

Role of Gas in the Transition – Politics in the pub 27th August 2024

Evening everyone, I'm Fraser Maywood, a Freo local and the chair of SEN. We are an independent NFP fighting climate change in WA since 2006 by transitioning towards 100% renewables and phasing down the use of fossil fuels. We are not a think tank nor a lobby group.

We model the WA electricity grid and advocate a swift and orderly transition to clean renewable electricity, safely, reliably, and affordably with commercially proven technologies.

Based on our energy modelling (which broadly aligns with the Australian Energy Market Operator and Energy Policy WA) we presented the role of fossil gas in the transition to eNGOs in October last year and have carefully considered their feedback.

In short, we see a diminishing role for gas in the electricity system as additional firming and back-up over and above what batteries can practically provide to wind and solar resources which are inherently weather variable.

The energy transition from burning fossil fuels to clean renewable energy can't happen overnight and requires our somewhat reluctant state government to invest further in the state-owned electricity transmission network to enable the transition. More poles and wires, less gas.

Large scale RE developers and large energy consumers would not get a "free kick" from this investment and would continue to pay their fair share through established fees and charges.

The technology required for the transition is available now. New and improved technologies, especially batteries and demand side management, will continue to be deployed during the transition and further reduce the amount of gas required.

The reduction of domestic gas usage more broadly depends on the decarbonisation of the industrial, commercial and residential sectors, primarily via electrification.

Whilst electrifying your home has a relatively small impact on the state's overall gas usage it does significantly undermine the public image of gas being vital as promoted by the gas industry. As we know people will kill for a hot shower.

We have been burning stuff (wood, peat, coal, oil and gas) for warmth, security and cooking for millennia, now the practice is baked into our economic way of life and embedded in our very DNA. Now that better, cheaper, safer, fairer and healthier alternatives are available that have lower climate change impacts it's time to get off gas and fully democratise our energy.

Individuals can be more vocal on why they are getting off gas – let your friends, family, neighbours, the wider community and local members of parliament know why you're switching, why we all need to get off gas and to signal the level of public support there is for the energy transition. Government feedback to SEN is that people are apathetic about energy.

Heavy industry is often classified as “hard to decarbonise” which is sub-text for they haven't found a way to do it cheaper than the current fossil fuel solution and / or they can't command enough of a green premium for their products to change.

However, they are moving and for them to get off gas requires the state government to fulfill its obligations in the electricity market to provide the transmission network capacity that connects willing renewable energy proponents with those large industrial customers. There are however significant speed bumps.

The current WA domgas supply and demand market is finely balanced as noted in the recent inquiry chaired by Peter Tinley. As an example, diverting onshore gas to back-fill declining offshore gas reserves feeding the NWS LNG plant for export, upsets that balance – good to see that the domgas inquiry recommended to prevent this happening unless the domgas market was adequately supplied.

Approving new critical minerals processing plants as new fossil fuel consumers also upsets that balance in favour of yet more gas required.

Further delays to investment in the electrical transmission network by the state government signals to industry that a BAU approach is acceptable, industry will then delay their decarbonisation plans, continue to burn gas and hence cause a shortfall in the domgas market and also fuel our still rising emissions.

The State government is naturally focussed on staying in power: being a small target and kicking the energy can down the road to beyond the next elections seems to be the current direction of travel based on our numerous meetings with government.

Yes, they are closing state owned coal powered generation and investing over \$4 billion in replacement energy sources and network upgrades; unfortunately it falls way short of what is needed.

Keeping the budget in surplus and being a small target is seen as being more pressing to their re-election prospects. Metronet has exhausted readily available funding and it seems much of their political capital.

We the public are being wedged. In reality, given the right policy settings we need a relatively small amount of gas to manage the phase down of domgas whilst what is currently on offer is large-scale gas development for private profit with a relatively small domgas reservation and public benefit.

The media is awash with clever industry generated PR spin and half-truths, repeated by the media, government and unwittingly by some academics. We need to be alert to this spin which is additional to the deliberate misinformation and disinformation spread by the likes of the Atlas Network that pollutes the information space and also co-opts and corrupts well intentioned local community groups.

These half-truths include: gas is cleaner than coal, Japan needs our gas to support its economy so it can be a strong defensive partner, America's road to decarbonisation runs through WA, WA's rising emissions is because we're taking one for the team so their emissions fall, international renewable energy companies are ripping off the WA taxpayers, the developing world need to burn fossil fuels to lift themselves out of poverty, carbon capture and storage and green hydrogen are plausible answers to our energy challenges.

Hopefully tonight's debate will surface some of the nuance involved in the energy transition.

As SEN we're advocating managing the gas supply as we phase fossil fuels out. This needs everyone to do their fair share of the heavy lifting.

Fraser Maywood

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