

Dear Minister Stokes

I am writing in opposition of the proposed Kurri Kurri gas peaking plant on behalf of the Northern Beaches Climate Action Network. We are a non-partisan network of 47 groups concerned about the emerging climate emergency and active promoting all measures to urgently bring down our emissions locally, within NSW and Federally. Our principal objective is to provide a survivable future for our children and grandchildren and latest science warns that we must be globally close to net zero by 2030 to avoid triggering the last 6 (of 15) compounding feedback loops that will lead unstoppably to 4-6DegC of warming that likely means the extinction of our species and 90% of others. There's no time left for political games, for ignoring the science or making costly mistakes. Our grounds for opposing this project are as follows:

This Project is Politically Motivated and Not in the Best Interests of the Public

- In September 2020, Scott Morrison gave the energy industries an ultimatum to propose 1000MW of dispatchable power by April 21 to replace the Liddell power station against all expert advice. <https://www.theguardian.com/australia-news/2020/sep/16/advice-to-government-contradicts-coalition-claim-over-liddell-coal-plant-closure>
- This project continues to ignore all expert advice, but with the added benefit of timing the announcement to rot the Hunter by-election <https://www.canberratimes.com.au/story/7258110/a-new-600m-gas-fired-power-plant-smells-like-a-byelection/>
- This project also seems to be yet another corrupt gift to a generous Liberal donor. Officials from the federal Department of Industry, Science, Energy and Resources were asked by the Labor senator Jenny McAllister whether they were “aware that the prospective owner of [the Kurri Kurri] site” – Jeff McCloy of McCloy Group – “was a major Liberal party donor”. The secretary of the department, David Fredericks, said he was unaware of that, and it was “a matter for Snowy Hydro”. This is a blatant case of corruption A \$600 million subsidy for a gas plant in Kurri Kurri makes no commercial sense for the taxpayer, but there are plenty of windfalls for Liberal Party donors. <https://www.crikey.com.au/2021/05/19/kurri-kurri-conflicts-why-exactly-has-600m-been-announced-for-this-hunter-gas-plant/>
- Although in justifying the project Scott Morrison and Angus Taylor quote advice from the former chief scientist Alan Finkel as saying “gas is the perfect complement to solar and wind”. <https://www.theguardian.com/australia-news/2021/may/19/coalitions-600m-gas-fired-recovery-boost-what-you-need-to-know> , 25 scientists have publicly objected to Alan Finkel’s claim that gas would play a critical role for many decades and offered to provide him scientific evidence. They included Prof Will Steffen, professors John Church, Lesley Hughes, Terry Hughes, Ove Hoegh-Guldberg, Mark Howden and Matthew England. <https://royalsoc.org.au/images/pdf/journal/153-2-PCP-25letter.pdf>

The Project is Not Needed and Wastes \$600M of Public Money

The proponent, Snowy Hydro, presents no information to back its claim that this gas power station is necessary and no information that this is the cheapest way of fulfilling the declared requirement.

- Kerry Schott – chair of the government's own Energy Security Board **told Guardian Australia**, and the government, that the case for a gas plant in the Hunter Valley “doesn’t stack up” commercially given there is an abundance of cheaper and cleaner alternatives flooding the

market. She said that gas is “expensive power”, and all energy experts agree that peaking gas makes little commercial sense given the alternatives in the market, including battery storage – which would operate and deliver a variety of services all year round rather than just a few days. While it's true that not all of these options will be fully in place by the time Liddell closes in April 2023, the proposed gas plant won't be either.

<https://www.theguardian.com/australia-news/2021/may/04/energy-australia-confirms-new-gas-plant-in-illawarra-after-morrison-government-threatened-to-intervene>

