

OBJECTION – NEWCASTLE COAL INFRASTRUCTURE GROUP (NCIG) COAL EXPORT LICENCE CAPACITY INCREASE

Climate Action Newcastle *objects* to the proposal to increase the export allowance of the NCIG coal facility – due to unacceptable impacts on Earth's climate. This is the wrong plan at this crucial time.

"Climate change is an immediate existential threat to human civilization and requires fundamentally different governance and risk management from conventional practice. All fossil fuel expansion must stop, and existing industries wound back". Ian Dunlop - ex-fossil fuel executive, at the Climate Emergency Summit Melbourne 14/2/20

Essentially the 'carbon budget' has already run out, and the greenhouse gases that we do emit should be immediately toward constructing the zero carbon economy in an attempt to preserve life on Earth. Therefore 'optimising' the exporting capacity of NCIG facility from 66 million to 79 million tonnes per annum is anathema to climate safety and does not have merit when viewed via realistic scientific or risk filters.

Inequitable use of 'carbon budget'

Per capita emissions of Australians were calculated at 21.4 t CO₂-e per person.¹

The proposed increase in Scope 1 & 2 emissions is equivalent to the per capita emissions of 800 Australians, while the proposed new maximum export capacity would take the facility to the per capita emissions equivalent of 4,869 Australians.²

Meanwhile the increase in Scope 3 emissions is equivalent to the per capita emissions of 1,481,308 Australians, while the total proposed export capacity would take the facility to the per capita emissions equivalent of 8,995,327 Australians.³

That's a peak equivalent of 36% of the annual emissions of *all* Australians.

Regardless of the quirks of carbon accounting deeming Scope 3 emission calculations 'optional', there is no denying this is an extremely carbon-intensive business and a very poor use of the diminished global 'carbon budget'. Australians attempting to 'do their bit' reducing their own carbon footprint may well be dismayed when corporation such as NCIG may be permitted to make profits from warming Earth's shared atmosphere with the export of coal, a near-redundant fuel.

It must surely be recognised, after the horrifying and consequential fires right across Australia in Spring and Summer 2019-2020, that even 1-degree warming is not safe for life human habitation or other species on Earth. Projects such as this deliberately

facilitate scenarios of 3+C degrees. This defies rationality and renders notions of intergenerational equity null.

Earth is past 413 parts per million CO₂ equivalent.⁴ It is recognised that 360 parts per million CO₂ equivalent is the historical benchmark for the stability of Earth's safe climate. It is reckless and irresponsible keep adding to the accumulated greenhouse gases in the atmosphere by mining and combusting more coal.

Diversification is overdue

The Port of Newcastle is already over-dominated by coal exporting facilities; and the absence of a plan to assist the Hunter Valley to diversity and restructure away of coal is an indictment on the planners and decision-makers of the New South Wales government, who are over-reliant on coal royalties: a perverse incentive to continue approving coal mines and export facilities despite the known realities of extreme climate risk.

Coal-exposed communities such as the Hunter Valley are vulnerable to mass unemployment as coal facilities become 'stranded assets' and employment in coal drops away.

Recently investment funds across the world have been dumping coal investments.^{5. 6.} This is the start of a global trend and only a matter of time before affects the mines of the Hunter Valley. We need to immediately prepare for this seismic economic change - not further entrench the out-dated and risky coal export facilities.

Furthermore, entrenching coal mining in an area such as the Hunter Valley comes at an opportunity cost.

"Australia is richly endowed with resources that allow it to prosper from a global movement to zero net emissions. If we take early and strong action in ways that build upon our natural advantages, we will not suffer a decline in living standards in the near future in conventional economic terms as we move towards zero emissions.

The low-carbon world economy will be especially favourable for rural and provincial Australia. Energy will be produced mainly outside the large cities, much of it in remote locations. This will make it commercially attractive to process many Australian mineral and agricultural goods into products of higher value close to the sources of the basic commodities. A new carbon-farming industry, prospering exceptionally in less agriculturally productive regions, will add substantially to rural incomes." Ross Garnaut ⁷

