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1. Fielding 'not sure' of renewables legislation

<http://www.news.com.au/story/0,,25945774-1702,00.html>

AAP August 18, 2009 10:31am

SELF-CONFESSED climate change skeptic Steve Fielding is more supportive of renewable energy than he is of emissions trading.

But that doesn't mean the Family First senator will support Government legislation establishing renewable energy targets.

"It's a bit of a dog's breakfast at the moment," Senator Fielding said a day after Labor and the Coalition voted to pass draft laws in Parliament's Lower House.

The legislation goes to the Senate later today as the Government continues negotiating amendments proposed by the Coalition and the Australian Greens.

"We'll see what comes out of it today," Senator Fielding said.

"The question is how much should we all be paying for it, how much should we be subsidising resources for electricity, other than coal."

Greens leader Bob Brown welcomed the Lower House vote, but said it was not enough.

"In a world threatened by catastrophic climate change, we need to be doing better than that," he said.

The Greens are pressing the Government to raise the renewable energy target for electricity generation to 30 per cent, from the bill's planned 20 per cent by 2020.

They are also concerned coal seam gas - a byproduct of coal mining - is being considered a renewable energy source.

"There is no way you can see coal gas as a renewable energy source," Greens senator Christine Milne said.

2. We pay as world goes off our coal

Olga Galacho

Herald Sun Thu Sep 10 00:00:00 EST 2009

<http://www.heraldsun.com.au/business/we-pay-as-world-weans-itself-off-our-coal/story-e6frfh4f-1225771263487>

COAL and gas-burning electricity generators are ripping customers off, the energy regulator says.

And that's not all:

ELECTRICITY and gas generators, transmitters and distributors definitely don't have to use energy more efficiently until 2013.

WEALTHY Chinese electricity corporation CLP Holdings tells its head of Australian coal-fired power plants, Richard McIndoe of TRUenergy, to withdraw investment in Victoria's Solar

Systems, a developer of cutting edge solar power generation.

SOLAR Systems is reported to be in administration and 150 jobs on the line.

THE CLEAN Energy Council, whose inaugural chairman was Mr McIndoe, has no idea how many renewable energy sector jobs have been lost in Australia over the past year.

US COMPANY First Solar will build the world's largest solar power station in China -- 2 gigawatts, thanks to strong feed-in-tariff incentives.

NUCLEAR reactor builder Hitachi and Japan Wind Development will develop batteries to store wind-generated power.

SMART grid technology to be rolled out next year in Japan so transmission and distribution networks can incorporate solar power generation capacity of about 28 gigawatts.

There is a theme running through these announcements made this week and it is this:

Nations that rely on Australian coal exports are moving away from burning fossil fuels and turbo charging their development of renewable energy.

Their plan is that one day they will not need Australian coal.

When that day happens, the billions of taxpayer dollars spent on extra infrastructure for doubling our coal exports will have been wasted.

Here in Australia, we are told that we have an obligation to sell our coal to countries such as China because it will improve the living standards of the Chinese.

We are told that our economy cannot afford to stop selling coal to Japan. Well here is the rub. Those economies are not counting on our coal as a long-term provider of energy.

They are moving fast towards a renewable energy future.

Back here, our politicians tell us they support renewable energy, but they don't mean it. What they are really doing is pandering to those that dig up, export or burn fossil fuels. Providing them with billions of dollars of exemptions from the Carbon Pollution Reduction Scheme, the Renewable Energy Target and yesterday from the Energy Efficiency Opportunities Act, despite the efforts of Greens senator Christine Milne.

And now, to add insult to injury, the Australian Energy Regulator's Ed Willett revealed yesterday that: "With customers already facing increased prices it is particularly concerning, that generators are pushing up wholesale prices by using their market power and further increasing the cost to consumers."

Go figure.

3. Renewable energy legislation to be split from emissions trading scheme

AAP August 16, 2009 09:05am

<http://www.news.com.au/story/0,,25936589-1702,00.html>

THE Federal Government has decided to split its renewable energy legislation from its emissions trading scheme after the Senate blocked its climate change bill last week.

