



Environment Summary

Australian Christians believe we all have a responsibility to care for and manage the environment we share and to mitigate, where feasible, environmental changes and pollution.

Australian Christians supports the view of natural climate change. This may or may not be an impact from CO₂. The fact that there has been a pause in warming for 17 years suggests this claim need further scrutiny. Further, the pre-industrial age “Little Ice Age” and “Medieval Warming” periods indicates that climate and environment have been changing dramatically for millennia. For any conclusive analysis there need to be lot longer period to study the effects of CO₂ on weather patterns.

In summary, we hold that climate does change and catastrophic climate change is part of the historical narrative but carbon taxing in any form cannot be supported when the data and historical records are inconclusive. Australian Christians supports sensible pollution controls that do not unnecessarily and excessively burden businesses and increase the cost of living, especially to the poor.

THE FOLLOWING ARE 10 KEY AIMS WHICH FORM THE BASIS OF OUR LONG-TERM ENVIRONMENTAL POLICY.

1. Recognising known pollution harms and adapting sensible and evidence based regulation that helps industry to implement best available technologies and practice in reducing toxins.
2. Land use management which enhances environmentally sustainable and cost effective development.
3. Protecting natural biodiversity and areas of significance that strikes a balance between flourishing economic communities, private property rights and sensible protection of natural resources.
4. Ensuring water and air quality for both human health and the living environment are valued and managed.
5. Managing vegetation and ensuring soil quality for agricultural production and long-term food security that does not harm the soil and food supply.
6. Improving waste management and waste recovery.
7. Protection and enhancement of shoreline, estuarine and riparian zones.
8. Ensuring both economically viable and natural sustainable resource development.
9. Moving towards sustainable and balanced production and consumption that does not require government subsidisation and onerously raises the cost of living.
10. Promoting but without ‘picking winners’ in technologies and initiatives which enhance improved energy and resource use

Environment Policy: Rising costs

The modern energy boom that began with the Industrial Revolution is a rags-to-riches tale. Albeit not without tragedies, but essentially a story of how the emergence of cheap energy lifted whole classes of society from inequality and poverty. Our generation has inherited that wealth. Consequently, it enjoys better health, longer life, access to education and diverse work. Yet, over a century later there is often lack of deep appreciation for this legacy.

Australia formed part of the energy success narrative. Low-cost electricity benefited ordinary families, giving them a world-coveted high standard of living. A large part was due to the success of commercial and industrial business accessing cheap and abundant, locally sourced energy that in turn allowed them to produce cheaper goods and services, provide employment and an international manufacturing edge.

Yet, recently the energy success tale took another twist. Australia's privileged status for the lowest household energy costs in the developed world has deteriorated to one of the highest,[1] with its international competitiveness also steadily eroding. [2]

The burning question for the causes behind soaring domestic and commercial energy prices has received a barrage of responses – the most popular is that our progress built on hydrocarbon energy needs to temporarily slow. The world is racing toward a catastrophic climate altering tipping point due to increased global greenhouse gas emissions. Carbon dioxide— mainly from coal burning — is the villain, so higher prices on this emission will hopefully switch our preference to cleaner renewable energy. The slogan might read: Pay now for a better future tomorrow.

Another explanation believes this is the inevitable penance paid for energy insulation inefficiencies[3]. It seems that the already astronomical costs paid through taxpayer funded stimulus projects such as home insulation and light globes, power switches and smart meters were not enough, more spending is needed, this time directly from the citizen's pocket.

The insulation argument claims that compared with Europe and North America, Australia is a long way from knowing what truly insulated homes feel like. Put simply, if homes become efficiently insulated then energy use and costs would decrease.

There is no question that insulation is a great investment for any household. Its core benefits are not in dispute. But this is separate to and a diversion away from the real forces driving energy costs.

