

11 April 2022

To the Viva Energy Gas Terminal Inquiry and Advisory Committee,

[Submission link](#)

GS submission Re. Viva Energy Gas Terminal Inquiry and Advisory Committee

Geelong Sustainability welcomes the opportunity to provide this written submission regarding Viva Energy's proposed Gas Import Terminal project on Corio Bay. Our supporters and members have made it clear that they want us to oppose the proposal. They firmly believe that it would send our region on a backwards trajectory and adversely impact Geelong's aspirations to become a clean tech, advanced manufacturing and renewable energy hub.

About Geelong Sustainability

Geelong Sustainability (GS) is a not-for-profit incorporated community association established in 2007. Our volunteer-led, independent and apolitical organisation is also a Registered Environmental Organisation (REO) and charity with DGR status. We have a significant and growing collaborative network across the community, government, business sectors as well as with other NGOs. Over the last decade, our reputation has grown considerably built upon the consistent delivery of strong project outcomes; effective community engagement; well-coordinated, professional events and evidence-based articulate advocacy.

In 2020, Geelong Sustainability released a new Strategy 2025, which acknowledged that we're in a global climate emergency and that the next decade is crucial! We know that a fast and fair transition will deliver economic opportunities and ecological benefits for Geelong and its people. We want to empower the bold transformative action required to become a zero carbon city region. Our activities are focused on four UN Sustainable Development Goals: 1) Climate Action, 2) Renewable Energy, 3) Circular Economy and 4) Sustainable Cities.

GS opposes this proposal for the following key reasons:

1. It's contrary to global scientific warnings about climate change
2. It's contrary to positions of national and international energy operators
3. It's contrary to state government emissions reduction target and energy plans
4. It's far better to tackle the demand than supply side of the energy equation
5. The project has significant environmental and biodiversity risks
6. It's contrary to local government emissions reduction target and vision
7. It's contrary to our community's aspirations

1. Contrary to the global scientific warnings about climate change

There is unanimous scientific agreement that climate change represents an existential threat to life on earth. There is also agreement regarding the need to act urgently and on what actions must occur. A key message of the October 2021 Intergovernmental Panel on Climate Change was to limit global warming to 1.5 degrees and that we must urgently move away from fossil fuels. Indeed the report clearly stated there must be no new investment in oil or gas.

US climatologist Michael Mann recently pointed out, if you were going to pick the worst continent to live on as the climate changes, it would be Australia. Since the Black Summer bushfire, we have become "a poster child for what the rest of the world will be dealing with," he said. The recent devastating floods in QLD and NSW reinforce the misery inflicted by catastrophic extreme weather events on families, communities and entire towns.

The gas industry is one of the main drivers of increased climate pollution. The global emissions from gas grew by 4.5% in 2021. The main component of “natural gas” is Methane, which has 34 times the global warming potential of carbon dioxide over a 100-year period and 86 times higher than carbon dioxide over a 20-year period. To reach net zero we need to transition away from gas ASAP.

Urgent action is needed to avoid the devastation and vast expense of unchecked climate change, recently estimated at close to 40% of global GDP by 2100. ⁱ

2. Contrary to positions of international & national energy operators

The International Energy Agency (IEA) has shown in its report *Net Zero by 2050: A Roadmap for the Global Energy Sector* that there can be no new coal, oil or gas projects if the global energy sector is to reach net zero emissions by 2050 and help avoid catastrophic climate change. The IEA Executive Director Fatih Birol says, “*The social and economic benefits of accelerating clean energy transitions are huge, and the costs of inaction are immense.*”

GS supports the contention of Dr Simon Bradshaw, Head of Research, Climate Council, who stated that “Instead of spending public money on gas, which will increase electricity prices and worsen climate change, Australia can and should be working towards net zero emissions by 2035, and capitalising on the benefits of leading the global transition to renewables”. ⁱⁱ

Our own Australian Energy Market Operator (AEMO) says cutting gas consumption by accelerating a switch to renewable energy, and promoting further electrification of energy use could be the most effective way to manage potential shortfalls in gas supply.

In the latest iteration of its Gas Statement of Opportunities (GSOO) released last month, AEMO has made a significant downward revision of its gas demand projects. The report also finds that domestic markets are expected to have access to sufficient supplies of gas until at least 2033, contrary to industry predictions of a shortfall, thanks to the accelerated uptake of renewables, the electrification of energy use and energy efficiency measures.

The energy regulators are giving us a clear message that the way forward is by accelerating clean energy transitions and not by investing in new fossil fuel projects. We should heed their advice. ⁱⁱⁱ

3. Contrary to state government emissions reduction target and energy plans

GS fully supports the Victorian Government’s greenhouse gas emissions reduction target of 45-50% by 2030. Further, we recognise the breadth of excellent work being undertaken to transition rapidly and fairly to a net zero emission economy.

GS has been actively pursuing renewable energy projects and community bulk buys in our region. ^{iv} However currently only 21.3% of dwellings in Geelong have rooftop solar. ^v Our region needs to more than double its uptake of renewables to reach the state’s Victorian Renewable Energy Target (VRET) of 56% by 2030. ^{vi}

In the consultation paper on Victoria’s Gas Substitution Roadmap, the Minister for Energy, Environment and Climate Change, the Hon. Lily D’Ambrosio MP comments that ‘*the energy landscape is changing, in Victoria and globally. Rapidly increasing investment in low cost wind and solar power generation, backed by grid-scale battery storage, is driving down energy costs for consumers and reducing emissions.*’

Currently about 17% of Victorian emissions come from natural gas. Viva Energy expects gas demand to stay flat until 2040. This would make it impossible for Victoria to reduce emissions quickly enough to meet our climate targets.

