

Council For The National Interest

PO Box 653, Belmont WA 6984

0418 742 701

0430 147 049

admin@cniwa.com.au

www.cniwa.com.au

ABN 43 775 878 315

15th June 2017



Mr Craig Kelly MP
Federal Liberal Member for Hughes
PO Box 1014
SUTHERLAND NSW 1499

Dear Mr Kelly

*Re Independent Review of the National Electricity Market, by Dr Alan Finkel AO -
(Finkel Review)*

CNI made a detailed submission to the Finkel Review. We also wrote to Prime Minister Turnbull on 15th February, 2017 with a copy to members of the Energy Committee of Cabinet. I enclose a copy of this correspondence and say that after four months we have received just two responses both of which are in denial of the scientific facts. Also enclosed is the scientifically factual "CNI Fact Sheet – Carbon Dioxide (CO2)".

These documents make it demonstrably clear that if Australia continues to pursue renewable energy targets (RET) with taxpayers subsidizing renewables; continues with the Paris December 2015 emission reduction commitment and continues with the multitude of tax- payer funded 'climate' bodies then the cost of electricity will continue to rise and energy reliability and security will fail and the consequences for Australia will be dire.

We are astonished at the Finkel Review's recommendations. The review was necessary because the "headlong rush into renewables" has caused severe electricity price rises and has contributed significantly to the breakdown in energy security. Yet the Finkel Review recommends more of the same with a new bureaucratic organization, an "Energy Security Board" charged with responsibility for ensuring the reliability of the system. The recommendations are based on modeling, the underlying assumptions for which are being questioned by a number of analysts. Paul Kerin, Adjunct Professor of Economics, University of Adelaide has described the Finkel Report as "shambolic". Refer "Finkel numbers don't add up" The Australian, June 19, 2017. Eminent meteorologist, William Kininmonth is also highly critical of the review see "Blueprint's author didn't ask about the weather" The Australian, June 12, 2017. Wholesale energy prices are rising sharply at this very time and it would be foolish to think that prices will fall and energy security would be guaranteed if the Finkel Review recommendations were implemented.

Recent media reports suggest that Dr Finkel is a "climate alarmist". If he is then the question has to be asked "was the Prime Minister aware of this and if so how can it be described as an 'independent' review?"

We ask you, most earnestly, in your capacity as Chairman of the Back Bench Energy Committee, to distribute the enclosed correspondence and the CNI Fact Sheet – Carbon Dioxide (CO₂) to your Committee members and to other Back Bench members so that you all may have the benefit of our scientific findings.

The scientific facts are that CO₂ does not warm the Earth's atmosphere; CO₂ is not a pollutant and CO₂ is necessary for plant, animal and human life on Earth. It is plainly detrimental to try to reduce the level of CO₂ in the atmosphere of the Earth. Even if Australia achieves its commitment of a reduction of 26 - 28 percent it will not make one iota of difference to the climate. By entering into this emission reduction commitment, Australia has virtually surrendered, to unelected, unaccountable UN bureaucrats, its ability to choose the best option for electricity generation which is the key to a successful industrial, mining and manufacturing economy.

The Coalition Government should be very concerned to know that the feedback that we are getting from small and not so small businesses and everyday Australians is that

"they want politicians to fix the problem of power prices and energy security because they are sick of paying taxes to subsidize the renewable energy industry only to be 'rewarded' by having to pay ever rising electricity prices with increasingly unreliable energy security threatening their businesses, their jobs and their household budgets."

In our view, it is the time for the Prime Minister and Cabinet to have the courage to stand up for Australia's national interest and to stand up for everyday Australians by rejecting the Finkel Review recommendations and then withdrawing from the Paris December 2015 emission reduction commitment and then scrapping the whole renewable energy and climate change structures as detailed in our letter, 15th February, 2017, addressed to the Prime Minister.

CNI strongly urges you and your Energy Committee members and other Back Bench members to support the people in your electorates and take this fight to the Prime Minister and Cabinet and to not yield until the Paris Agreement is scrapped along with the whole 'renewables' debacle.

It is absolutely critical to restore Australia's electricity price competitiveness and energy security and stop driving businesses and jobs offshore.

We will welcome your commitment to do so.

Sincerely
Denis J Whitely

Denis J Whitely
Executive Director