Comparisons between North America/Europe and Australia are pointless. North America experiences more extreme weather, including record lows of minus 50 degrees and highs of 53 degrees. Europe consists of about fifty countries and the temperature variations between them are huge. In these circumstances, for the fortunate who can afford it, insulation with high energy ratings are probably worth the investment. However, for Australians attempting to build to a six star energy rating home (mandatory in Victoria) the blowout costs — compared with the benefits — are enormous. In fact, The Centre for International Economics considers energy ratings above five star detrimental to the economy (inflating house prices), individual finances and of little effect in reducing greenhouse gases. [4]

Further, it ignores those who have just bought their home – probably at record prices — and cannot afford the added cost, low-income families[5] and the sizeable population who rent. [6]

The reality is that electricity use is down. A simple calculation should mean less usage equals lower electricity bills. More people are turning power off and there is barely any increase in peak daytime use of domestic air conditioning.[7] In fact, new funds from the Rudd government’s \$16.2 billion Building Education Revolution stimulus plan excluded air conditioning installation[8] and there were reports of schools discouraging use of existing air conditioning. In February 2008, Melbourne’s prestigious private school, Trinity Grammar, declared that in the higher interests of curbing global warming, air conditioning would be turned off.[9]

There are anecdotes of older community members heading to shopping centers to keep warm or cool because they cannot afford energy bills. Certainly in the UK, where winters are at record lows, pensioners are reported using free public transport tickets to ride the buses or stay in libraries, shopping centers and even going to bed early in an attempt to keep warm. [10]

Above all, this ‘the average person is to blame and needs to pay’ mentality fails to account for the major shifts in energy production and much more importantly, unprecedented governmental interference in this industry. All of which are factors beyond the control of ordinary citizens.

The shifting energy paradigm

The move away from coal and gas energy dominance began at the turn of the new century. The Howard government’s Renewable Energy (Electricity) Act 2000, mandated that Australian electricity retailers provide two per cent (9,500 GWh) annually from a renewable source.

According to the Australian Renewable Energy Agency,

“Renewable energy is energy which can be obtained from natural resources that can be constantly replenished. They include technologies that use—or enable the use of—one or more renewable energy sources, such as:

- bioenergy
- geothermal energy
- hydropower
- ocean energy
- solar energy
- wind energy

History tends to support the view that most governments of the day have an inbuilt hunger to increase their power base. Innovative strategies are created to meddle in citizens’ day-to-day activities and divert money from their pockets. True to form, in 2009 the renewable bill now opened the scope for greater income diversion. The Rudd government – with bipartisan support – moved the renewable target to a whopping 20 per cent (set at 45,000 GWh) by 2020, at an estimated cost of \$3 billion per year.

This increase curiously coincided with a growing global mood of an impending climatic catastrophe stirred up in no small part through Al Gore’s (former US Vice President) Academy Award winning documentary film, *An Inconvenient Truth*. While a direct cause and effect relationship is impossible to prove, Gore certainly put the issue on an international stage, even becoming part of the British secondary official curriculum.

In fact, probably the most interesting observation is that the widespread promotion of global warming began and continues largely through the efforts of 'concerned' politicians.

John Howard's success at coercively placing renewables into the energy mix received criticism as a covert attempt to increase federal authority over the states. Relying on foreign affairs powers through its adoption of the UN Framework Convention on Climate Change, the government now had both the impetus and 'right' to effectively run the energy industry.

The key sources for the ideological rationale and moral justification sold to the public for the huge push into industrialised renewable energy stemmed from the Intergovernmental Panel on Climate Change (IPCC), established through the UN.

But in the world of geopolitics this is a slippery slope. The UN is an unelected body with growing international ambitions. For example, the unelected judges enforcing the European Human Rights laws can trump the decisions of a nation's elected Parliament, as was the case when the UK discovered it was no longer sovereign. [11] The day might soon be approaching when Australian government also abdicates its sovereignty to UN "law". [12]

The next big renewable drive from the Rudd government (a defining feature was its ambitious foreign policy and Kevin Rudd's rumored aspirations for UN General Secretary) also relied on endorsing the IPCC framework and ideas from Australian economist, Ross Garnaut — a member of the banking elitist, Trilateral Commission.[13]

Although the IPCC claims it is a scientific body, it acknowledges that it "does not conduct any research." Its reports are more like massive literature reviews. "IPCC personnel survey the scientific literature and, in the course of writing a multi-thousand-page assessment report, make thousands of judgment calls as to what that literature tells us about climate change, humanity, and the relationship between the two." There is no actual science, just opinions, no doubt laden with the same biases plaguing the rest of humanity.

Again, closer analysis suggests it is economics not science driving the climate and energy agenda and explains why politicians eagerly flock to promote the global warming cause.

