Friends of the Earth Australia
Submission to the Mandatory Renewable Energy Target Review

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Prepared by Stephanie Long and Jane Davissen
on behalf of Friends of the Earth Australia.

Mandatory Renewal Energy Target (MRET) Submission

Friends of the Earth Australia (FoE A) believes the implementation of the *Renewable Energy (Electricity) Act 2000* was a positive "start" to reducing Australia's greenhouse gas emissions by promoting a renewable energy industry. FoE A believe Increasing the percentage of renewable energy sources within Australia should not be viewed solely on economic viability but also in the spirit of sustainable and equitable energy for all. Reducing greenhouse gas emissions is necessary to stabilise the climatic systems that impact enormously on our lives.

The latest Intergovernmental Panel on Climate Change (IPCC) report finds that most of the warming over the last 50 years is attributable to human activities (primarily greenhouse gas emissions) and this warming is already affecting our climate systems[1]. Therefore reducing greenhouse gas emissions is necessary to stabilise the climatic systems that impact enormously on our lives. FoE A wishes to highlight the injustice of climate change, and can illustrate this point by looking to our closest neighbours, Pacific Island countries. Although the Pacific Island countries contribute the least to global greenhouse gas emissions (0.06% of the world's current emissions), they most vulnerable to the effects of global warming[2]. Many Pacific Island countries are already experiencing land losses, coastal erosion, relocation of people, coral bleaching and subsequent loss of ecosystems and fisheries, salinity problems particularly in food crops, infrastructure losses (e.g. roads, houses, graveyards), water shortages, etc and inhabitants of these small island states have a common concern that climate change and sea level rise will make their homelands uninhabitable.

The future of Pacific Island states seems bleak, however many communities are hopeful that they can adapt to climate change and its effects without losing their cultural and national identities. The South Pacific Regional Environment Program (SPREP)[3] is launching the Pacific Islands Renewable Energy Project (PIREP), which is the preparation of a regional approach to removing barriers to the development and commercialisation of renewable energy systems in the Pacific Island Countries (PICs). This project will work at reducing greenhouse gas emissions from fossil fuel uses, especially diesel, by promoting the use of renewable energy sources.

Australia as part of the Pacific community has the opportunity to act conscientiously and support our neighbours, by also aiming to reduce greenhouse gas emissions and subsequent climate change by promoting renewable energy. CSIRO has predicted that developed nations need to reduce greenhouse gas emissions by 60% to abate climate change. For Australia to reach this target we need to take serious, institutionally supported steps to transform our energy systems and economy from a carbon dependent model towards renewable energy. Mandatory measures are necessary to ensure that this transformation occurs in collaboration with increased energy efficiency and reduction in consumption of electricity (therefore production of carbon and other forms of greenhouse gas pollution) by peoples of the developed world.

Friends of the Earth concerns are that:

Sustainability and long-term viability of renewable energies relies upon a mix of technologies or diversity in energy sources that best suit both environmental and social factors for development sites.

The federal governments continued favour for coal based technologies is not sustainable for a number of reasons. Reliance on a finite fuel resource with such significant greenhouse and other toxic emissions is far from a sustainable practice of energy generation. Extracting fossil fuels at current rates is not sustainable as the environment cannot produce more fossil fuels at the same rate. Climate change has proven that the environment cannot cope with existing rates of toxic and greenhouse gas emissions, from fossil fuel production and use, without significant impact on climate variability and fresh water resources.

The international community agree that greenhouse gas abatement is necessary and regardless of potential "cleaning-up" technologies such as geo-sequestration to reduce current emission rates, FoE A

1 IPCC TAR "Climate Change 2001: The Scientific Basis" Summary for Policy Makers. A Report of Working Group I.

2 ACFOA Development Issues – Australia and the Pacific "Update on current trends and issues", August 2001

3 SPREP is an independent, intergovernmental agency that provides technical assistance and advisory services to Pacific island countries and territories in the protection and management of their environment to ensure they achieve sustainable development for present and future generations. SPREP's membership comprises 21 Pacific Island countries and territories and 4 developed countries.

believe the diverse forms of renewable energy opportunities in Australia including wind, solar, and run of the river forms of micro-hydro, are more proven technologies with **no** greenhouse gas emissions. The MRET is essential to support the industry take up of renewable energy and to provide long-term incentive for further research and development in renewable energy industry.

The need for a whole of impact approach to assessing the sources of renewable energies which, for example would entail assessment of the impacts of the sugar industry before rewarding bagasse (cane waste) as a suitable fuel source.

Any assessment of the sustainability of bio-mass fuel sources need to engage in a full cost accounting method of analysis that measures the social, economic and environmental impacts of the fuel source. This is particularly significant for the generation of the fuel source through mechanisms and industrial/ land -use practices that have traditionally had high environmental impacts in terms of coastal erosion and soil run-off.

Also the social and environmental costs, of fossil fuel extraction, are rarely, if ever, considered in a full cost analysis of coal generated energy. Despite the fossil fuel industry insistence that coal is a valuable social resource in terms of job creation, a recent study by the Allens Consulting Group has found that a renewable energy industry can provide comparable long term employment potential for New South Wales[4].

The renewable energy industry offers significant employment potential in Australia ranging from design, manufacturing, installation and energy generation, that would enable significant economic and employment benefits across the range of geographical regions of Australia (i.e. although the Queensland coastline doesn't have the same quality and quantity of wind speeds generated in southern states, the manufacturing sector in Queensland would benefit from investment in turbine production facilities as well as development of the PV Solar industry in Queensland.). There are currently foreign investors looking to invest in renewable energy manufacturing industries in Maryborough on the central coast of Queensland.

In the review of acceptable fuel sources native forest and wood waste is not an acceptable inclusion of a renewable fuel source.

That the renewable energy target not be capped at 9,500 gigawatts.

A target that is capped is not reflective of the changing needs and demands of the energy sector. It is an unacceptable form of regulation that prevents growth of the renewable energy industry comparable to market need.

The need to extend the MRET beyond 2020 to ensure long-term attraction of investments in renewable energies.

Coal industry has enjoyed over a 100 years of institutional support and subsidies in Australia. The renewable energy industry requires similar such long-term support to enable appropriate research, development and market security for investors. This requires a significant commitment from the federal government to the development of a renewable energy industry, with the intention of cutting greenhouse gas emissions so as to stabilise climate change.

Increase the target to 10% renewable energy by 2010, which is considered an international standard.

States across the United States of America have committed to reaching renewable energy targets of between 10 –15% on average. Australia committing to a 10% renewable energy target would be a significant step to placing Australia as amongst the responsive governments of the world that are taking significant steps to greenhouse gas abatement. Bearing in mind that this target of renewable energy will need to increase along a steady time-line to reach the kind of reduction in greenhouse gas emissions internationally recognised as required. Increasing the MRET to 10% would create the industry expectation and responsiveness required to move towards deep cuts in greenhouse gas emissions.

4 Allens Consulting Group (commissioned by the Sustainable Energy Development Authority of NSW) (2003) Sustainable Energy Jobs Report. Available from www.bcse.org.au