"We are keen to ensure, with the Liberals dithering around and their inability to reach a policy position on the carbon pollution reduction scheme, it doesn't prevent us getting the renewable energy legislation into place," said Greg Combet, Minister Assisting the Climate Change Minister.

He told Channel Ten that the Government wants to ensure the renewable energy legislation can get through Parliament.

"That is going to unlock a lot of investment in renewable energy sources like solar power or wind power or geothermal energy," he said.

4. Join the rush to renewable power: greenhouse gas

Tim Blue | September 09, 2009

Article from: The Australian

<http://www.theaustralian.news.com.au/business/story/0,,26026541-5000920,00.html>

TALKING of energy: you name it and we've got it. The rollcall of plenty runs from being the world's fourth largest producer and the largest exporter of coal to possessing caverns of natural gas and much uranium.

Having so much energy means we have splashed it about; our greenhouse gas emissions a head are the highest in the Organisation for Economic Co-operation and Development and four times the world average. Industrial and residential electricity prices are among the cheapest in the developed world, while gas prices are among the lowest.

Against such a background, the process of mitigating climate change with the recent passage of the renewable energy bill makes for a challenge for investors wondering where to position themselves. Much will depend on the process by which emissions are abated and the extent to which we go it alone in the world. Coal exports could become uncompetitive, for example, and uranium exports may be sidetracked as natural gas prevails, as flagged this week with PetroChina's \$50 billion purchase of Gorgon gas.

Toss into the mix higher oil prices, which may slow world growth, and governments may be less willing to wear higher energy costs for consumers and businesses. At the very least, the state of the world's economy could lead to abatement policies being delayed or watered down. And all this before the start of the Carbon Pollution Reduction Scheme in 2011, if it passes. Carbon emitters will be the bogey, and as their presence is slimmed and squeezed by science and social pressures, so should the field expand for renewable energy generators. Big emitters and users of energy are the electricity generators, which in turn are likely to pass on higher charges to distributors, retailers, then households and businesses.

Managing this carbon risk is likely to drive increased investment in renewable energy technologies, Clean Energy Council chief executive Matthew Warren says. "We expect to see significant investment in renewable and energy efficiency over the next decade from many of the biggest greenhouse emitters," he says.

Big electricity retailers such as AGL, Origin and TRUenergy are already balancing their coal and gas-fired generation assets with increased investment in proven and emerging renewable technologies. Origin and TRUenergy have invested in the emerging geothermal sector, while AGL has Australia's biggest wind energy portfolio. The country's biggest wind player is Infigen Energy, the renamed Babcock and Brown Wind, which plans to triple its wind capacity to 1000 megawatts in the next five years.

AGL Energy has \$2.3bn invested in renewable projects including some under construction, to claim the title of the country's biggest across all forms of renewables. Managing director Michael Fraser likens the passage of the renewable energy target legislation to the dawning of a new era: "We have secured some of the best renewable projects in Australia and our portfolio will benefit."

Clean energy consultant Shaun Colley agrees that big power players are likely to benefit most in the short term. "That's due to their ability to bring major renewables projects online quickly, mainly wind, but later a move to solar thermal."

Lesser lights include Solco, a small rooftop-solar producer and installer that should benefit from certainty in renewable energy targets, and Viridis Clean Energy, which plans to turn wind and waste to energy generation.

Geodynamics and Petratherm are the two leading geothermal energy developers and Carnegie the leader in wave energy. Smaller players include KUth Energy, which has geothermal power projects in Tasmania and may benefit from new targets and access to the Bass Strait power distribution cable; MBD Energy, an unlisted company that recently raised capital for a first-stage algae to biofuels plant at Loy Yang in Victoria; and Hush Wind Power, also unlisted, which is developing small-scale wind generators for household and industrial use.

At Tullamarine, Willow Ware Australia, which makes the cooler boxes, has installed four Hush turbines at its facility towards a planned 30 that could provide about 10 per cent of its needs. Chief executive Ralph Wilson says Willow started 18 months ago to manage its carbon-neutral

energy needs. "Wind power was the obvious choice thanks to our geographical location ... We commissioned RMIT (University) to undertake a study early on to verify the amount of wind energy we could capture."

Carbon capture and other storage methods seem further down the track and subject to the timing and passage of the CPRS scheme and the price it sets on greenhouse gas abatement.

