

Council For The National Interest

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20th March 2018



**Sent to all Members of COAG Energy Council
Also sent to all crossbench senators**

The Hon Josh Frydenberg MP
Minister for Environment and Energy
Chair, COAG Energy Council
PO Box 6022
CANBERRA ACT 2600

On behalf of the Council for the National Interest (CNI) I write to respectfully and earnestly urge you to reject the adoption of the proposed National Energy Guarantee (NEG) at the meeting of the COAG Energy Council scheduled for April 2018.

Since the NEG was announced in November 2017 we cannot find any evidence that shows, beyond question, that the NEG will achieve the stated objective.

The NEG is based on achieving a “reliability guarantee” and an “emissions guarantee”.

The emissions guarantee flows from Australia’s commitment at the meeting of the United Nations Framework Convention on Climate Change (UNFCCC) at Paris in December 2015 with the intention of curbing so-called global warming. It has been subsequently shown that the data put forward by the Intergovernmental Panel on Climate Change (IPCC) to justify the need for greenhouse gas emissions reduction commitments to contain a projected rise in the temperature of the Earth was in fact “faked”. The faking of data is just another example of the spurious arguments about global warming/climate change of which the IPCC has been recurrently guilty over many years. Furthermore, the IPCC claims are based, mostly, on modeling and false data, the projections of which have been shown, repeatedly, to be wrong.

Despite the continued gradual increase (about 2% per annum) of CO₂ in the atmosphere of the Earth there has been a pause in global temperature rises over the past 18-20 years. Furthermore, due to the very low sunspot activity in the current solar cycle, respected solar expert Piers Corbyn, is predicting that the Earth faces another mini ice age with devastating consequences. Corbyn notes “The present decline in solar activity is faster than at any time in the past 9300 years, suggesting an end to the grand solar maximum.” “The Australian March 8, 2018” page 12. Research shows that Corbyn is not alone in expressing this view.

By comparison with the IPCC predictions, the attached CNI FACT SHEET - CARBON DIOXIDE (CO₂) is based on scientific fact not on unproven modeling. The Fact Sheet shows, incontrovertibly, that greenhouse gas emissions comprising CO₂, methane, nitrous oxide and water vapour are such a small percentage of the atmosphere of the Earth (less than 1 per cent) that what happens to them (warming or cooling) is really irrelevant to the temperature of the Earth.

The Fact Sheet also shows that CO₂ does not warm the Earth, it is not a pollutant and CO₂ is essential for plant, animal and human life on Earth. This Fact Sheet has been developed by our research team and has been validated by respected scientists. No scientist to whom we have sent this Fact Sheet has refuted it.

Australia's renewable energy target (RET) was introduced on the grounds of political expediency not on the grounds of sound economics or science. The consequences of RETs and emission reduction schemes and all of the related subsidies and the closure of coal fired power stations is that energy reliability and energy security are seriously damaged and energy costs have become so high as to destroy the competitiveness of business and industry forcing closure of industries, loss of jobs and forcing some businesses to go offshore and everyday Australians are saddled with soaring electricity costs. This is particularly so in South Australia where electricity prices have gone from the lowest to the highest in the World with devastation of energy reliability and energy security at great expense to taxpayers.

There is no credible evidence that the NEG will rectify this disaster.

It is the Federal Government's responsibility, in the national interest, to adopt policies that will achieve the most secure and reliable energy at the lowest possible cost whilst having responsible regard to proven environmental concerns.

In similar vein, it is, in our view, the responsibility of State and Territory Governments to pursue the same goals and to do so even if that involves legislation and action in conflict with federal policies.

Lowest cost, reliable and secure energy was the norm before the Federal Government adopted the RET and imposed this requirement on the States and Territories and made the totally wrong emissions reduction commitment and established all of the climate and energy bodies, the renewables subsidies and emissions credits all costing taxpayers billions of dollars annually for no economic or environmental gain.

We again refer to the CNI Fact Sheet – Carbon Dioxide (CO₂) which demonstrates, irrefutably, the World needs more CO₂ not less and we ask that you have the courage to reject the NEG and that you fight for Australia to withdraw from the emissions reduction commitment. The fact that the IPCC used 'fake data' to convince the nations of the world to make this commitment provides equitable grounds for Australia to withdraw, not only from the emissions reduction commitment but also from any future contribution to the UN Green Climate Fund. Refer articles in The Australian Newspaper, February 7, 2017, Matt Ridley, page 10 and Graham Lloyd, page 3.

Complementary action will be needed to phase out the RET and related subsidies and to wind down the climate and energy bodies and allow the market to achieve the most reliable, secure and lowest cost energy for all Australians. All forms of renewable energy should find their place in the market through R and D without taxpayer funded subsidies.

The Snowy 2 proposal is not the answer. It is simply not economic.

