

**HUNTER POWER PROJECT
(KURRI KURRI POWER STATION)**

Submission

(OBJECTION)

Introduction

This submission is in response to the invitation for submissions as set out on the website of the NSW Department of Planning, Industry and Environment (the Department).

The Proposal

The Australian Government has proposed the construction of a gas fired power station at Kurri Kurri in New South Wales, to be constructed and operated by Snowy Hydro as part of their suite of generation assets.

The proposal followed the refusal of private enterprise to invest in such an enterprise by the deadline set by the government.

Context

A recent report “Net Zero by 2050” by the International Energy Agency, a body originally set up to support the global fossil fuel industry, states that there **must be no new fossil fuel sources developed from this year**. This would include the uneconomic and environmentally hazardous Narrabri gas field and all other possible gas fields, without which the pipeline infrastructure necessary for the Hunter Power Project will not be built.

At a time when we must transition away from fossil fuels to ensure we minimise the catastrophic impact of global heating the proposal for a new gas fired power station does not make any sense.

Even without taking into consideration the dire ecological consequences it is economically unsound. An estimated 2% utilisation means it will be loss making which explains why private enterprise declined to invest. Any power produced would only act to increase power prices because of the high cost of fuel¹.

The proposal is not supported by AEMO or by the Energy Security Board whose chairperson Kerry Schott² has indicated that there are other projects in the pipeline which will satisfy energy security requirements as Liddell closes down. The NSW Minister for Energy and the Environment has also criticised the proposal on the basis that gas fired power is simply uneconomic³.

The proposal makes no economic sense, it is dependent on other developments which cannot proceed if Australia is to meet its climate change commitments, and it is not supported by the key authorities responsible for the electricity market and energy security.

Given this it doesn't make any sense why we would proceed with a development which conflicts directly with the need for international action on climate change.

¹ <https://inql.com.au/business/2021/03/24/accc-boss-slams-industry-for-stunning-failures-to-make-our-gas-cheaper/>

² <https://www.theguardian.com/environment/2021/apr/30/australian-energy-board-chair-says-gas-fired-power-plant-in-hunter-valley-doesnt-stack-up>

³ <https://www.smh.com.au/politics/nsw/value-for-money-3-2-billion-deal-for-nsw-to-bolster-solar-big-new-battery-20210524-p57uon.html>

Objections

- a) Natural gas (methane) is NOT a transition fuel. Gas is primarily methane. Methane emissions are 120 times more powerful than carbon dioxide in trapping heat in the atmosphere. When measured over a 20 year period they are 84 times more powerful. One of the major problems with gas is the fugitive emissions that result before the fuel is used productively. Leaks into the atmosphere as a result of flaring, venting, leaking and migration from natural fissures close to the well heads cause major emissions which are very difficult to measure and contain. There is already a massive global problem with leakages from abandoned gas and oil wells⁴, Hence the construction of a gas fired power station is directly contrary to the concept of transitioning away from fossil fuels to non-greenhouse-polluting sources of energy.
- b) We note the recent court case which imposes on governments a duty of care to consider the climate change impacts on future generations⁵.
- c) The proposal is dependent on development of gas fields and pipelines which simply cannot be developed. It is based on concepts which are at least a decade out of time, and which fail to recognise the current reality of a desperate need to urgently transition away from fossil fuels.
- d) The proposal is in direct contradiction of the NSW government's plans for transition away from fossil fuels (the renewable energy roadmap)⁶.
- e) The proposal is in direct contradiction of the Australian government's responsibilities under the terms of the Paris Accord, which require Australia to increase its ambition and associated targets on the basis of carrying its fair share of climate change burden⁷.

For all of the above reasons the proposal must be rejected.

⁴ Reuters; Nichola Groom; 16 June 2020: Special Report: Millions of abandoned oil wells are leaking methane, a climate menace.

⁵ <https://www.judgments.fedcourt.gov.au/judgments/Judgments/fca/single/2021/2021fca0560>

⁶ <https://energy.nsw.gov.au/government-and-regulation/electricity-infrastructure-roadmap>

⁷ <https://www.smh.com.au/world/europe/top-energy-chief-tells-australia-to-get-to-net-zero-emissions-before-2050-20210517-p57sq7.html?fb>