

# BUSINESS LEADERS CHARTING A PATH TO A BETTER NEW NORMAL

**The Stimulus Summit staged by the Smart Energy Council and RenewEconomy heard from leading organisations which each emphasised the need for action to simultaneously tackle emissions and economic recovery from COVID-19.**



## The path to 700 per cent renewables

**World Wildlife Fund Energy Transition Manager Nicky Ison** took a closer look at the scale of renewables required to achieve 700 per cent renewables by 2050, with 22.5GW additional build by 2050.

The installed capacity of the NEM is about 54.5GW, and AEMO's step change scenario in its Integrated Systems Plan is 2.35GW pa additional capacity to 2040, she said.

100 per cent renewables in stationary electricity requires 6GW additional annual capacity to 2030 (based on current rates) and for Australia to achieve zero fossil fuels we need to add 9.5-15GW new capacity each year to 2050.

The infographic illustrates the trajectory of the path to 700 per cent.

**MAJOR SECTORS OF THE AUSTRALIAN ECONOMY** can move to net zero emissions, in line with global goals to contain warming to 1.5 or 2 degrees, by accelerating investment in technological solutions already available and invented.

That was the clear message delivered by **Anna Skarbek** who shared findings of the **ClimateWorks** report *Decarbonisation Futures: Solutions, actions and benchmarks for a net zero emissions* during the Stimulus Summit.

"The report shows how net zero emission by 2050 can be achieved, and we found 1.5 degrees containment in Australia is achievable," Skarbek told the Summit.

"But the transition needs to speed up, with 'all-in' action by governments, businesses and ordinary Australians," she said. "Critically, these

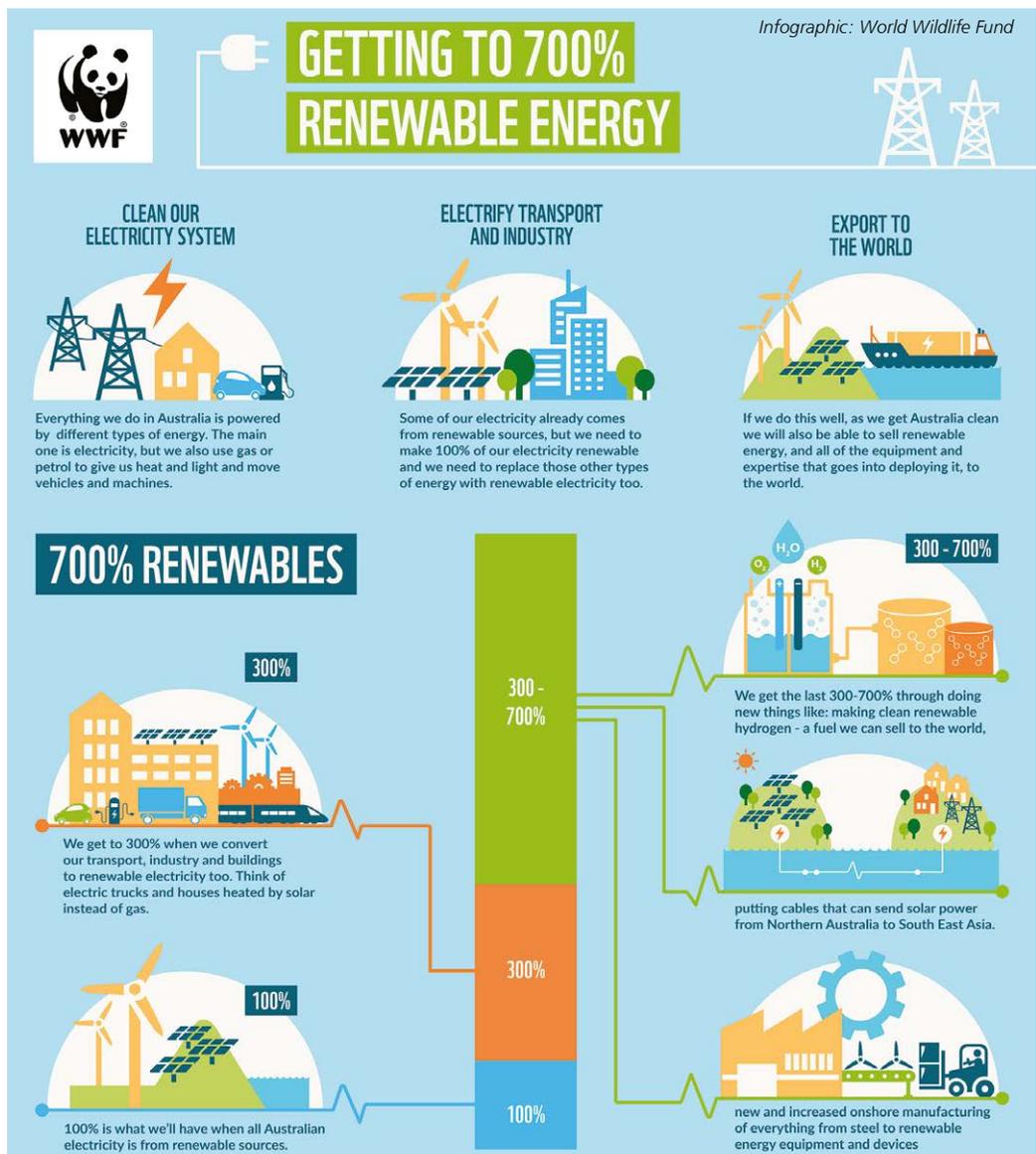
actions can support efforts to rebuild from the shock of the COVID-19 pandemic.