Along with electricity prices, the other key emitting fuel, oil, is likely to see a price rise that will play on governments. Higher oil prices could mean fewer jobs, a tension with climate change policies, as shown by the federal government's commitment to offset any carbon tax on petrol by a reduction in the excise.

Yet higher fuel prices could lead to lower carbon emissions for each transport kilometre as cleaner fuels are adopted, vehicles use hybrid drive trains and fuel cells, there is more public transport and trains, rather than trucks, carry commercial goods.

"Biodiesel may struggle until new oil crops such as *Jatropha* and *Pongamia* can be grown on a large scale on non-agricultural land and new harvesting technologies can be developed," Colley says. "A potential player is ENEnergy, a private Norwegian company with new, low cost cellulosic ethanol technology looking to launch vertically integrated biomass to energy and ethanol technology in Australia."

Solverdi World Wide -- formerly Australian Biodiesel industries -- is introducing new technology for low-cost renewable fuel to replace diesel in power generators. It plans to become a de facto clean power company.

Further out, the Australian Bureau of Agricultural and Resource Economics says there is likely to be a near 100 per cent rise in the use of non-hydro renewables, a 20 per cent to 30 per cent fall in coal, and a 5 per cent to 15 per cent drop in oil and gas. Overall energy use is expected to decline, too.

5. Nuclear energy - neither a monster nor a panacea

ROBERT AYSON

The Age.com.au National Times August 20, 2009

<http://www.theage.com.au/opinion/nuclear-energy--neither-a-monster-nor-a-panacea-20090819-egin.html>

Ordinary Australians cannot ignore the nuclear power debate.

NUCLEAR power for Australia is one of those issues that just will not go away. In his speech to the Sydney Institute on Tuesday, national secretary of the Australian Workers Union Paul Howes did not so much reopen the debate by suggesting that Australia let go of its "superstitions" and embrace nuclear energy, as bring back to the surface the gurgling undercurrents of a discussion that never really disappears.

Nor should it disappear. Howes' detractors will argue nuclear energy is too expensive or too hazardous for Australia to seriously consider it as an option. Others may be tempted to jump too strongly on his bandwagon and suggest nuclear energy is the single answer for Australia's (and the world's) energy and greenhouse gas challenges. But neither of these extremes holds. Nuclear energy is neither a monster nor a panacea, and that is one reason the debate continues.

Howes has made three nuclear proposals. First, that Australia increase the scale of uranium mining to meet growing international demand, in which case Queensland needs to get with the program and drop its opposition. Second, that Australia build a domestic nuclear-energy generation capacity as part of a more sustainable mix of energy sources. And third, that Australia develop the capacity to "process" its own uranium to use in its own civilian reactors.

The first two of these ideas have significant merit. The third, which is elsewhere called uranium conversion and enrichment, could be unnecessary and risky for Australia. An expansion in uranium mining is already occurring in Western Australia and South Australia. Uranium oxide still accounts for less than 1 per cent of total Australian mineral and energy sales, but as the holder of the world's largest available uranium deposits, Australia can still benefit significantly from the

expansion in international demand for nuclear fuels, regardless of the political climate in Queensland.

Also, for the time being at least, Canberra does not have to contemplate the sale of uranium to India, which would contravene the established policy of exporting only to countries in good standing with the Nuclear Non-Proliferation Treaty. This quiet interlude in Australia-India nuclear relations is due to the Rudd Government's willingness at the Nuclear Suppliers Group to let other countries co-operate with India's nuclear industry.

The creation of a serious civilian nuclear power generation capacity would break new ground in Australia. Howes' estimate that this might not occur before 2020 probably underestimates the time it would take, even under the best circumstances. It would be an expensive choice and could only be justified as a long-term investment. Australia would need to carry out careful diplomacy to reassure neighbours that they had nothing to fear from an Australian civilian nuclear program.

In fact, it is perfectly reasonable to argue that Australia should choose to say no to nuclear energy. But the consequences of such a choice need to be recognised. If Australians want plentiful energy, it means a continuing over-reliance on coal with a resulting heavy carbon footprint and the rapid use of Australia's natural gas reserves. Or it means an energy mix of non-nuclear renewable sources, which would reduce greenhouse emissions but would generate so little power that drastic and very uncomfortable changes in the way Australians live, work and play would be required.