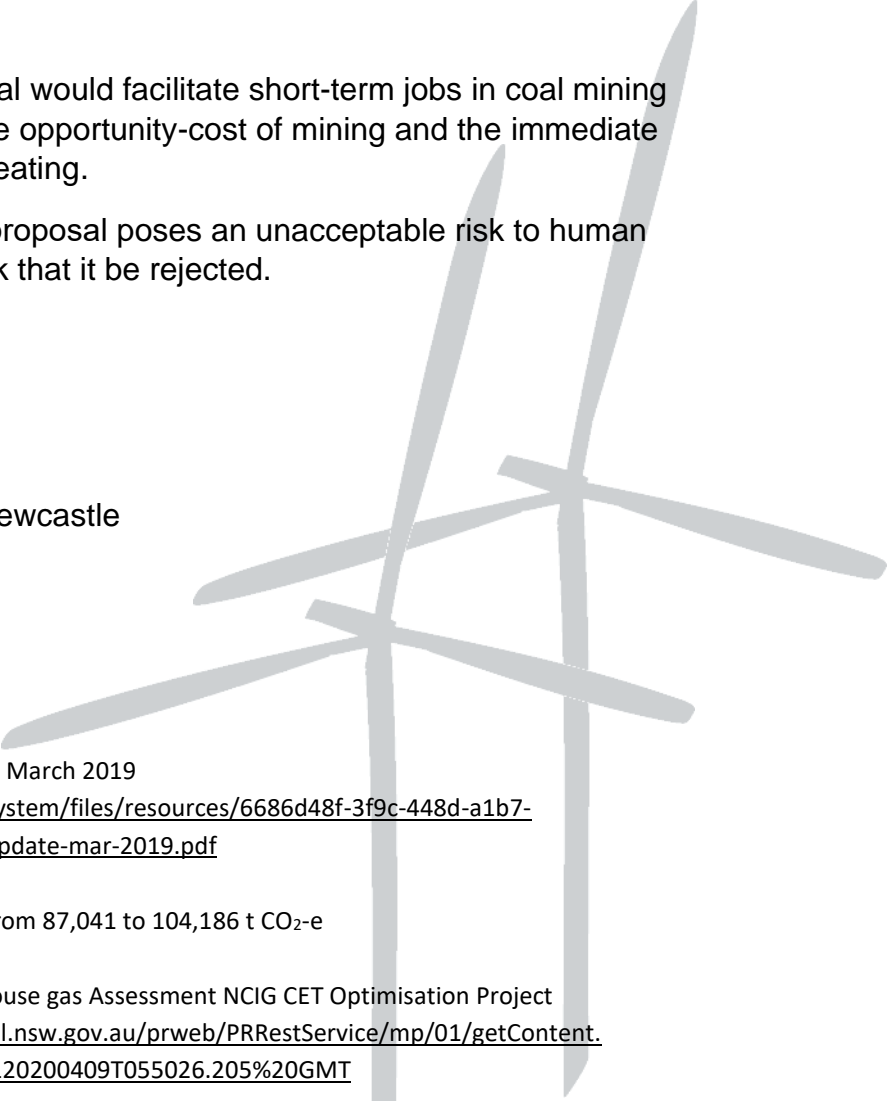
New low or zero-carbon industries should be fostered instead of coal industries both to reduce climate risk, as well as to allow new industries to get ahead of the already fast-developing low-carbon market. We urge that planning for a rapid exit from coal commence in earnest immediately.

The expansion of the NCIG terminal would facilitate short-term jobs in coal mining and export, which cannot justify the opportunity-cost of mining and the immediate and escalating impacts of global heating.

This NCIG terminal 'optimisation' proposal poses an unacceptable risk to human safety and life on Earth and we ask that it be rejected.

Sincerely,

The Committee - Climate Action Newcastle
12 May 2020

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- A large, faint, light-grey illustration of a wind turbine is positioned in the background, spanning across the middle and right portions of the page.
1. National Greenhouse Gas Inventory: March 2019
<https://www.environment.gov.au/system/files/resources/6686d48f-3f9c-448d-a1b7-7e410fe4f376/files/nggi-quarterly-update-mar-2019.pdf>
 2. Scope 1 & 2 emissions: to increase from 87,041 to 104,186 t CO₂-e
An increase of 17,145 t CO₂-e
Appendix 8. Air Quality and Greenhouse gas Assessment NCIG CET Optimisation Project
https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent.?AttachRef=MP06_0009-MOD-3%2120200409T055026.205%20GMT
 3. GHG emissions from the burning of coal exported by the NCIG CET incorporating the Optimisation Project is estimated to be 192.5 Mt CO₂-e on an annual basis, an increase of 31.7 Appendix 8. Air Quality and Greenhouse gas Assessment NCIG CET Optimisation Project
https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent.?AttachRef=MP06_0009-MOD-3%2120200409T055026.205%20GMT
 4. <https://climate.nasa.gov/vital-signs/carbon-dioxide/>
 5. <https://www.abc.net.au/news/2020-01-15/worlds-largest-fund-manager-to-cut-thermal-coal-exposure/11869300>
 6. <https://www.abc.net.au/news/2019-06-13/norway-sovereign-wealth-fund-to-ditch-billions-in-coal-stakes/11205134>
 7. <https://www.smh.com.au/politics/federal/taking-our-chance-the-low-carbon-future-should-belong-to-australia-20191029-p535g8.html> edited extract of Ross Garnaut's *Superpower: Australia's Low-Carbon Opportunity*, La Trobe University Press, published on November 2019.