"The stimulus to recover from the pandemic will need exactly the sort of actions that are needed to address the climate crisis, too.

"If we get this right, we can meet Australia's international climate change commitments, create jobs in sustainable industries, and set ourselves up for a smoother and speedier shift to a zero emissions economy.

"The measures to address climate change that we identify in this report would not be anything like the economic shock we're experiencing at the moment."

Read the full report at [www.climateworks.org.au](http://www.climateworks.org.au) also see page 32 for more from ClimateWorks.



The bottom line: electrify everything and generate the electricity through renewables. "Embed net zero emission into every sector's response; the technology is already there," Skarbek says.

*During the Summit the Chat line ran hot with hundreds of posts. This from **Stuart Butterworth**: "We have an awesome opportunity to make the great leap forward. A 'GREEN New Deal' does not look so wacky now."*

**Smart Energy Council President Steve Blume** commented Australia's electricity sector can reach 90 per cent renewable energy by 2030 and many other sectors can achieve a 55 per cent reduction in emissions by 2030. Transportation in particular can move fast to electrify.

**Amanda McKenzie of the Climate Council and Kelly O'Shanassy of the Australian Conservation Foundation**



*Amanda McKenzie, Climate Council*

addressed the urgent need to decarbonise.

O'Shanassy drew attention to the US ambitions expressed in the early 60s to reach the moon, and the need to start the space program from scratch. By contrast our energy system which has to transition to renewables within ten years is well positioned given we already have all the technology, all the resources we need, she said.

So what's stopping us?

In a statement released the week following the Summit ACF chief executive Kelly O'Shanassy said 'Make sure recovery equips

us for future crises... Australia will struggle with future crises if it repeats the mistakes of the past when rebuilding from COVID-19."

As restrictions on movement relax and governments turn to recovery, the ACF warns against propping up dinosaur industries that cause climate change and destroy the natural environment – ultimately endangering the planet's life support systems.

"At this critical moment in Australia's history there is a serious risk our governments will be so determined to get everything back up and running quickly that we will repeat the mistakes of the past," O'Shanassy said.

Referencing the bushfire crisis and drought she noted The World Bank, the IMF, the International Energy Agency, Nobel Prize winning economist Joseph Stiglitz and others are urging governments' coronavirus recovery packages to simultaneously tackle climate change.

"We can take this moment to choose a different path that builds our economy, helps fix the climate crisis and creates a fairer, healthier and more resilient Australia for all, including our children and grandchildren," O'Shanassy said.

The ACF has also issued a step plan *Recover, Rebuild, Renew* that sets out ways governments can improve prospects as follows:

**RECOVER** by creating jobs by upgrading all publicly-owned buildings and operations so they are energy efficient and renewable, weatherproofing houses across Australia, building a residential and business battery storage program, and building electric vehicle infrastructure across the country.



*Kelly O'Shanassy, Australian Conservation Foundation*

**REBUILD** by establishing a National Environmental Fund to support wildlife and ecosystem recovery and long-term nature protection, creating conservation tax incentives and strong environment protection laws, boosting electric vehicles and sustainable transport supporting businesses to invest in solar and storage, and increasing investment in sustainable industries by reallocating fossil fuel subsidies.