Any new investment in gas projects is inconsistent with these reduction targets. This proposal for a gas import terminal and shipping LNG, further risks delaying the transition to clean energy sources.

4. Demand versus supply energy equation

Viva wants to import up to 160 PJ per year of gas. Their forecasts assume stability in SE Victoria’s gas use until 2040. Viva’s plans are not consistent with DELWP’s anticipated Gas Substitution roadmap, which aims to reduce Victorian gas consumption by around 50% by 2030.

Recent studies show that leaked methane is responsible for about one third of asthma in our children. Every winter, someone in Victoria succumbs to carbon monoxide poisoning caused at least in part by a malfunctioning gas heater. When you stop burning gas in your home, it becomes a safer and healthier place.

GS has been coordinating Sustainable House Day in our region for over 13 years. Increasingly people are connecting with us because they're seeking practical advice about how to get off gas. We are advocating for reticulated gas to be banned in new housing estates and in-fill developments.

The Gas Substitution Roadmap points to Victorian gas use quickly falling to less than half of current levels within as little as eight years ie. by 2030. In a recent Roadmap forum, officers showed how Victorian households will save thousands of dollars per year when they switch from gas to electric induction cooking and renewable-heat-harvesting heat pumps (e.g. reverse-cycle air conditioners) for space and water heating. ^{vii}

The economic benefit of switching to electric technology will only increase as the gas market becomes more volatile and the cost of renewable energy continues to fall.

5. The proposal's significant environmental and biodiversity risks

We are concerned about the environmental and biodiversity risks associated with the dredging required to accommodate the LNG tankers' entry to Corio Bay and the infrastructure works required to construct the floating gas terminal.

Dredging may disturb contaminants including cadmium, lead, mercury, zinc and copper, none of which are good for marine life. Dredging will increase turbidity, suspension of clays, reduction in sunlight, all of which could hinder the re-establishment and regeneration of Corio Bay seagrass beds, which are key to protecting marine biodiversity.

6. Contrary to local government emissions reduction target and vision

GS has advocated strongly for our region to seize the significant economic opportunities available if we embrace a clean-tech renewable energy future. After extensive community consultation, the Greater City of Geelong (CoGG) adopted a municipal target of zero emissions by 2025.

Geelong should be a hub for renewables, not gas. Let's position our city for the future of work. We've got the infrastructure, skilled workforce and proud manufacturing heritage to grow a clean energy industry.

The City's 30-year vision for a Clever and Creative Future was developed with extensive consultation and represents the voices of more than 16,000 community members. *By 2047, Greater Geelong will be internationally recognised as a clever and creative city-region that is forward looking, enterprising and adaptive, and cares for its people and environment.* ^{viii}

7. Contrary to our community's aspirations

Geelong is at a critical junction - an energy crossroads with a stark choice. We have a choice to make, continue to invest in polluting fossil fuel infrastructure or transition our households and businesses to electric appliances that are cheaper, cleaner and safer to run.

Viva's proposed gas import terminal is completely out of step with what most Australians, including those in the electorates that comprise our local community, say are their goals and aspirations for climate action, emissions targets and energy technologies for our future.

Last month's YouGov poll of 15,000 voters showed around 7 in 10 Australians "believe climate action will deliver long-term economic benefits and 65% think it will be better for their health". Using demographic data to estimate attitudes in Corangamite and Corio, the poll concluded that 42% of Corangamite voters and 39% in Corio, think our present government's 2030 emissions reduction target is 'too little, too late'.

The Australian Conservation Foundation commissioned a national study to explore what Australians think about climate action now. In the 3220 postcode ie. the Corio electorate, 71% of people believe the benefits they'll receive from greater action on climate change outweigh the costs. Similarly 71% of people believe greater action on climate change will strengthen the Australian economy. Unsurprisingly, given this

proposal, the ACF found replacing gas and coal power with renewable energy and batteries storage was #1 priority solution for greater action on climate change this decade.

Nationally and locally, the community is withdrawing support from fossil fuel projects and looking for governments to act on climate concerns by investing in renewable energy projects. They want strong emissions reduction targets. They believe strong climate action will deliver economic and health benefits. To invest in a polluting, methane emitting LNG terminal that will be with us for decades, locking in our gas consumption and jeopardising our emission reduction targets does not fit with community aspirations.

Our conclusion

GS does not believe the business case for this proposal stacks up and clearly the environmental and social cases are strongly against it. The energy landscape is changing very quickly. We do not want Corio Bay to be lumbered with a polluting fossil fuel asset that will soon be redundant but remain an unsightly blot on our beautiful landscape for decades.

In closing, we'd like to emphasise that climate solutions are ready to go. They will be good for our lives, our kids, our jobs, our economy and our big beautiful planet. Every decision, every policy, every investment, every day and every tonne of climate pollution matters. This decision is crucial especially for Geelong and its people!

Thank you for the opportunity to make this submission. We urge the panel to reject the proposal for a polluting gas import terminal in Corio Bay.

Yours sincerely,

Vicki Perrett, President, Geelong Sustainability Group Inc.

W: www.geelongsustainability.org.au



References

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