



CONSERVATION COUNCIL

ACT REGION

Submission re Santos Narrabri gas project

July 2020

TO: **NSW Independent Planning Commission,**
[Have your say submission form](#)

The Conservation Council ACT Region works to protect our environment through advocacy, community engagement and campaigning.

We campaign to:

- cut greenhouse emissions
- protect biodiversity in our urban and natural areas
- protect and enhance our waterways
- reduce our waste and improve urban sustainability, and
- promote sustainable transport and planning for our city.

As the peak body, we advocate on behalf of and support our more than 45 member groups which have a combined membership of over 20,000 people. We collaborate with Government, business and the community to advocate for the highest quality environment for Canberra and the ACT region.

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Demand for gas is falling

The Conservation Council ACT Region welcomes the opportunity to comment on Santos' Narrabri Gas Project

The IPCC and global climate scientists have made it clear that humanity must rapidly and urgently reduce greenhouse gas (GHG) emissions to have a reasonable chance of keeping the Earth's temperature from increasing by more than 1.5°C above pre-industrial levels.

Recent research has found that the vast majority of atmospheric methane originated from modern human use, not from natural Earth processes as previously thought.^{1,2} This means that we have the power to significantly reduce atmospheric methane concentrations by cutting our use of methane. The most effective way to decarbonise gas consumption is to stop extracting, making and using it.

In response, the ACT's Climate Change Strategy 2019–25³ commits to phase out the use of natural gas by 2045, making the ACT the first jurisdiction in Australia to start to address the long-term demand for gas. This comes in the context of the ACT Government's commendable leadership through the achievement of its 100% renewable electricity target by 2020 and the setting of nation-leading, ambitious, legislated GHG emissions reduction targets.

The ACT's Climate Change Strategy notes that "from 2020, the use of gas is expected to make up 21% of the ACT's greenhouse gas emissions. Transitioning to 100% renewable electricity presents an opportunity to transition away from gas by electrifying our heating and cooling systems". The Government has already completed the first gas-related action in its Climate Change Strategy by implementing Draft Variation 373 to the Territory plan, which removed the mandatory requirement to install gas in new suburbs. A new amendment to planning legislation has been introduced to the ACT Legislative Assembly which would require all developments to explicitly address greenhouse gas emissions prior to approval, limiting the potential for future gas infrastructure and services in buildings.

The Climate Change Strategy notes that demand for gas is already falling in the ACT. The percentage of households using gas for space heating fell from 60% in 2011 to 45% in 2014, and overall consumption of gas per household fell by 22% from 2010 to 2017. The Strategy aims to achieve "significant reductions in gas use in the residential sector to 2030, and reduction in commercial gas use in later years towards 2045", with "no houses connected to gas by 2045". The transition from gas appliances to all-electric homes is already underway with programs and funding to support households to replace gas appliances. The Strategy wisely advises "avoiding investment in [gas] infrastructure" that would lock in emissions from gas and result in stranded assets and future transition costs. The Conservation Council contends that this trend away from gas will occur and accelerate in all Australian states as more local councils and state governments implement plans to achieve emissions reductions by mid-century.

¹ Borunda, A, 2020, 'Natural gas is a much 'dirtier' energy source than we thought', [National Geographic](#)

² Robertson, B, 2020, [Is the gas industry facing its Volkswagen moment? Gas is more emissions intensive than the gas industry's marketing arm suggests](#), Institute for Energy Economics and Financial Analysis

³ ACT Government, 2019, [ACT Climate Change Strategy 2019–25](#)

Santos claims that “Narrabri gas will be the most competitively-priced gas for NSW customers”⁴. However, households and businesses could save far more on their utility bills by not using gas at all. All-electric homes could reduce annual energy bills for residents by up to \$450 per year⁵, simply by not paying for gas to be supplied. Heat-pump hot-water systems, reverse-cycle air-conditioning and induction cooktops are far more energy-efficient than their gas equivalents and would result in an overall reduction of energy consumption as well as avoidance of gas consumption. Electrification of heating, ventilation and cooling systems is also viable at the commercial scale for most business sectors, reducing operating costs by tens of thousands of dollars and emissions by hundreds of tonnes per year.

Studies are demonstrating that increasing the supply of onshore gas in Australia does not result in cheaper prices for consumers^{6,7} and will not be viable as long-term investments.⁸ Given that cheaper, safer, cleaner renewable energy generation and technologies are already viable and available, there is no justification for expanding environmentally harmful, expensive gas production.

The NSW Government has also set a long-term climate target of net-zero emissions by 2050⁹ that implies a transition off gas. Given this policy direction, it would be prudent for Santos not to proceed with capital investment in the Narrabri gas project, cease all plans for gas market expansion, and begin to plan for closing the gas network. Santos could take the initiative to set in place a long-term strategy across all assets to facilitate zero-emissions energy.

The Independent Planning Commission has an opportunity now to send a strong signal that gas is not a responsible energy source for Australia’s future. If Santos’ Narrabri Gas Project is permitted to proceed, the opportunity to achieve early emissions reductions will be missed, requiring more dramatic reductions later. The project would prolong transition risks by creating additional stranded assets, both at a network level and at a personal household level. Gas is not needed as a “transition fuel” and funding would be far better invested in new clean energy generation and storage projects and helping households, businesses and industry transition to electric solutions.

The Conservation Council ACT Region supports a rapid phase-out of gas to meet emission reduction targets, and urges the Independent Planning Commission to recommend against Santos’ Narrabri Gas Project as a meaningful response to the urgency of the climate change crisis.

⁴ Santos, 12 March 2020, [‘Narrabri Gas Project referred to Independent Planning Commission for public hearings and determination’](#)

⁵ ACT Government, 2019, [ACT Climate Change Strategy 2019–25](#)

⁶ Ogge, M, 2019, [Just to cap it off: Submission to the 2019 Review of the Australian Domestic Gas Security Mechanism \(ADGSM\)](#), The Australia Institute

⁷ Robertson, B, 2019, [Coal seam gas is high cost gas for Queenslanders](#), Institute for Energy Economics and Financial Analysis

⁸ Climate Council, 2020, [Why is gas bad for climate change and energy prices?](#)

⁹ NSW Government, 2019, [Fact sheet: Achieving net-zero emissions by 2050](#)