**RENEW** by fast-tracking electricity transmission infrastructure for low cost, reliable clean energy, funding and supporting shovel-ready energy storage projects, including large-scale batteries and pumped hydro, supporting large-scale wind energy generation, expanding electric, public and active transport investment and manufacturing getting Australia exporting renewable energy to the world.

The ACF's remedial measures concerning renewable energy mirror those of the Smart Energy Council which is calling on government to fast track in the wake of COVID-19. See the 10-point plan on page 9.

**Revitalising & Decarbonising the Australian Economy**

Summit organisers were pleased to welcome industry spokesperson **Innes Willox of the Australian Industry Group** which represents more than 60,000 businesses.

Linking the two biggest economic challenges to hit Australia: restoring growth from the pandemic and cutting greenhouse gas emissions to net zero by 2050, Willox is calling for the two to be addressed simultaneously.

A smart move, he says, that will boost growth and put the country on a firm long-term footing.

"This is the first wave, other hits will come, pipelines will be impacted; the real impact is deep, sudden and brutal. It could take three to five years to recover," he said during his lengthy address at the Summit.

But if Australia pursues the right path through a series of green opportunities, the outlook becomes a lot brighter.

"There's a lot that we can do to rebuild stronger and cleaner," he said, listing a swag of opportunities from the move by heavy industry to run on renewable electricity and green hydrogen; supporting large- and small-scale energy storage projects; and backing local electricity generation and storage.



*Innes Willox, Australian Industry Group*

*"If we get this right, we can meet Australia's international climate change commitments, create jobs in sustainable industries, and set ourselves up for a smoother and speedier shift to a zero emissions economy. The measures to address climate change that we identify would not be anything like the economic shock we're experiencing at the moment."*

Wilcox also proposes an accelerated uptake of electric vehicles by the installation of charging points at strategic locations, the rolling out of smart meters, more mini-grids, and greater energy efficiency.

He was singing from a song sheet that resonated firmly with Summit participants and organisers the Smart Energy Council and RenewEconomy.

We will emerge differently from how we went in six week ago – play our cards right and we will be stronger, Wilcox told the Summit.

“The economic recovery from the virus and the transition required to meet net-zero emissions by 2050 are overlapping issues that should be taken on together.”

## Renewables, Carbon Markets and infrastructure investment

The need to repair, restore and build economy, community and environment with net-zero transition policies was the focus on the address by **John Connor of the Carbon Market Institute**.

“Australia is staring down the barrel at three huge needs, the need to manage an economy, community and environment recovering from last summer’s bushfire crisis; the need to transition to a net-zero emissions economy, and the need to build an economy that’s more resilient and ready for pandemics such as COVID-19,” he said.

Almost 95 per cent of CMI member survey participants – including over a third from emission-intensive companies – think Australia’s current suite of climate policies do not sufficiently assist business in the transition to net-zero emissions.

“From Australia’s resources and the rudiments of climate and energy policy we can quickly evolve policies and build our economy back better ... we have abundant renewable and other energy resources that can manage the transition to zero if not negative emissions energy, transport and industry,” he said.

Connor referenced the potential for tens of thousands of jobs that renewable electricity can bring, with AEMO projections that the grid could handle up to 75 per cent renewables by 2025.

“As such improved renewables policy should necessarily be central to policy solutions – necessary but not sufficient,” he told the Summit.

“We can have a renewables led recovery but we need policy and investment to properly integrate land, climate and economic repair. We

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need to locate net zero carbon goals across the economy. We also need to be careful to avoid perverse outcomes between sectors.”

To achieve this Australian governments need to take some key steps, including a nationally legislated long-term strategy with a goal of net-zero emissions by 2050.

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## Million and more

**Eytan Lenko of Beyond Zero Emissions** says Australia is at a crossroads and that a Million Jobs Plan can help restore the economy and fix many other matters in the process.

“We need to move towards self-reliance by electrifying infrastructure and powering it with cheap reliable efficient Australian sourced renewables. To do this we need to bring forward spending and encourage private sector investment,” Lenko told the Summit.

A trajectory that would bring widespread benefits, as outlined in the organisation’s Million Jobs Plan.

See pages 30 and 31 for more on the BZE Plan.

[www.bze.org.au/the-million-jobs-plan](http://www.bze.org.au/the-million-jobs-plan)

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