle. …

The Greens MLC Jeremy Buckingham said the government was effectively allowing CSG companies to conduct “production by stealth” through its inaction on licence renewal applications. …

Labor’s resources and energy spokesman, Adam Searle, said the lack of action on renewal applications, in some cases for years, created uncertainty for tenement holders and land owners.

“I think it’s fair to say the current government doesn’t want to determine these renewals before an election because some of them are in areas where this is likely to be an election issue,” he said. …

Our experts have spoken: Oil and gas testing for oil and gas reserves is a “severe” risk to some fish in The Bight

Miles Kemp, Adelaide Advertiser, 11/07/2018

Seismic ocean testing for oil reserves can pose a ‘severe’ danger to some commercial species of fish like snapper, a government study has found.

But the study by 46 experts brought together by the West Australian government also showed safe testing for all species could be achieved at water depths greater than 250m.

Prospectors have been testing for oil and gas deposits on the floor of the Great Australian Bight by creating sound waves — from injecting large bubbles of air into the water — which echo off the ocean floor and reveal what lies beneath.

The research showed all 10 species of fish tested could suffer the second most dangerous level or ‘high risk’ at depths being tested in The Bight. …

**FOSSIL POLITICS**


**No room for nuclear in LNP’s coal-fired obsession**

Sarah Vogler, Courier-Mail, 07/07/2018

Federal Resources Minister Matt Canavan has rejected a push within the LNP for the Coalition to explore the feasibility of nuclear power. …

Senator Canavan said nuclear power presented waste issues and was too expensive given the country’s population. …

But the resolution was carried regardless. The Coalition will have to note it but it is not binding.

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**Nuclear power advocates are running out of fuel**

John Quiggin, Crikey, 11/07/2018

The diminishing band of nuclear power fans had some rare good news recently. Two of the leading designs for new nuclear power plants — the AP1000, designed by US company Westinghouse, and the EPR, developed by Areva in France — achieved criticality (that is, the state where nuclear fuel sustains a fission chain reaction) in June. Both the plants are in China, at Sanmen and Taishan respectively.

But good news for nuclear power is never unmixed, and that’s certainly the case here. The construction process was as overtime and over-budget as usual, though not as badly as in the West, where construction of similar plants is running as much as a decade behind schedule. In the course of this protracted process, both Westinghouse and Areva have gone bankrupt.

These plants will require a fair bit of operating experience before it can be said whether they actually function as designed. Since the design took place in the 1980s and 1990s, the latest nuclear power plants have the unfortunate distinction of being simultaneously untried and obsolescent. …

Outside China there are now only two AP1000 reactors under construction, both at Vogtle in the US state of Georgia. Another two-reactor plant in South Carolina was abandoned after the expenditure of billions of dollars. There are also two EPR reactors under construction, at Flamanville in France and Olkiluoto in Finland, both far behind schedule. Finally, there’s a new plant proposed for Hinkley Point in the UK, which seems unlikely ever to happen, despite an absurdly favorable deal from the UK government. …

But none of this is going to shake the faith of the majority of nuclear power advocates in Australia. Most of them, like Tony Abbott, are climate science denials. Their assertions on energy issues are statements of cultural affiliation, rather than factual claims about the world, open to being refuted by contrary evidence. Even when nuclear construction stops altogether they will still be blaming the failure on greenies, the United Nations and Agenda 21.

**Matt Canavan’s ‘urgent’ new nuclear waste dump: The devil is in the detail**

Davy Sweeney, Independent Australia, 11/07/2018

Rather than a hasty new nuclear waste dump, what is urgently needed is an independent and open assessment of the full range of options for managing Australia’s radioactive waste.

It is a national problem that has taken 60 years to make and will last 10,000 years, but according to Canberra, it will be sorted by Christmas.

Radioactive waste management has been a challenge for successive Federal governments, with communities across South Australia and the Northern Territory consistently rejecting plans for the dumping and storage of wastes in their region. Now the pressure is right back on regional South Australia, with a concernd Federal push to locate a site either near Kimba on the Eyre Peninsula, or Hawker in the iconic Flinders Ranges. …

Soon, registered voters in the Flinders Ranges and Kimba District Council districts will receive a ballot in the mail asking if they support a national radioactive waste facility in their region. The Turnbull Government has been spending big and promising large, with job and community benefit estimates and assurances soaring since the ballot was announced.

The Government is working to localise this issue and present it as an economic opportunity for a small region,
but this plan is a national issue with profound and lasting implications.

Around 95 per cent of the material planned to be moved to any new facility is currently managed at two secured Federal sites. Low-level waste that needs to be isolated for 300 years is currently at the Woomera defence lands in South Australia’s north. The more problematic intermediate level waste, that needs isolation for 10,000 years, is stored where it was made at the Australian Nuclear Science and Technology Organisation’s (ANSTO) Lucas Heights facility in southern Sydney.

Both sites have the physical, technical and regulatory capacity to continue to store these wastes for many years, and the current sense of Federal urgency and pressure is being driven by politics and ANSTO’s corporate preferences, rather than by evidence or need. ...