If Australians want to have their cake and eat it too - continuing their high levels of energy consumption while somehow moderating their country's large per capita carbon footprint - then having some nuclear energy probably needs to be part of the answer.

Whatever else it chooses to do on the nuclear energy front, Australia probably should not look to process its own uranium for its own nuclear reactors. Howes' notion that this would add value is off the mark. Enrichment is an especially expensive business and it is not clear that a country with Australia's population and just a few reactors could ever justify such a move.

It would be cheaper for Australia to rely on someone else to do the low-level enrichment needed to make uranium suitable for use in civilian nuclear plants, even if that means re-importing Australian uranium "processed" offshore.

Like other responsible countries in the world, Australia has little interest in seeing the spread of enrichment capacities. Insisting on its own right to do so may open Australia up to charges that it really did have ulterior motives with its embrace of nuclear energy, unless Australia could somehow get itself chosen as one of the locations where internationally controlled and endorsed enrichment was to take place.

Yet if Australia is looking to offer its services to the world as a good nuclear energy citizen, it should look no further than the need for international depositories for long-term waste. Australia is an old, vast and stable continent and there is hardly anywhere else in the world that is a less-bad choice for such a facility. But this would require even more political leadership and courage than would be needed if Australia were to take a serious step towards nuclear power generation.

Robert Ayson is a senior fellow at ANU, and chief investigator for an Australian Research Council project on Australia's nuclear choices.

6. China approves east coast nuclear plant

The Age.com.au National Times September 28, 2009

<http://news.theage.com.au/breaking-news-world/china-approves-east-coast-nuclear-plant-20090928-g90e.html>

China has approved the construction of a new nuclear plant in its eastern coastal region, as part of Beijing's plan to include more clean energy in the country's consumption mix.

The State Council, or cabinet, issued a licence last week for the building of the first phase of the Haiyang nuclear power station in Shandong province, the State-owned Assets Supervision and Administration Commission announced.

Two reactors will be built initially, both using US-based Westinghouse Electric's AP 1000 third generation technology, the commission said in a statement posted on its website on Sunday. Each reactor will have a capacity of 1.25 gigawatts, the statement said. The reactors will be operational in May 2014 and March 2015, respectively.

The Haiyang plant will eventually have a total of six reactors, it said, without specifying which technology they would use.

Westinghouse and its consortium partner, the Shaw Group, in 2007 signed a deal reportedly worth eight billion dollars to supply two AP 1000 reactors for the Haiyang plant and another two for a plant in eastern Zhejiang province.

Construction on the Zhejiang plant, in Sanmen, has already started, making it "the world's first to use the AP 1000 third generation nuclear reactor", the state-owned assets watchdog said.

China has been actively increasing its nuclear power generation capacity as part of an effort to diversify away from coal, which provides the nation with about two-thirds of its power needs but is highly polluting.

It aims to get 10 per cent of its power from renewable sources by 2010 and 15 per cent by 2020.

The country now has 11 nuclear power reactors in operation with a capacity of 9.1 gigawatts.

It has set a goal to increase capacity to 40 gigawatts by 2020 but the government also has said that target could be raised.

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7. G20 Final Communiqué: Energy and climate change

The Age.com.au National Times September 26, 2009

<http://www.theage.com.au/business/world-business/g20-final-communicue-energy-and-climate-change-20090926-g6py.html>

The Group of 20 rich and developing nations released the following final statement at the conclusion of the two-day meeting on Friday.

In it, the G20 pledged to keep emergency economic supports in place until sustainable recovery is assured, launch a framework for acting together to rebalance economic growth, and establish tougher rules governing banks by 2012.