Australian Christians supports the Abbott government's decision to abolish the carbon tax on July 17, 2014. The repeal is to take effect as of 1 July 2014.[14]

Renewable energy receives favourable market treatment through three main sources of public funding: Mandatory renewable energy targets (MRET), carbon tax and tariffs. They are taxpayer subsidies that serve as a support for renewable energy to compete with coal and gas. Under Labour, expenditure on cutting emissions blew out to a budget of about \$4 billion a year. [15]

This is an important point that needs emphasising. From a purely economic perspective, renewables cannot compete with coal and hydrocarbons. The difference in generating costs makes them highly expensive and uncompetitive. Government reports clearly state that without subsidies, permits and carbon tax, renewable energy cannot survive. [16]

There are claims that renewable energy only adds \$8 to 15/year to the average household bill. [17] Even without rigid calculations, logic dictates that the billions spent in subsidies simply cannot support such a claim. Renewable requirements add around 40 per cent to the wholesale electricity cost; a cost that regulators always allowed energy providers to pass on to consumers.[18] Without normal free market incentives, this also led to company disinterest in new coal-fire powered investment. (Why invest when government is determining the rules of trade?) Instead, to keep stations operational, generating companies bought low-capital-cost, high-running-cost, gas turbines (used in 747 jet engines), increasing the price of coal-fired electricity further.

Wind power

The largest renewable investments are overwhelmingly in wind power. Not the idyllic windmill variety located on a humble farm, made of wooden grills and covered with canvas sailcloth, but wind farms housing multiple 50 to 80 metre towers, fitted with industrial-sized rotating blades about 40 metres long.

Again, wind power per se is not the main source of contention, however production at a commercially viable scale poses an entirely different problem. First, capital outlay is so intensive that private investors will only take them on because of the governmental subsidy incentives. To date, these subsidies are well in excess of those received from the now defunct car industry. [19] Presently, wind generation costs \$100 /GWh, while coal is \$40/GWh. The bulk of wind costs are paid from fossil fuel operators purchasing renewable energy certificates.

The carbon tax added further upward price pressures. At \$24/tonne of CO₂, it increased the wholesale price of electricity by 55 per cent. Sixteen of the twenty largest carbon tax bills have gone to electricity companies, an added \$4.1 billion in additional costs. Overall, in 2012-13 the tax raised \$7.6 billion from 75,000 Australian companies.[20] In order to meet Australia's carbon emission targets, it needs an increase of \$78 per tonne.[21]

These additional costs – as usual – are passed to consumers. It is estimated that taxpayers are forced to cover up to 80 per cent of renewable costs. [22]It needs reiterating, at nearly three times the cost of coal, wind power trading in a free market is not viable.

But another equally serious problem is for all the outlay, it is still an unreliable source of energy. The reasons are not difficult to comprehend. Wind power is intermittent. Put simply, it is accessible only when the wind blows and even then may not generate sufficient power.

One keen blogger's observations offer some good examples: "This afternoon at least eight units on the Hume south of Goulburn were stationary. There was a cracking westerly blowing at the time, trees were bent over with the consistent strong winds and horses were galloping wildly around the paddocks, stirred up by the wind.

On at least two recent occasions, the units on the east shore of Lake George have had approximately one third of their number also stationary under nice steady westerly conditions (the ideal direction for their fetch).

The unit between Kiama and Gerringong on the Princes Highway has not executed a single rotation for about a year – in spite of regular strong winds through there.

Now we need to remember that these machines were highly subsidised by Australians, including for example – pensioners in Bomaderry, poorly paid car factory workers in Elizabeth, drought stricken farmers in Hay and battlers in Western Sydney. I recall talking to a truck driver who delivered the imported parts to the ones near Canberra – you would not believe the allowances and assistance given to the owners!

Remember who paid most of the capital for these wind generators and remember who is now paying a fortune for the power from them. It is devastating to the Australian taxpayer and power users to be ripped off." [23]

For this reason, wind power needs another source of reliable energy back up, or base load energy, 100 per cent of the time. The entire system operates on-demand, kept in balance between supply and demand. When consumers flick a switch, they expect instant energy. But without a reliable back up energy source the system crashes.

