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## Energy White Paper – Issues Paper

Thank you for the opportunity to comment on the *Energy White Paper – Issues Paper*.

The Northern Alliance for Greenhouse Action (NAGA) supports strong and effective greenhouse gas emissions reduction action that is informed by the climate science and that will facilitate the necessary and urgent transition to a low-carbon economy.

The climate science indicates the seriousness of climate change impacts and the urgency of action to reduce greenhouse gas emissions. Climate change action is urgent, multi-scale and complex; all have a role in addressing these challenges. Australia's energy generation, supply, demand and usage clearly play significant roles in our responses to climate change, and the Energy White Paper is therefore a very important part of our integrated response to climate change.

### **About Northern Alliance for Greenhouse Action**

The Northern Alliance for Greenhouse Action (NAGA) is an alliance of Moreland Energy Foundation and the nine councils spanning the northern metropolitan region of Melbourne from the CBD to the rural/urban fringe (see footer). The Alliance, which formed in 2002, covers a quarter of Melbourne's population; the region spans major industrial, commercial, and residential areas, activities and types, as well as forests, agriculture, and water catchments on the urban fringe.

Action on climate change is urgent; it requires substantial effort to transform our economy and our society to a low carbon future by delivering science-based greenhouse pollution cuts in the short-, medium- and long-term. NAGA and its members are working to ensure urgent, regional action in our transition to a climate-changed, low-carbon future. NAGA shares information, coordinates emission reduction and adaptation activities, and cooperates on the research and development of innovative projects.

Local governments have been demonstrating significant leadership in undertaking broad ranging and substantial action to reduce the emissions associated with their own operations, and to assist their communities, in industrial, commercial and residential sectors, to reduce their emissions. Local governments' partnership approaches are underpinned by their communities' concerns about climate change and, complement actions at state and federal government levels; climate change mitigation requires urgent, wide-ranging responses from all levels of government and the community, as it will be impossible to adapt to climate change if 'business-as-usual' emissions continue unabated.

Many councils have set their own emission reduction goals; all NAGA member councils are dedicating staff, resources and funding to achieving their emission reduction targets and are actively working to support their communities to reduce their businesses' and households' emissions.

## **Greenhouse gas emissions, fossil fuels and unburnable carbon**

The International Energy Agency, in its *World Energy Outlook 2013*<sup>1</sup>, reinforces the need for urgent action on greenhouse gas emissions to limit climate change impacts, including through peaking of coal consumption 'well before 2020'. The IEA, the World Bank<sup>2</sup> and a growing number of governments, economists and scientists have reinforced the urgent need for emissions reductions, and the reality of unburnable carbon – that only one third of proven fossil fuel reserves can be burnt before 2050.

Nonetheless, the Energy White Paper – Issues Paper foreshadows a large-scale ramp up in production capacity for fossil fuels, particularly coal and LNG. This is completely inconsistent with the climate change action that is being adopted globally, and risks Australia, its industries and businesses being left behind in the global transition to a low-carbon future. It risks fossil fuel infrastructure investment and assets becoming stranded assets as the world moves to strengthen emission reduction targets, and it risks Australia missing opportunities to develop and build industries for the future that focus on low-carbon renewable energy generation and associated activities.

NAGA is committed to assisting its region's residents and businesses to shift to low- or no-emissions energy generation and is concerned that the Energy White Paper – Issues Paper not only lacks urgency and leadership in advancing this shift, but is actively pointing Australia in the opposite direction.

## **Energy efficiency and demand-side management**

The International Energy Agency, in its *World Energy Outlook*, emphasises that a much faster pace is needed on energy efficiency measures: "The most important contribution to reaching energy security and climate goals comes from the energy that we do not consume".

NAGA supports energy efficiency regulation on appliances, as well as ensuring electricity distribution businesses implement demand-side alternatives rather than depending solely on network augmentation to respond to demand increases, including peak demand increases. NAGA supports the switch in focus from energy supply to energy demand, and a resulting strong focus on energy efficiency measures and opportunities, and community education and engagement, including households' energy literacy (see below). Energy security issues should be addressed by increases in energy efficiency rather than by increasing supply.

The CSIRO Intelligent Grid Research Program's report *Think Small: The Australian Decentralised Energy Roadmap* identifies massive cost savings from planned expenditure for network augmentation, through adopting decentralised energy technologies such as energy efficiency, peak load management and distributed generation; the report states that these are the quickest and cheapest options to reducing emissions and meeting peak demand.

## **Accelerating renewable energy outcomes**

NAGA supports the development of renewable energy generation, and is excited about its potential to contribute to innovative commercial opportunities, and employment creation, as well as its potential to be part of the suite of measures to address peak demand increases.

The transformation of Australia's energy sector to a low-carbon system requires strong policy intervention, and a suite of measures to ensure investment into and development of renewable energy, and energy efficiency outcomes.

## **Community engagement and energy literacy**

NAGA supports the need for community engagement and participation in the energy market, including particularly the views and inputs from those representing households, SMEs and vulnerable sectors of the community. In addition, promoting energy literacy in households and SMEs to support energy demand-side management, as well as managing energy costs is a high priority. NAGA has developed a communications

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<sup>1</sup> <http://www.worldenergyoutlook.org/energyclimatemap/>

<sup>2</sup> <http://econews.com.au/news-to-sustain-our-world/world-bank-tells-business-year-to-fight-for-climate/>

toolkit Go 5<sup>3</sup> to build energy literacy in households in our region. This has been a successful approach that could be expanded across the country.

### **Energy market reform**

The inclusion of an environmental sustainability objective in the National Electricity Market rules is necessary to support the transformation of the energy sector to a low-carbon, climate-changed future.

### **Conclusion**

Climate change is already presenting challenges for many aspects of our lives; NAGA is committed to urgent, regional action in our transition to a climate-changed, low-carbon future. Australia's energy sector, including its electricity infrastructure, and network augmentation and upgrades must be planned in the context of climate change impacts as well as greenhouse gas emission reduction objectives (ie addressing both climate change mitigation and climate change adaptation actions and responses).

The development of the Energy White Paper presents an opportunity to realign Australia's energy industries and priorities to a more sustainable social, economic and environmental footing. Unfortunately the Issues Paper sets a course for the opposite, with a focus on facilitation of fossil fuel mining that will have serious, wide-ranging and very expensive health and environmental consequences.

Please contact me if you would like to discuss any of these issues in more detail.

Yours sincerely



Judy Bush  
Executive Officer

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<sup>3</sup> [www.go5.org.au](http://www.go5.org.au)