The statement was issued in two parts, the preamble and the longer communiqué. The section on energy security and climate change follows:

Energy Security and Climate Change 28. Access to diverse, reliable, affordable and clean energy is critical for sustainable growth. Inefficient markets and excessive volatility negatively affect both producers and consumers. Noting the St. Petersburg Principles on Global Energy Security, which recognize the shared interest of energy producing, consuming and transiting countries in promoting global energy security, we individually and collectively commit to: Increase energy market transparency and market stability by publishing complete, accurate, and timely data on oil production, consumption, refining and stock levels, as appropriate, on a regular basis, ideally monthly, beginning by January 2010. We note the Joint Oil Data Initiative as managed by the International Energy Forum (IEF) and welcome their efforts to examine the expansion of their data collection to natural gas. We will improve our domestic capabilities to collect energy data and improve energy demand and supply forecasting and ask the International Energy Agency (IEA) and the Organization of Petroleum Exporting Countries (OPEC) to ramp up their efforts to assist interested countries in developing those capabilities. We will strengthen the producer-consumer dialogue to improve our understanding of market fundamentals, including supply and demand trends, and price volatility, and note the work of the IEF experts group. Improve regulatory oversight of energy markets by implementing the International Organization of Securities Commissions (IOSCO) recommendations on commodity futures markets and calling on relevant regulators to collect data on large concentrations of trader positions on oil in our national commodities futures markets. We ask our relevant regulators to report back at our next meeting on progress towards implementation. We will direct relevant regulators to also collect related data

on over-the-counter oil markets and to take steps to combat market manipulation leading to excessive price volatility. We call for further refinement and improvement of commodity market information, including through the publication of more detailed and disaggregated data, coordinated as far as possible internationally. We ask IOSCO to help national governments design and implement these policies, conduct further analysis including with regard with to excessive volatility, make specific recommendations, and to report regularly on our progress. 29. Enhancing our energy efficiency can play an important, positive role in promoting energy security and fighting climate change. Inefficient fossil fuel subsidies encourage wasteful consumption, distort markets, impede investment in clean energy sources and undermine efforts to deal with climate change. The Organization for Economic Cooperation and Development (OECD) and the IEA have found that eliminating fossil fuel subsidies by 2020 would reduce global greenhouse gas emissions in 2050 by ten percent. Many countries are reducing fossil fuel subsidies while preventing adverse impact on the poorest. Building on these efforts and recognizing the challenges of populations suffering from energy poverty, we commit to: Rationalize and phase out over the medium term inefficient fossil fuel subsidies that encourage wasteful consumption. As we do that, we recognize the importance of providing those in need with essential energy services, including through the use of targeted cash transfers and other appropriate mechanisms. This reform will not apply to our support for clean energy, renewables, and technologies that dramatically reduce greenhouse gas emissions. We will have our Energy and Finance Ministers, based on their national circumstances, develop implementation strategies and timeframes, and report back to Leaders at the next Summit. We ask the international financial institutions to offer support to countries in this process. We call on all nations to adopt policies that will phase out such subsidies worldwide. 30. We request relevant institutions, such as the IEA, OPEC, OECD, and World Bank, provide an analysis of the scope of energy subsidies and suggestions for the implementation of this initiative and report back at the next summit. 31. Increasing clean and renewable energy supplies, improving energy efficiency, and promoting conservation are critical steps to protect our environment, promote sustainable growth and address the threat of climate change. Accelerated adoption of economically sound clean and renewable energy technology and energy efficiency measures diversifies our energy supplies and strengthens our energy security. We commit to: Stimulate investment in clean energy, renewables, and energy efficiency and provide financial and technical support for such projects in developing countries. Take steps to facilitate the diffusion or transfer of clean energy technology including by conducting joint research and building capacity. The reduction or elimination of barriers to trade and investment in this area are being discussed and should be pursued on a voluntary basis and in appropriate fora. 32. As leaders of the world's major economies, we are working for a resilient, sustainable, and green recovery. We underscore anew our resolve to take strong action to address the threat of dangerous climate change. We reaffirm the objective, provisions, and principles of the United Nations Framework Convention on Climate Change (UNFCCC), including common but differentiated responsibilities. We note the principles endorsed by Leaders at the Major Economies Forum in L'Aquila, Italy. We will intensify our efforts, in cooperation with other parties, to reach agreement in Copenhagen through the UNFCCC negotiation. An agreement must include mitigation, adaptation, technology, and financing. 33. We welcome the work of the Finance Ministers and direct them to report back at their next meeting with a range of possible options for climate change financing to be provided as a resource to be considered in the UNFCCC negotiations at Copenhagen.