Coal is the primary source electricity and the renewable energy back up in Victoria. Whether the wind is blowing or not, power stations need to keep their boilers burning fuel at a steady rate (a state of operational stand by). When energy is not needed for electricity, excess steam is released out an escape valve rather than directing it into turbines for energy generation. In effect, this means burning tonnes of coal without even using it for electricity production.

But it is even more complicated. Most states are linked to the national electricity market (NEM), a system linked via interconnectors. These restrain how much electricity is imported and exported. Energy does not flow freely between state borders; it is a balancing act between the forces of supply and demand. For example, when the government compels retailers to supply 20 per cent of energy from a renewable source but wind turbines aren't turning in South Australia or there isn't enough to export to meet Victoria's green demands at peak times, they may purchase expensive hydro power from Tasmania's Basslink and in return supply back cheaper brown coal. These are the variable costs of renewable energy that affect what the end user pays.

Solar power

Solar panels are even more expensive than wind farms, averaging at least four to five times more costly than coal. Net metering monitors solar energy use. Any unused solar energy exports back to the grid that is received as a credit on power bills. There is a strong case to be made that this is merely another mechanism for transferring wealth from non-solar users to solar users (usually wealthier) who receive inflated sums for electricity they feed into the power grid, achieved through tariffs. In effect, non-solar users pay higher energy costs to pay for solar credits. And it is the poorer who suffer most.

- The Climate Change Authority states, "Low-income households spending on domestic power represents a larger proportion of their total expenditure." Given that many from this demographic rent homes and cannot afford solar panels, they essentially subsidise those who can.

Of course, like wind, solar suffers the same intermittency problems. Peak power load is on winter evenings and late afternoon on hot summer days, but solar and wind contribute little output at these times.[24] Solar panels only operate when the sun shines (about a third of daily power needs) and suits those who use electricity during sunlight hours. Because its energy cannot be stored, power used outside those times comes from conventional constant power via the energy grid.

But all this expense may be even mildly understandable if a cost-benefit analysis showed a sizeable reduction in CO₂. As illustrated, renewables do not decrease our dependency on coal. The Environment Department's year-to-September 2013 figures show that overall emissions of greenhouse gases remain more or less unchanged since 2010.[25] Although emissions from electricity generation fell, emissions from stationery energy (as described previously) increased.

However, with average global temperatures stalling for 17 years,[26] it is now feasible many countries may face record colder temperatures.[27][28] In which case, wind turbines face even more operational problems and solar panels are virtually ineffective.

Overall, billions of public funds literally blown into thin air to abate an emission hotly debated (pun intended) on whether it will reduce CO₂, let alone save the planet. What is becoming alarmingly clear is that it will bring the Australian economy to its knees.

If the renewable target persists till 2020 it will cost \$23 billion, this is without the 15 year life extended subsidy to renewable facilities, in which case subsidies will dry up closer to 2035. [29] And this does not account for international green stimulus funds made to developing nations.

As the figures repeatedly show, the support for renewables to become competitive with conventional energy is overwhelmingly exorbitant. All of which is largely irrelevant if the rest of the world does not share the same unwavering commitment to reducing emissions. And there are ominous signs that much of that world, in the name of national interest, is retreating.

China accounts for 60 per cent of the global increase in coal consumption, since 2005, it raised its CO2 emissions to approximately 3.6 billion tonnes.[30] In the wake of the Fukushima nuclear disaster, Japan, the fifth biggest carbon polluter, dropped the bombshell that it decreasing its commitment to carbon emissions.

- Europe, the champions of clean energy, are following suit.

Germany's Economic and Energy Minister, Sigmar Gabriel, claimed renewable subsidies had "reached a limit" – \$32 billion per year – gnawing them back to take price increase pressures off consumers and the risk of "dramatic deindustrialisation". The German Association of Energy Consumers estimates that up to 800,000 Germans have had their power cut off because they couldn't pay the country's rising electricity bills. But without a subsidy crutch, Germany is instead refiring its coal burners, even some of the 'dirtiest' brown coal mines closed since reunification.

Spain now has its already crippled public finances burdened with another \$35 billion of "tariff deficit" debt. Great Britain gets about two per cent of its electricity from renewables, but the subsidising flow on costs and rolling blackouts are causing public outcry, heard all the way to the courts.[31] British judges eventually ruling that people's rights needed more consideration over green energy targets. [32] Over in the wind-energy enthusiastic Denmark, residential electricity costs 41 cents per kilowatt-hour, three times more than the US average.

