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## **COMMENTS ON THE WA STATE SUSTAINABILITY ENERGY STRATEGY**

### **GENERAL**

The Draft Strategy goes a long way towards defining the principles of sustainability, the vision for the State and priority action areas.

I am encouraged by the proposed 'regional' approach to sustainability strategies. This will be critical in the supply of sustainable energy and Premier Coal believes it has an integral role in regional sustainability and the sustainable supply of energy for the State.

It is important for Premier Coal to point out that although the draft strategy proposes to balance out social, economic and environmental considerations, there is a vocal element in the community and the workshops that still equates Sustainability only with the environmental pillar.

As a mining and energy company, Premier Coal is a strong supporter of the Sustainability approach (the consideration and balance of environment, social and economic implications) but has observed environment taking strong pre eminence over the other sustainability aspects in State-level decision making. This will not necessarily deliver the best outcome for the people of Western Australia.

### **SUSTAINABLE ENERGY**

It is commonly perceived that Sustainable Energy means renewable energy. Unfortunately, Page 154 paragraph 3 of the Draft Strategy appears to perpetuate this thinking:

*The need for sustainable energy is about the transition from fossil fuels to renewable energy sources, including wind, waves, solar photo-voltaic, solar thermal (solar water heaters), geothermal and various biomass based fuels, (such as biodiesel).*

Sustainable energy is not just *about the transition from fossil fuels to renewable energy sources*, particularly over the next 30-50 years. Renewables are undeniably priority energy resources for consideration, support and development but such a statement promotes an unrealistic expectation and is unbalanced with the need for sustainable energy delivery. As it stands, the Strategy text on Sustainability is potentially confusing and misleading as it does not put the renewable aspirations into

context. Again, renewable energy is highly desirable but is not equivalent to Sustainable Energy – at least not in the foreseeable future. Already there is a common perception that society can change to renewables overnight and this is politically, socially and economically damaging.

To help redress this, **the WA State Sustainability Strategy must better define what Sustainable Energy is** and the expected time frames required for technology transitions.

Premier Coal believes the **Objectives** of the Sustainability Energy Strategy should include an education component such that wise government energy sustainability decisions can be made for an informed society without fear of political backlash.

As well, the **Objectives** should spell out that the State wants economic and reliable energy with the least environmental impact to achieve these requirements.

Delivery of Sustainable Energy absolutely requires the elements of **Reliability** (continuity of supply – day in, day out, 24 hours per day), **Efficiency** (minimum of waste), **Resilience** (ability to recover from disturbance and resume normal delivery) and **Adaptability** (taking advantages of improvements and new possibilities). Not all energy sources provide this.

**Efficiency** and **Adaptability** are covered in the Draft Vision and Objectives but **Reliability** and **Resilience** are missing. These factors must be emphasised in the State's Strategy such that a balanced approach to energy sources is maintained to ensure sustainability of supply. The coal industry provides all four of the Sustainable Energy requirements whereas gas has a vulnerable, long-distance supply system with no stockpile capacity close to the users, and renewables are subject to the elements. For instance, wind farms provide power around only 25% of the time. **Reliability** and **Resilience** are gained by having viable, alternative energy supply industries. Currently, this necessity is under threat through lack of visible political support for the coal industry.

**Without Reliability and Resilience, there will not be sustainable energy supplies in Western Australia.**

The Californian experience provides a stark example of what can go wrong and we in WA should take note.

## **COMMENTS ON SPECIFIC ACTIONS:**

### **Action 4.66**

Premier Coal notes the proposed Bioenergy Policy but suggests a more fundamental issue is the development of a State Energy Policy.

### **Action 4.68**

One of the most effective ways to reduce line losses is to develop industry near the generation facilities. Encouragement of Industry close to the Collie and Muja Power Stations will provide a significant efficiency, hence greenhouse, improvement.

**Action 4.71**

Premier Coal strongly advocates the use of life-cycle analyses but notes that this is very much open to abuse as published information is often limited, not applicable, misleading or incorrect. A generic approach is fraught with danger. Western Australian specific information should be used in any life-cycle comparison as this State has significant differences with a methane free, clean coal and large transport distances for gas. Independent life-cycle assessment for coal and gas in WA power generation has shown similar greenhouse intensities.

**Additional Action Plan**

The Sustainable Energy proposal does not recognise that fossil fuels are an integral part of sustainable energy for many years to come and that new and existing power technologies are rapidly moving towards low or zero greenhouse gas emissions. As fossil fuels are a vital part of the WA economy and social fabric, Premier Coal would suggest an additional action plan:

- Support the use of fossil fuels while they are essential to sustainable energy supplies and where they have clearly improving efficiencies and reducing greenhouse impacts.

**Resource Management**

Proper resource management is fundamental to Sustainable Development – WA needs to plan the most effective use of energy sources, particularly fossil fuels such that these are not wasted but are protected and optimised to produce the best social, economic and environmental outcomes. Fossil fuels have differing uses, differing initial values and differing value-adding capacities. WA natural gas for instance is a premium fossil fuel capable of large value-adding, with premium high-value export products and easy application to reduce emissions in transport vehicles. Thus is it a waste to use this unnecessarily in basic power generation.

The sustainable development of regional areas, specifically Collie and the SW of WA, is highly dependent upon proper resource management and the most effective use of coal in the State's energy mix. This approach is already recognised by Government in the promotion of secondary industries attached to the Burrup Peninsular LNG plant.

I trust this response is of value to your development of Sustainable Development strategies for Western Australia. I would be happy to expand on any issues so please feel free to contact me at your convenience.

Yours sincerely,

S. Butel  
Managing Director