

A RENEWABLES-LED ECONOMIC RECOVERY

Together with RenewEconomy, the Smart Energy Council staged Australia's biggest ever online energy Summit, an event that highlighted the level of interest and action in renewable energy across Australia among business leaders and parliamentarians.

The consensus: an expanded renewable energy sector can lift us out of uncertainty and into economic recovery. A coordinated strategy would deliver widespread benefits in manufacturing opportunities, along with jobs, greater sustainability, and self-sufficiency.

John Grimes and Giles Parkinson led the Summit.

"We can and must revitalise and modernise Australia's economy at the same time as we decarbonise. The smart energy industry is ready right now to deliver screwdriver and shovel ready projects, creating thousands of new future-proof jobs and investment across the nation. Australia can and should position itself as a global renewable energy superpower."

AUSTRALIA HAS TAKEN A BATTERING from the pandemic: one million jobs have been lost and the economy smashed. That is the bleak picture presenting the government which faces an enormous challenge as it attempts to rebuild the nation and support economic recovery after the impacts of the virus.

And government needs to get this right, John Grimes said, "Our foundation mission is to bring together the best ideas and brains to tackle hurdles and put us on the road to recovery, to build resilience and mitigate pressure and boost intergenerational investment."

Setting the scene for the Summit, **Giles Parkinson of RenewEconomy** added "We have reached an important juncture as we emerge from COVID-19, with different and important changes to the economy. The two important issues are: the low cost of renewable energy and storage that can replace existing technologies; and AEMO's pathway to 2025 and to 2040.

Pre-eminent economist **Ross Garnaut** addressed these matters telling the Summit's 2400 strong participants a robust Australian economy can be created by investing in clean technologies and embracing a low emissions economy, a trajectory that also strengthens Australia's long-term prospects.

It's time Australia took advantage of its wind and solar resources to transition to green manufacturing, using renewable energy to power industrial production of steel and aluminium for domestic and export markets, he said, noting the dramatic fall in the cost of transitioning to renewable energy.

"The biggest change over the past twelve years [since my last calculations] lies in the significantly lower cost of moving to zero emissions, much lower than my modelling anticipated back then," the leading economist said.

"Interest rates are now permanently very much lower than they used to be which will lead to an expansion of renewable power generation... so the cost of moving to zero emissions would be much lower."

Further, the costs of not achieving zero emissions and having to bear the consequential rise in global greenhouse gases and temperatures would be greater than the costs of making the adjustments.

According to Professor Garnaut, Australia's responses to the pandemic could hasten the closure of many coal-fired generators, with a reduction in demand and the increasing competitiveness of renewable energy.

"It is very unlikely that, without government intervention of a perverse kind, we will see investment in a new coal power," Professor Garnaut said. "The natural economic thing is for early closure of more coal generation in these circumstances.

"In my book *Superpower: Australia's Low-Carbon Opportunity* which tracks Australia's low carbon opportunities I examine what has changed, and science has not changed. But there have been large changes in the understanding and ethics of climate change... how our actions affect people a long way away," he said, emphasising the moral as well as environmental imperatives that stand before us.

Queensland's forward leap

The Summit coincided with a landmark announcement by **Queensland Premier Anastacia Palaszczuk** on what will become Australia's largest solar farm. The news follows the agreement between Queensland's CleanCo and French company Neoen for Western Downs to commence construction of the 400MW project in July.

This development shores up the State's ambitions for 20 per cent share of energy generation from renewables by year's end and target of 50 per cent renewable energy by 2030.

The Premier also reported the state's plans for a series of Renewable Energy Zones and the significant potential for renewable hydrogen production, capitalising on strong trading relationships with the potential to export hydrogen and "export Queensland sunshine to the world".

"In my view, Queensland is in a really strong position here... I am extremely



Professor Ross Garnaut



Qld Premier Anastacia Palaszczuk



Victoria is eyeing development of the southern hemisphere's largest offshore wind farm

Victorian Energy Minister Lily D'Ambrosio: keen to exploit smart opportunities

The state of Victoria is on a similar path. "We strongly believe that the transition to clean energy offers enormous opportunities to create jobs and drive economic growth, and we are taking action to identify and exploit those opportunities," Minister D'Ambrosio told the Summit, also emphasising the crucial role of renewable energy in restoring the economy during the COVID-19 recovery.

"Currently Victoria boasts 2500MW of renewable energy projects under construction, and the rate of residential PV uptake has risen sharply to now be on par with Queensland," she said.

The Minister also took the opportunity to introduce plans for 'Star of the South', Australia's first offshore wind project that could potentially supply up to 18 per cent of Victoria's electricity needs.

Located off the south coast of Gippsland, it will transform the market, create hundreds of jobs and provide a huge economic boost for the region, she said.

The project involves wind turbines and offshore substations in the ocean, subsea cables to transfer energy to the coast and a transmission network of cables and substations connecting to the Latrobe Valley.

The Minister added that Victorian renewable energy targets are underpinned by legislation which sends a clear and powerful signal to investors.

"Victoria has the legislative framework that allows investment in projects such as offshore wind, and with Victoria's excellent offshore wind resources presenting great advantages... we would be derelict not to allow investors to build," she said.



confident in the outlook for renewable energy in Queensland," the Premier told the Summit, also outlining plans for 190,000 solar panels on schools to power new air-conditioning units and rooftop solar systems at six shopping centres,

"As we further develop our [pandemic-induced] economic recovery plan, I'll be having more to say about how we support our infrastructure to unlock renewable energy zones in Queensland," the Premier told the Summit.