The National Energy Market (NEM) is a classic example of bureaucratic proliferation. It comprises the Australian energy Market Commission, the Australian Energy Regulator, the Australian Energy Market Operator, the Clean Energy Regulator and the Energy Security Board. Add the numerous, pointless Climate Bodies and it is obvious that the market has a "huge albatross around its neck." Do away with these and save billions of dollars annually and open the way for lowest cost, secure and reliable coal fired energy.

The coal mining industry and the role of coal fired power stations have been seriously damaged by the misguided renewables policies that have amounted to a 'war on coal' and to some extent, other fossil fuels. Accordingly, to achieve the best outcome for Australia to again become competitive, internationally, it will be necessary for government to redress the damage and provide incentives for the use of 'clean coal' technology and to remove the bans on gas exploration and extraction imposed by some States.

Australia is competing with the rest of the World for the lowest cost energy. China, India USA and many European countries are building more coal fired power stations to achieve lowest cost clean energy. Germany is a classic case. It was the most competitive nation in Europe with the very low energy costs. Germany rushed headlong into renewables and destroyed this competitive advantage at great economic cost. Germany has now gone back to clean coal fired energy to try to regain its competitive advantage.

Clean coal technology that removes sulphur, arsenic and mercury from coal fired power stations, has been available for more than thirty years and is far superior and less costly than the much talked about high efficiency low emissions (HELE) process which, misguidedly, seeks to reduce emissions of CO₂ to the detriment of mankind.

Australia must re-embrace clean coal energy to seriously reduce energy costs and restore energy security and energy reliability. This will give Australia a real NATIONAL ENERGY GUARANTEE (NEG).

CNI respectfully urges you and your Government to have the courage to stand up for the national interest and the best interest for your State and your citizens and reject the NEG and pursue the policies outlined above to make Australia competitive again.

We look forward to your response

Sincerely

Denis J Whitely

Denis J Whitely
Executive Director

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FACT SHEET - CARBON DIOXIDE (CO₂)

Fact 1. "Carbon Dioxide is a colourless, odourless, incombustible gas present in the atmosphere and formed during respiration, the decomposition and combustion of organic compounds and in the reaction with carbonates; used to carbonate drinks, in fire extinguishers and as dry ice for refrigeration. Formula CO₂" And "carbon cycle is the circulation of carbon between living organisms and their surroundings. Carbon Dioxide from the atmosphere (with water) is synthesized by plants into plant tissue, which is ingested and metabolized by animals and reduced to carbon dioxide again during respiration and decay." (i)

Fact 2. Clearly CO₂ is not a pollutant but an "Ecologically beneficial trace gas that forms the base of almost the entire planetary food chain and which currently exists at atmospheric starvation levels of 380 parts per million (PPM) compared with up to ten times that concentration and more during the preceding 600 million years of multi cellular life on Earth.(ii) NB By 2014 CO₂, in the atmosphere, had risen from 380PPM to about 400PPM.

Recent satellite data shows there has been, roughly, a 14 per cent increase in the amount of green vegetation on the planet since 1982, that it has happened in all eco systems but especially in arid tropical areas and that it is due, in large part, to man made CO₂ emissions. (iii)

Any successful action to reduce atmospheric CO₂, will simply reduce the abundance of plant and animal (and ultimately human) life on Earth.

Fact 3. CO₂ does not cause global warming. Its mild warming effect is logarithmic not proportional. Over millions of years, a higher temperature is followed a hundred years or so later, by an increase in CO₂.(iv) Conversely, it is a fact that a lower temperature is followed by a lower level of CO₂ in the atmosphere.

Fact 4. CO₂ and other greenhouse gases (Methane, Nitrous Oxide and water vapour) are such a small percentage of the atmosphere (less than 1 per cent) that what happens to them (warming or cooling) is really irrelevant to the temperature of the Earth. (v)

Fact 5. CO₂ is emitted by modern coal fired power stations but these power stations are not 'dirty' as they do not now emit sulphur, mercury, arsenic as they once did. (vi)
20th December 2015

References:

- (i) Collins English Dictionary, Wm Collins Publishers Pty Ltd, Box 476 GPO Sydney, 2001.
- (ii) Carter, R M Professor, National Observer, Summer 2008/2009.
- (iii) "Sunny side of global warming: carbon delivers growth spurt" Ridley, Matt, The Australian Newspaper, October 20, 2015.
- (iv) Science Briefs: Do Stormy-Weather Clouds Cool or Warm the Earth? NASA Goddard Institute for Space Studies, January 18, 2011, <http://www.giss.nasa.gov/research/briefs/tselioudis-01/>.
- (v) Hughes A M et al, About Face – Why the World Needs More Carbon Dioxide – The Failed Science of Global Warming (page 57), Two Harbors Press, Minneapolis, MN 55401, USA www.TwoHarborsPress.com
- (vi) Hughes A M et al op cit – Clean Coal Technologies (pages 173-174).