- The Australian Energy Market Operator (AEMO)'s Electricity Statement of Opportunities 2020 report, found that New South Wales was not expected to exceed the Reliability Standard at any point to 2028-29. They also found that there was no need to replace the closing Liddell coal plant in 2023 because the gap to ensure grid reliability was only 154MW, and that was already covered by other commitments. https://aemo.com.au/-/media/files/electricity/nem/planning_and_forecasting/nem_esoo/2020/2020-electricity-statement-of-opportunities.pdf
- Government's own taskforce advising governments about the impact of the Liddell closure backing this up by finding NSW did not need to find an additional 1,000MW to keep the lights on, and listing a range of committed and probable projects that it found would be “more than sufficient”. They recommended a national strategy including energy efficiency and demand side management. <https://www.energy.gov.au/government-priorities/energy-markets/liddell-taskforce>
- AEMO estimate that while between 6 and 19GW of new dispatchable power would be needed over the next 20 years under an optimal future grid – ie, a grid that runs nearly entirely on solar and wind as coal is pushed off the field. It could come from a range of sources including batteries, pumped hydro and demand management. It said new gas was an option but – in contradiction of Morrison's claims that gas generation would bring prices down – that it was likely to be more expensive than other options. <https://www.theguardian.com/australia-news/2020/jul/30/gas-prices-will-need-to-stay-low-to-compete-with-alternatives-on-renewable-grid-operator-says>
- AEMO Chief Executive – Audrey Zibelman describes the need for 5 out of 6 of pumped hydro, big batteries, household batteries, virtual power plants, demand side management to enable the transition to renewables. Gas fired power is considered only viable if gas is cheaper than \$6/GJ but new/upgrades to the grid are needed for Vic/NSW, NSW/SA, Snowy Hydro/NSW REZ, Tas/Vic. <https://aemo.com.au/en/energy-systems/major-publications/integrated-system-plan-isp/2020-integrated-system-plan-isp>
- The short-term economic viability of the Kurri Kurri plant relies on gas prices remaining below \$6/GJ (currently ~\$4/GJ but recently \$12/GJ). The international gas market is in crisis, and Australia is dangerously exposed to job losses and power price volatility. <https://www.climatecouncil.org.au/resources/passing-gas-renewables-are-future/>
- AEMO have estimated that on the stricter Interim Reliability Measure, a capacity shortfall of just 154MW is identified after the Liddell power station closes in 2023-24, nowhere close to 100MW claimed by Federal government. AEMO expects this small gap to be filled by “the New South Wales Government's commitment to provide capital projects funding to 170 MW of dispatchable capacity under its Emerging Energy Program”. <https://energy.nsw.gov.au/renewables/clean-energy-initiatives/emerging-energy-program> . Grants have already been awarded to five Capital Projects with a combined capacity of 220MW and nine investigative projects with the potential to deliver 2,700MW under the Pre-Investment Studies stream. <https://energy.nsw.gov.au/renewables/clean-energy->

[initiatives/emerging-energy-program](#) so the Kurro Kurri project is a white elephant waste of public money.

- Clean Energy Council have developed their own roadmap to a renewables future <https://www.cleanenergycouncil.org.au/advocacy-initiatives/energy-transformation/the-distributed-energy-resources-revolution> . This largely aligns with AEMO's roadmap and is expected to improve investor confidence in lieu of more effective government policy or a carbon price.
- BZE say AEMO Integrated System Plan is consistent with their modelling and will create 200,000 jobs over 5 years. https://bze.org.au/media_release/fast-tracking-isp-could-create-200000-jobs/
- Matt Kean – NSW Minister for Energy and Environment has acted on the AEMO Integrated System Plan by accelerating grid infrastructure improvements and establishing 2 Renewable Energy Zones. <https://reneweconomy.com.au/nsw-to-fast-track-network-approvals-for-first-renewable-energy-zone-53918/>
- Richie Merzian energy program director of the Australian Institute claims there is no basis for the arbitrary 1000MW target – only 215MW is needed and publicly announced private projects would provide 4 times that requirement. “The proposed Kurri Kurri gas power station is a waste of public money that will push up electricity prices and emissions, especially since the proposed project will initially run on diesel fuel.....It was disappointing to see the Budget allocate \$300m for gas projects, hubs, plans and related roads, now it's just reckless to hear an additional \$600m has been budgeted for an unnecessary gas plant in NSW.....How bad is the business case for Kurri Kurri if Snowy Hydro needs the entire \$600m capital cost covered by taxpayers rather than handling this all off the books?” <https://reneweconomy.com.au/taylor-commits-600m-to-kurri-kurri-gas-in-fossil-fuel-spending-spree/>
- The Climate Council has dubbed this project an "appalling decision"

The Project Will Practically Never Run and May Be Unreliable When Called into Action

