

CLIMATE ACTION MORELAND SUBMISSION TO THE ENVIRONMENTAL PROTECTION
AUTHORITY
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OBJECTION TO THE DUAL GAS PROPOSAL

--- Background ---

We ask that the EPA reject the 'Dual Gas' proposal, because it fails to meet the criteria for approval:

- It is not consistent with environmental policies
- It is not consistent with best practice for electricity generation
- It is not consistent with community values

The climate science is clear. Urgent action to reduce greenhouse gas emissions is necessary in order to have a reasonable chance of avoiding catastrophic climate change. Emissions reductions should occur as quickly as possible, and no new projects should be undertaken that would result in large amounts of fossil carbon being released into the atmosphere. The 'Dual Gas' proposal will increase our emissions in the near term and slow our progress in emissions reductions for years to come. It should be rejected.

--- Inconsistent with relevant environmental policies ---

The 'Dual Gas' proposal is inconsistent with Victorian environmental policy, and should be rejected on this basis.

In September this year, the Victorian Parliament passed the Climate Change Bill 2010. This bill establishes a target to reduce Victoria's greenhouse gas emissions in 2020 to 20% below our emissions in 2000.

This target can not be achieved if large projects that will significantly increase emissions are allowed to go ahead. The claim in the 'Dual Gas' application that the emissions from their project might be off-set by the closure of other generating capacity demonstrates this. If the possibility of reductions in existing emissions is accepted as an reason to approve a project that will create a large amount of new emissions, then no net reductions in greenhouse gas emissions can ever be achieved. At the same time as preventing real reductions in emissions, this reasoning creates the risk that if the possible reductions fail to eventuate, overall emissions will actually increase. The most likely outcome if the 'Dual Gas' proposal is approved is that proposed projects to produce electricity using renewable energy sources are displaced, and that established brown coal based electricity generators continue business as usual.

It is also important to note that the Victorian target for greenhouse gas emission reductions by 2020 is not an endpoint. Government policy is very clear that this is a first step, and that the emission reductions will continue after 2020, with reductions of at least 60% by 2050. The technology proposed for the 'Dual Gas' project would only help meet the 2020 target if it was deployed on a massive scale, with government intervention to close existing generation facilities, and is incapable of meeting steeper emissions reduction targets beyond 2020.

'Dual Gas' claims an emissions intensity about 30% lower than existing brown coal generators. Electricity generation from brown coal is one of the 'low hanging fruit' in Victoria when it comes to emissions reductions, so it is likely that cuts of more than 20% will be needed in this sector to achieve the 20% statewide target by 2020. But in order to achieve just a 20% reduction in

emissions from brown coal based electricity generation using the 'Dual Gas' technology, 66% of the existing capacity would have to be closed, and replacement capacity built. After this huge investment, Victoria would be left stranded, unable to make further reductions beyond 2020 without turning around and closing these new brown coal based power generators to achieve the next round of emissions reductions. Clearly this approach is untenable.

The 'Dual Gas' proposal is inconsistent with any reasonable interpretation of government policy.

--- Inconsistent with best practice ---

The 'Dual Gas' proposal does not represent best practice in electricity generation, and should be rejected on this basis.

'Dual Gas' claims that their proposed power station would produce 30% less greenhouse gas emissions than are produced by existing electricity generation using brown coal in Victoria, and would have emissions comparable to existing electricity generation in New South Wales using black coal. This is based on their expectation that their facility would have an emissions intensity of 0.78 tonne CO₂e per MWh.

The average emission intensity of electricity generation in the OECD is 0.45, which includes old 'worst practice' electricity generation as well as modern facilities with very low emissions using renewable energy sources.

Clearly the 'Dual Gas' proposal does not even meet 'average practice', let alone best practice in electricity generation.

Best practice in electricity generation is an emissions intensity of very close to zero, using renewable energy sources. This has been demonstrated in wind, solar photovoltaic and particularly solar thermal electricity generation facilities that have been built and are in operation in various parts of Europe. The recently released report by Beyond Zero Emissions and The University of Melbourne 'Zero Carbon Australia Stationary Energy Plan' demonstrates that Australia can generate 100% of our electricity from renewable energy sources within a decade.

The 'Dual Gas' proposal talks about 'best practice electricity generation using brown coal'. This is like talking about 'best practice insulation using asbestos'. Best practice in electricity generation clearly does not involve the use of brown coal, just as best practice insulation does not involve the use of asbestos.

The 'Dual Gas' proposal is inconsistent with any reasonable interpretation of best practice.

--- Inconsistent with community values ---

The 'Dual Gas' proposal does not meet community expectations and values, and should be rejected.

There is an overwhelming mood in Victorian communities that urgent action is needed to tackle climate change. There is strong community support for the closure of existing power stations like Hazelwood that emit unacceptably large quantities of greenhouse gases, and for their replacement with renewable energy. You don't need to look any further than the images coming out of Spring Street in the lead up to the coming state election of John Brumby standing in front of solar arrays to see the enormous pressure building in the community for real action to reduce emissions.

Climate Action Groups like Climate Action Moreland are emerging in communities across Victoria

and calling for action, Churches like the Uniting Church are calling for action, Charities like Oxfam are calling for action. Approval for the 'Dual Gas' proposal would undermine all these voices and contradict their express wishes to see renewable energy sources used in all new electricity generation.

Please listen to the community and reject the 'Dual Gas' proposal.