The Washington Post recently warned, "Europe has become a green-energy basket case. Instead of a model for the world to emulate, Europe has become a model of what not to do." [33]

So it is not surprise that the US has turned to cheaper and cleaner shale gas. The switch produced sorely needed jobs (vital since post 2008 GFC) and reduced greenhouse gas emissions, an economic and environmental success story. [34][35]

But the greatest hypocrisy lies in Australia's status as one of the world's largest coal exporters, much to the world's biggest polluters Japan, China and India.[36] (Not to mention Australia's double discourse on uranium; denouncing nuclear production while exporting eleven percent to the world.)

This is of course, because coal is still more abundant and much cheaper and the cost of trying to balance competing energy needs among geopolitically sensitive European borders is expensive.[37]

Coal fired power station \$78-91 per mWh (megawatt/hour)

Gas fired power station \$97 per mWh

Wind power \$150-214 per mWh

Solar power \$400-473 per mWh[38]

While heralding the danger of carbon emissions domestically, we continue to export what is described by some as the 'villainous' fuel all over the world. The global greenhouse offset- nill. This gives even more credence to a growing chorus of protests linking climate warming as a front for global energy security and industrial development.[39] In short, wealth re-distribution.

And while the world's nations are doing an about face, Australia is told to keep the climate faith alive.

Head of the International Monetary Fund, Christine Lagarde, urged the Abbott government to hold firm as "a pioneer" in the field and debate on climate change.[40] (Considering the IMF's global banking clout, cynics might say this is more gun-barrel politics rather than a plea.) And struggling Danish turbine manufacturer, Vestas, feeling the pinch from Europe's renewable back flip and hunting for a fresh subsidies meal ticket, looks to campaign on our shores through the support of environmental groups and political backing from the Greens.[41]

Keeping energy costs low and preserving Australian wealth

The truth is all energy has a price. Renewable energy is not the great green fairytale and ordinary people always pay the cost for governments ideological posturing.

At the core, people need to discern where truth lies and what is mere sophistry. This small contribution only scratches the surface of the root sources to the rise of energy costs. But as the veil of hidden agendas is persistently pulled back, individuals who vote for governments need to hold them to account.

The transfer of technology and energy to developing countries broadly began in 1975. Today Australia is participating actively in the work of the United Nations system aimed at drawing up a code of conduct for this transfer. In industrialization, Australia has generally accepted the Lima Declaration (UN initiative). [42]

Politicians have confirmed their commitments to the Common Fund and the Lima Declaration as part of Australia's international policy.

That policy continued through the years of the Hawke Government, under Foreign Minister Gareth Evans, as confirmed in Senator Evans' Address to the Trilateral Commission, Tokyo, on April 20th, 1991, and his Address "The New World Order and the United Nations", made to the UN Association of Australia on May 13th, 1991.

Through grandstanding and environmentally friendly conferences such as the Earth and Climate summits dazzle and distract the masses, these agendas are kept alive, all the while national sovereignty is insidiously threatened. [43]

We can only hope and pray that common sense and truth prevails, returning this land to the 'luckiest country' or as those of us who credit it to divine providence, the blessed country.

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[1] Increases in electricity prices in capital cities between 2005 and 2010:

Sydney 61.3%^[1] Melbourne 56.8%^[2] Brisbane 50.7%^[3] Canberra 45.9%^[4] Darwin 35.9%^[5] Perth 35.8%^[6] Adelaide 16.0%^[7]. Increase in consumer prices between 2005 and 2010: 16%^[8]. (Source: ABS, Catalogue number 6401.0)

[2] Annabel Hemworth, "Gas prices force switch to coal for power stations", The Australian, Feb 6, 2014.

[3] Bygrave, Steven, "Casting away carbon, street by street". Business Spectator, pg 1. 14 Jan 2014.

[4] "Energy-efficiency: building code star-ratings. What's optimal, what's not", Centre for International Economics Canberra and Sydney, July 2010, pg. 2.

[5] Among full-time workers, the median was \$57,400 in August 2011, which is the most recent figure.

[6] <http://www.abc.net.au/worldtoday/content/2013/s3868337.htm>

[7] Quadrant, "The Ruinous Privileges of Renewable Energy", Evan and Tom Quirk, 1 July 2012, pg. 5.