• Dave Sweeney works on nuclear issues with the Australian Conservation Foundation and was a member of the Federal advisory panel on radioactive waste.

The Government will ascertain community support for the low-level facility to be built at either of two sites at Kimba, or Wallerberdina Station, near Hawker.

More than $500,000 of taxpayer money has been used on community engagement and surveys about nuclear waste over the past two years, according to the federal figures. ...

The figures showed 118 Kimba residents and 107 Hawker residents have visited the Australian Nuclear Science and Technology Organisation, in the past two years. ...

The taxpayer-funded trips to ANSTO also included landowners, traditional owners, community members, neighbours and stakeholders. The Advertiser reported in June that nearly $20,000 was spent to send 16 Kimba school students on a five-night trip to ANSTO to understand both nuclear research and types of jobs in the industry.

It followed a fully-funded trip by 17 Quorn students in April.

The district where the facility is located will also be rewarded with a $10 million community fund to spend on local projects.

https://www.greenleft.org.au/content/welcome-nsw-leave-your-liberties-door

Welcome to NSW: Leave your liberties at the door

Andrew Chuter, Green Left Weekly, 06/07/2018

Another fundamental liberty of the people of New South Wales took a hit on July 1.

On that day a new regulation under the Crown Land Management Act 2016 took effect, granting the NSW government wide powers to disperse or ban protests, rallies and virtually any public gathering across about half of all land across the state. ...

This legislation follows earlier attacks on the right to protest under former Premier Mike Baird in 2016. Those changes were primarily aimed at anti-coal seam gas and other environmental activists, whose methods were proving successful at stopping destructive mining projects.

Those laws allowed police to use the pretext of ill-defined “safety risks” to disperse protests and stop, search and detain without a warrant protesters suspected to be in the possession of “lock on” devices. Previous fines were multiplied by a factor of 10 to reach $5550, with jail terms of up to seven years. ...

These laws have emboldened the police and are used to intimidate protesters. ...

University law lecturer and activist Aidan Ricketts said the new regulations are worse than those imposed under the Jo Bjelke-Petersen era in Queensland in the 1970s. ...

The situation descended into farce recently when Greens MP David Shoebridge tried to move a motion in NSW parliament to disallow the new Crown Lands regulation. The Coalition government responded by gagging debate. This bears emphasising: not only will it be illegal to protest, but the law itself cannot even be debated.

Shoebridge said: “Whether it is the Knitting Nannas, the Wollar Three or young people at a festival, the Greens will always stand against this government’s attempt to criminalise protest.” ...

Resistance against the new regulations has already started with a Day of Defiance called for August 15, starting at 8am outside Parliament House. It is being organised by the Defend the Right to Protest Facebook group and Climate Action Sydney Eastern Suburbs. ...


Barnaby Joyce leads inquiry into mining in regional Australia

Natalie KotSiOs, Weekly Times, 11/07/18

Barnaby’s back — and he’s now leading a parliamentary inquiry looking at the benefits of mining in regional Australia.

Former Nationals leader and agricul-
ture minister Barnaby Joyce will chair the inquiry into how the mining sector can support regional communities.

Mr Joyce — who now heads the House of Representatives innovation, industry, science and resources committee — often came under fire during his tenure as both leader and minister for his support of the mining industry, which is often seen as at odds with the farm sector. His office would not answer questions regarding his appointment to the committee, nor on whether he sought to join the House agriculture committee. ...

His office also did not respond to whether the inquiry would examine issues such as whether landholders should have a formal right to veto and state moratoriums on coal seam gas exploration.

The inquiry was requested by Resources Minister Matthew Canavan. The terms of reference include looking at how royalties are shared between landholders and state governments, and “best practice” of mining businesses in dealing with regional communities.

CLIMATE WARS


National leader pushes Queensland LNP to back Coalition’s energy policy

Amy Remeikis, The Guardian, 07/07/2018

The Nationals leader and deputy prime minister, Michael McCormack, has issued a subtle warning to the Queensland Liberal National Party to fall in line with the government’s proposed energy policy, while leaving the door open for a coal-inclusive future. ...

Nationals MPs have also begun pushing for a $5bn equity fund to be set aside for coal-fired baseload power generators as their price for supporting the national energy guarantee when it returns to the government party room following the Council of Australian Governments (Coag) meeting. ...

But in a nod to the debate raging within the joint Coalition party room, flamed by Tony Abbott and Barnaby Joyce, McCormack assured the crowd that coal had its role in any future plan.

“Of course, coal has to be part of the mix,” he said. “We are very pro-coal in the LNP. Of course we are.” ...

Tony Abbott called for Australia to exit the Paris Agreement in an address to the Australian Environment Foundation (AEF) in Melbourne.

According to SourceWatch, the Australian Environment Foundation is a front group founded by the Institute of Public Affairs (IPA), a conservative Melbourne-based think tank.

ASIC documents list Mike Nahan, the former Executive Director of the IPA, as one of the founding directors. The documents also listed AEF’s registered place of business as the IPA office.