Existing gas power peaking plants rarely turn on

- In 2020, NSW's gas power stations were rarely called into action. They had a capacity factor of just 1.6% because gas power stations are struggling to compete with far cheaper energy sources like batteries. <https://assets.cleanenergycouncil.org.au/documents/resources/reports/battery-storage-the-new-clean-peaker.pdf>
- Snowy Hydro already owns a large gas power station in New South Wales: the Colongra gas power station on the Central Coast which is used less just 0.6% of the time <https://twitter.com/simonahac/status/1307843315920826370> making them inefficient and expensive and prone to failure when are called on to power up at peak times.
- In February 2017, Snowy Hydro's existing Colongra gas power station failed to start due to low gas pressure in its supply lines, forcing AEMO to protect the grid by ordering the Tomago Aluminium Smelter to curtail demand. <https://www.afr.com/politics/gas-and-coal-failures-were-behind-nsws-power-scare-aemo-20170222-guiesi> This calls into question the claim that gas power stations can always act as a reliable backup.
- The Federal Government is touting this plant as “hydrogen ready,” but the EIS says that though there is potential for the gas turbines to be fired on 5% of hydrogen in the future,

that “would require some modification to the power station and gas turbines.”

<https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent>

- Currently there isn't even the pipeline to run the plant on gas – it will initially be diesel fired with appalling emissions.

Gas Prices

The high cost of gas has been driving up electricity prices and this will only get worse if we dig deeper into our dependence on polluting and expensive fossil fuels.

- Kerry Schott – chair of the government's own Energy Security Board agrees describing the Burning of natural gas as an expensive way of providing electricity - even dispatchable electricity. Plummeting prices of solar, wind and batteries, combined with [Snowy Hydro 2.0 coming online in 2025](#), mean that a combination of renewables, storage and transmission will be cheaper. In addition, rewarding consumers for [reducing their demand at peak times](#) is a way of putting money back in the pockets of voters, and is cheaper than any combination of new capacity. <https://www.canberratimes.com.au/story/7258110/a-new-600m-gas-fired-power-plant-smells-like-a-byelection/>
- AEMO, don't foresee an increased role for gas on a pathway to a lower cost electricity grid. <https://reneweconomy.com.au/aemo-says-batteries-will-be-cheaper-and-cleaner-than-new-gas-plants-65524/>

Economic Aspects

Senior economists and businesses oppose this project as not in the public's best interest nor even in the best interest of other energy businesses (beyond Snowy Hydro or the McCloy Group (Generous Liberal Donor)):

- Prof Ross Garnaut has slammed the federal government's \$600 million backing of a new gas-fired plant as a “waste of money” and likened it to the exercise of burying money and asking the unemployed to dig it up as a way of keeping them productive. <https://www.smh.com.au/politics/federal/we-re-burying-banknotes-ross-garnaut-rubbishes-government-s-600m-gas-plant-20210525-p57usa.html>
- Tony Wood, energy program director with the Grattan Institute said that while gas is needed to back up wind and solar, a new gas facility in NSW won't be needed to shore up energy supplies. "It's not necessary for reliability, it's not necessary for prices, and it's not necessary to bring down emissions" <https://www.abc.net.au/news/2021-05-18/federal-government-commits-600m-for-kurri-kurri-gas-plant/100147956>
<https://www.smh.com.au/politics/federal/kurri-kurri-decision-an-extraordinary-intervention-in-market-20210519-p57tcr.html>
- Analyst Bruce Robertson from the Institute for Energy Economics and Financial Analysis said there was no justification for the government to use public funds to build the Kurri Kurri plant. “This is just gold plating of the energy system, which will lead to lower private sector investment in cheaper renewable energy and higher electricity bills for consumers. We don't need over investment in expensive gas power generation.” He noted the IEA report clearly signalled the end of gas and other fossil fuels. “And yet, in Australia, we have a government who is hell bent on subsidising a gas industry that is headed for rapid decline by 2030.” <https://reneweconomy.com.au/taylor-commits-600m-to-kurri-kurri-gas-in-fossil-fuel-spending-spree/>
- Energy companies are also concerned. By directly interfering in the electricity market the federal government will further discourage the private investment needed to deliver the

huge amount of dispatchable generation needed over the years ahead. Most technical and economic experts agree that setting a carbon price would be a cheaper and more effective way to guide private investment and set us on the right trajectory of emissions reduction. <https://www.theguardian.com/australia-news/2019/aug/29/energy-companies-frustrated-at-slow-progress-on-taxpayer-underwriting-deals>

Jobs

This is an appalling waste of public money for trivial numbers of short term sustainable jobs generated compared to those that would be generated long-term with the same investment in renewables.