"This is a crucial industry for all states into the future, a fantastic resources and potential for thousands of jobs," Premier Palaszczuk said, crediting the input of the Smart Energy Council in the development of Queensland's reverse auction plan that will see an additional 3240MW capacity delivered from wind and solar plants.

"I see a future where renewables and new technologies support even more jobs in more industries across our regions."

ACT's Shane Rattenbury: a clear vision of a clean future

Climate change isn't going away, and it also presents serious ongoing threats to our health, to the economy, to the environment, and to future generations, ACT Minister for Climate Change & Sustainability Rattenbury told the Summit.

"If we escape COVID-19 but don't deal with climate change, we are exacerbating the situation. A 'better normal' means recovering from this pandemic, but in a way that doesn't just expose us to other global threats like climate change.

"We need to take the science in to account, and, as Professor Ross Garnaut says, unlock the enormous potential."



The ACT is now 100 per cent renewable energy and jobs growth in the Territory's renewables sector has grown 12 times faster than the national average, the Minister told the Summit.

"For states and territories, the initiatives required to reach zero emissions such as increasing renewable power generation, planting trees, electrifying transport and improving energy efficiency of buildings are economically sound approaches that both reduce the risk of climate change impacts, and strengthen economic competitiveness.

"These initiatives are a win-win.

They're an economically sound approach, where the benefits well outweigh the costs," Minister Rattenbury said.

Visit **Stimulus Summit: A Renewables-led Economic Recovery** website, with links to all presentations and PowerPoint presentations. The site also includes a handy link to websites of groups and associations advocating a renewables-led recovery. www.smartenergy.org.au

The Stimulus Summit was delivered by the Smart Energy Council in partnership with www.reneweconomy.com.au

South Australian Energy Minister Dan van Holst Pellekaan: pushing boundaries and scoring goals



South Australia's plan to fast-track the transition to 100 per cent renewables by 2030 was widely reported in media channels following the Stimulus Summit.

South Australian Energy Minister Dan van Holst Pellekaan said "For me it's a firm goal. I want South Australia to be net 100 per cent electricity generation renewable by 2030. That's what I work for every day."

The Minister won the hearts and minds of Summit participants by crediting the previous State Labor government for advancing South Australia's renewables sector to such an extent that the State now boasts the greatest number of renewable energy projects.

"We have \$20 billion worth of renewable energy projects on the go – some of which are waiting for approval," the Minister said.

"South Australia leads the world with solar and wind integration into the grid, and what we must now do is show how it can work for consumers ... make electricity more affordable reliable for households and business."

The Minister referenced the State's \$13 million demand management project, declaring market demand at the micro- and macro-levels are important to the State which is also pushing for a local hydrogen production industry.

He also commented on the need for Australia to strengthen its energy and environmental policies in the post-pandemic world.

WA Energy Minister Bill Johnston: a new energy future

Addressing the Stimulus Summit from Western Australia was Energy Minister Bill Johnston who said the State did not follow "failed privatisation pathways" and still owns the electricity network which is the largest gentailer in the south-eastern connected system.

"Western Australia does not need COAG support for change, can prepare for high renewable content, and we have a strong agenda for new energy future," the Minister said in his upbeat address at the Summit.

To facilitate that the State's electricity sector is increasing the load of DER – distributed energy resources – in the system and recognises the importance of microgrids and stand-alone power systems especially in remote areas.

The Minister also noted the opportunities for miners to incorporate renewable energy "across the big brown land that is WA".

"Future generation will be renewable because that's now the lowest cost and we are hopeful the State can avoid having to build new transmission infrastructure," he said.



South Australia's Hornsdale Power Reserve. Image CEFC

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During the Summit's Chat line some participants presented a somewhat less glowing picture of the Western Australia's trajectory, with **Former Greens Leader Christine Milne** condemning the escalation of emissions at the NW shelf through the ramped up operations of Woodside's offshore gas development facility at Scarborough.

Mega projects should not proceed, she says. "It makes no sense to throw a lifeline to big coal and gas polluters via black hydrogen if the aim is to meet the Paris Agreement to contain global warming to 1.5 degrees. There is no such thing as blue hydrogen, it is a fossil fuel rescue package, which is unacceptable."

Oliver Yates concurred, saying "Let's not build stranded brown / blue hydrogen assets as they tend not to go away, they simply get written down to remain competitive."

Speaking after the Summit to Smart Energy, **Matt Curry from Perth based lobby group Clean State** commented that without a State Renewable Energy Target Western Australia lacked a market signal to attract investment in new generation.

"All private investment in energy is going to other States with policies that support it and Western Australia is missing out on new jobs and cheaper energy... in my view the State government is failing on climate policy, and industry and jobs in renewables will suffer because of this."

COAG quorum?

The significance of four State Energy Ministers and one Premier being assembled at one event was not lost on the Summit organisers who quipped the Ministerial gathering constituted a quorum for a COAG energy meeting.

Following the successful Ministerial Session at the Stimulus Summit, the Smart Energy Council invited the Federal Energy Minister and all State Energy Ministers to participate in a two-hour online Energy Ministers' Summit on 5 August.

Read more important messages delivered at the Summit by business and community leaders on the following pages.