[8] <http://www.theplanningboardroom.net/stimulus-building-program-for-schools-a-critical-review/>

[9] Ibid, pg. 7.

[10] Express, "Britain is freezing to death", Tracey Boles and Lucy Johnston

Sun, December 5, 2010;

[11] Also see: Chapter Four: Human Rights Legislation and Australian Sovereignty, Peter Faris, QC.

[12] In 2007, former prime minister Kevin Rudd, signed the Kyoto Protocol. Some assert that this makes Australia "legally bound" to limiting greenhouse emissions.

[13] http://en.wikipedia.org/wiki/Ross_Garnaut

[14] <http://www.environment.gov.au/climate-change/repealing-carbon-tax>

[15] Alan Moran, The Australian, "Terminate the renewable scheme now". 14th Nov, 2013.

[16] www.dps.sa.gov.au. Also see: "Integration of renewable energy sources into the electricity market", Jovana Jovovic, pg. 5.

[17] The Business Spectator. "Is \$15 a year really too much to pay for the RET?" Dylan McConnell, 11 Feb 2014.

[18] Quadrant, "The Ruinous Privileges of Renewable Energy", Evan and Tom Quirk, 1 July 2012, pg. 4.

[19] The Australian, "RET reviewer Dick Warburton: I'm not a climate skeptic", Sid Maher, 18 Feb 2014.

[20] www.cleanenergyregulator.gov.au/Carbon-Pricing-Mechanism/Liable-Entities-Public-Information-Database/LEPID-for2012-13-Financial-year/Pages/Default.aspx

[21] Treasury endorsed OECD paper.

[22] Alan Moran, "Subsidizing our way to a banana republic", Catallaxy Files, 28 January 2014.

[23] <http://chrisback.com.au/HotIssues/tabid/88/articleType/ArticleView/articleId/252/categoryId/4/Wind-turbines-the-untold-story.aspx>

[24] Australian Energy Market Operator, 28 Jan 2014

[25] The Clean Energy Regulator puts the 2012-13 emissions reductions at 0.1% with carbon taxes raising \$7.6 billion.

[26] <http://www.nature.com/news/climate-change-the-case-of-the-missing-heat-1.14525>

[27] <http://guardianlv.com/2013/12/antarctica-record-cold-and-growing-ice-chills-global-warming-theories/>

[28] <http://canadianawareness.org/2013/02/ipcc-head-rajendra-pachauri-acknowledges-17-year-stall-in-global-warming/>

[29] The Australian, "Terminate the renewable scheme now", 14 November 2013, Alan Moran

[30] The Australian, "Myths and wishful thinking pollute global warming debate", Bjorn Lomborg, 22 February 2014.

[31] <http://www.prweb.com/releases/2013/12/prweb11426307.htm>

[32] <http://www.bbc.com/news/business-22791815> "Local communities offered more say over wind farms", 6 June 2013.

[33] The Washington Post, "Europe is becoming a green-energy basket case" 22 April, 2013

[34] The Wall Street Journal, "Rise in U.S. Gas Production Fuels Unexpected Plunge in Emissions", 18 April 2013.

[35] <http://www.ft.com/cms/s/0/c1cd2176-b4b9-11e1-aa06-00144feabdc0.html> "US shale boom to create half-million jobs".

[36] <http://www.australiancoal.com.au/facts-and-figures.html>

[37] <http://bravenewclimate.com/2009/10/22/denmark-wind-experiment-awry/>

[38] http://www.pc.gov.au/__data/assets/pdf_file/0003/109830/carbon-prices.pdf

[39] www.dps.sa.gov.au. See: "Intergration of renewable energy sources into the electricity market", Jovana Jovovic, pg. 5.

[40] The SMH, "IMF chief Christine Lagarde urges Abbott government to continue climate change debate", February 15, 2014.

[41] The Guardian, "Turbine company and green groups to fight anti-windfarm campaign", Lenore Taylor, 16 June 2013.

[42] http://www.unido.org/fileadmin/user_media_upgrade/Media_center/2013/News/GC15/UNIDO_GC15_Lima_Declaration.pdf

[43] <http://www.masterresource.org/2013/11/warsaw-talks-wealth-redistribution/>