- According to the EIS, the project is only expected to generate 250 short-term jobs in construction and 10 long-term jobs for a \$600m public investment on a plant that runs for 2% of the time producing expensive electricity. Investment of \$600m anywhere else in the electricity supply chain would provide over 1000 jobs (1.7jobs per \$m invested) but invested in renewables would provide nearly 3,000 jobs (4.8jobs per \$m invested). This is a grotesque waste of public money <https://www.theguardian.com/australia-news/2020/jun/07/renewable-energy-stimulus-three-times-as-many-australia-jobs-fossil-fuels-coronavirus-economic-recovery>

Climate Impacts

People in New South Wales and across Australia (Climate Change knows no global boundaries) are already suffering from the impacts of climate change, but the EIS for this gas plant declares the emissions but make no mention of the risks posed by climate change from this plant, from the supply chain for the gas used (including fugitive methane emissions) or NSW's commitment to net zero greenhouse emissions by 2050.

<https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=SSI-12590060%2120210427T001516.283%20GMT>

- Over the last five years, we have experienced/suffered:
 - the 2019 intense heatwaves and drought in NSW and QLD followed by extreme flooding
 - The unprecedented 2019-2020 Black Summer bushfires,
 - Three unprecedented mass bleaching events on the Great Barrier Reef. <https://www.climaterealityproject.org/blog/how-climate-change-affecting-australia>
- Gas is a fossil fuel driving climate change and this power station will create 14.8M tonnes of greenhouse gases over its thirty year operation. All of the major competing alternatives are zero emission. Where this project increases our reliance on fossil fuels and delays the transition to zero emission renewables, the cheaper alternatives accelerate our transition to cheaper zero emissions renewable power. <https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=SSI-12590060%2120210427T001516.283%20GMT>
- 14.8Mt of emissions will (according to my own work) kill at least 840 people prematurely due to climate impacts. This is almost certainly a VERY conservative estimate since the historic record of impacts and mortalities includes no components from the effects of the compounding feedback loops that remain to be triggered by emissions crossing their

feedback thresholds.

<https://www.dropbox.com/s/9vijgy4fy9ms1dv/Forecasting%20Lives%20Lost%20to%20Climate%20Change.docx?dl=0>

- Gas is a fossil fuel that releases about half the emissions of coal when burned, and contributes even more to global heating once fugitive methane that leaks during extraction and piping is counted. The public is best served by the cleaner and cheaper alternatives. <https://www.theguardian.com/environment/2020/feb/19/oil-gas-industry-far-worse-climate-impact-than-thought-fossil-fuels-methane>
- We must urgently phase out all fossil fuels, including gas, if we are to avoid dangerous climate change and Australia is on the front-line of climate impacts which are accelerating in frequency and severity – these impacts for sure put our children and grandchildren at grave risk <https://www.climatecouncil.org.au/resources/net-zero-emissions-plummet-decade/>

Other Environmental Impacts

Gas is a polluting fossil fuel and extraction and transport of it is bitterly opposed by communities in the North West and Hunter. We don't need or want to create new demand for destructive unconventional gas.

- Despite known contamination of soil and groundwater on the site, no detailed investigations of existing water or soil contamination was provided with the EIS. Contaminants of concern include fluoride, cyanide, Polycyclic Aromatic Hydrocarbons (PAHs), aluminium, heavy metals and potentially PFAS. <https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=SSI-12590060%2120210427T001516.283%20GMT>
- Using diesel to run the power station will create more fine particle (PM_{2.5}) and oxides of nitrogen (NOx) pollution. Annual average PM_{2.5} levels at the nearest monitoring station already exceed national standards and ozone, which forms in the atmosphere as a pollution by-product of NOx emissions, already “occasionally” exceeds assessment criteria nearly every year. <https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=SSI-12590060%2120210427T001516.283%20GMT>
- The people of the Lower Hunter should not suffer pollution to cover the Australian Government's failure to manage an orderly transition to a fully renewable energy grid, especially when such large public investment provides so few jobs.
- Affected communities will mount similarly bitter opposition to proposed pipelines (which will need to be built to connect this power station to gas supply).