In a column by Nahan in the Herald-Sun, he described AEF as “pro-biotechnology, pro-nuclear power, pro-modern farming, pro-economic growth, pro-business and pro-environment.” Photo: Tony Abbott Facebook

Abbott is angry about energy but there are bigger fish to fry

Katharine Murphy, The Guardian, 07/07/2018

Tony Abbott seems mired in the first stages of grief: denial and anger.

This week we were treated to a former prime minister making a political comeback pitch that went like this: I had no idea what I was doing when I took the decision to sign Australia up to the Paris climate agreement in 2015, I have a lot of feelings and I don’t mind sharing them, be the wind beneath my wings. ...

Politics can be a singularly cruel business, so when Tuesday night’s treatise of denial to a group of climate sceptics in Melbourne didn’t quite land in the way Abbott might have hoped, the anger kicked in.

Popping up on his favourite radio station 2GB the next day, Abbott was a-n-g-r-y. Then he shared an insight that more than any other insight exemplifies the politics of Tony Abbott: Climate change, he contended, was not “a circle you can square with the Labor party ... it is a fight that has to be won. There can be no consensus on climate change ... you either win or lose ... and at the moment we are losing”.

This really is the most extraordinary thing to say.

Just let it settle on you for a moment. There can be no middle ground, no pragmatic and sensible compromise in the national interest, no consensus, there is just total victory or total defeat.

Apart from the small problem of the default disposition trapping the country in some medieval jousting session, as if the joust has some intrinsic value in and of itself, that it is some sort of heroic conquest – there’s the fact that Tony’s victory is Australia’s defeat. ...


LNP turns its back on wind, solar and storage, and emissions cuts

Giles Parkinson, ReNew Economy, 09/07/2018

Can we stop pretending that the National Energy Guarantee somehow, miraculously, ends the deep political divide between the mainstream political parties over climate and energy policy?
The Liberal National Party in Queensland – one of the key battlegrounds in the next federal election – has effectively turned its back on renewable energy technologies and emissions reductions, and called for new coal-fired power stations to be built in the state.

The call for more coal-fired power stations, and government ownership of the railway line to the Adani coal project were largely symbolic, as were their resolutions to “protect Christmas” and save the “Lord’s Prayer”, but they underline exactly where this federal government is at, as well as its state offshoots. ...

Simply put, if the cost of delivering power was to be paid by the consumer, the last thing they would choose to do is string wires across thousands of kilometres to connect to coal fired generators to source all their needs.

They would focus instead of renewable-based micro-grids, and that reality is now being accepted by network owners and market operators – if not the owners of the big power plants – as the model for the future grid. ...


Turnbull pushes back on coal pressure after ACCC report
Amy Remeikis & Paul Karp, The Guardian, 11/07/2018

Malcolm Turnbull has pushed back against pressure from the Nationals and some conservative Liberals to subsidise coal, arguing that backing one technology over another is a recipe for higher power prices. ...

The ACCC report finds that average residential power bills have increased by $426 in the decade to 2017-18, with the biggest causes being network costs (35%), wholesale electricity prices (22%), environmental policies (20%) and increased retail margins (16%). ...

The ACCC blamed loose regulation for gold-plating of electricity network assets because the regular was not able to stop “excess spending” and the limited merits review regime allowing networks to pass billions of dollars of costs onto consumers.

The energy and environment minister Josh Frydenberg cautiously welcomed the report and its 56 recommendations, accepting its message that “the market is not working in the best interest of consumers”.


Is the latest idea in Australia’s energy debate really a lifeline for coal?
David Crowe, SMH, 12/07/2018

The latest big idea in Australia’s energy debate is being portrayed as a lifeline for coal power, but the proposal may not be needed at all.

The idea would lead the federal government to subsidise the construction of new power stations, giving heart to coal advocates who believe Australia needs new coal-fired generators to fill a looming shortage. ...

The ACCC suggests the government sign “energy offtake agreements” with the builders of new power generators who can offer “firm” supply to commercial customers. The agreements could last up to 15 years and would be a way to guarantee the money recouped from building the new power supply. ...

While coal advocates assume this could make coal-fired power station viable, this is not the only scenario. A gas-fired power station might also meet the requirements, as might a renewable project with the ability to store its power – such as a solar farm with pumped hydro. ...


ACCC rejects coal-fired power support claims
Eryk Bagshaw, SMH, 12/07/2018

Competition chief Rod Sims has dismissed suggestions a landmark energy report he issued on Wednesday backed government support for coal, as Coalition figures used the claim to push public subsidies for a new coal-fired power plant to solve Australia’s energy crisis. ...

“It is technology neutral and if you are interested in affordability best to stay the way,” Mr Sims said. “It’s not targeted at baseload power and it’s not targeted at coal.”

He pointed to the report’s focus on “firm” delivery through gas and a renewable mix, with the government effectively acting as a guarantor on a bank loan rather than a permanent public subsidy. ...

Labor leader Bill Shorten said he would not support any underwriting of coal-fired power stations on Thursday and called on the government to funnel funding into renewable energy.

The Coalition remains hopeful the 400-page ACCC report will stymie calls from within its own backbench for a royal commission into the energy sector.

Power prices for households and businesses have increased in real terms by more than 35 per cent over the past decade.