The International Perspective

- The International Energy Agency has said that achieving zero emissions by 2050 means no more fossil fuel developments of any kind. <https://www.iea.org/events/net-zero-by-2050-a-roadmap-for-the-global-energy-system>
- International Energy Agency's executive director Fatih Birol and one of the world's foremost energy economists, told the Guardian: “If governments are serious about the climate crisis, there can be no new investments in oil, gas and coal, from now – from this year.” <https://www.theguardian.com/environment/2021/mar/31/urgent-policies-needed-steer-countries-net-zero-carbon-iea-chief-fatih-birol>

- Australia is seen by the rest of the world as a shameful global pariah – we have the highest per capita emissions in the OECD, the second highest emissions per unit of GDP <https://www.oecd.org/environment/environment-at-a-glance/Climate-Change-Archive-February-2020.pdf> . We are the third biggest exporter of fossil fuels. https://australiainstitute.org.au/wp-content/uploads/2020/12/P667-High-Carbon-from-a-Land-Down-Under-WEB_0_0.pdf We have been accused of cheating on our original Kyoto and Paris emission targets (The Australia not deforesting clause) <https://theconversation.com/australia-hit-its-kyoto-target-but-it-was-more-a-three-inch-putt-than-a-hole-in-one-44731> , cheating on the counting of Kyoto credits against our Paris commitments <https://australiainstitute.org.au/post/no-legal-basis-for-australias-use-of-kyoto-credits/> and lying about our emissions reductions (by referring to per capita emissions reductions) while our total emissions have not reduced <https://www.theguardian.com/environment/2021/may/24/scott-morrison-claim-australias-greenhouse-gas-emissions-are-falling-does-not-stack-up> . This government also tries to take credit for the real emissions reductions achieved by Labor under the CPRS, having bitterly opposed and repealed that legislation and continuing to oppose all proposals for a carbon price. The EU and US may impose punitive border tariffs and sanctions on Australia to force us to act with global responsibility. This project is another example of this government's disdain for our children's futures, for the international community and for the public by proposing such irresponsible waste of public money.

Alternatives

We have clean and affordable alternatives to gas.

- Batteries and pumped hydro can provide clean and affordable power. These are dispatchable technologies and batteries are being embraced by the private sector, with a number of projects planned in NSW <https://www.climatecouncil.org.au/resources/passing-gas-renewables-are-future/#mr>
- Snowy hydro should invest in these technologies to help reduce New South Wales' emissions, improve grid security and put downward pressure on electricity prices and increase employment. <https://www.abc.net.au/news/2018-12-21/power-prices-to-drop-with-more-renewables-report-finds/10638102>

New Legal Precedent

Our children have found their voice and at last the law has recognised that our governments have a duty of care for their survivable futures. I find it grotesquely appalling that our political and corporate elites need to have enforced upon them a legal requirement to provide a survivable future for next generations.

- In a landmark ruling on 27 May 2021, [Justice Mordecai Bromberg found](https://www.theguardian.com/environment/2021/mar/02/a-duty-of-care-australian-teenagers-take-their-climate-crisis-plea-to-court) the minister had a duty of care to not act in a way that would cause future harm to younger people. <https://www.theguardian.com/environment/2021/mar/02/a-duty-of-care-australian-teenagers-take-their-climate-crisis-plea-to-court>
- This ruling surely creates precedent that the NSW Minister for Planning MUST adhere to. Since the Gas peaking plant provably causes emissions and is provably unnecessary because cheaper zero emission alternatives are readily available or committed (renewables, storage, energy efficiency and demand-side management etc.) and this is confirmed by numerous

authoritative and expert bodies – technical and economic, the NSW Minister for Planning must be in serious legal jeopardy for not exercising his duty of care by approving this project.

- This project will prematurely kill at least 840 people and these will predominantly be young people not yet able to vote and their children or grandchildren, for which the Minister has a duty of care.

Thank you for considering this submission,

Yours Sincerely,

Nigel Howard

For Northern Beaches Climate Action Network

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