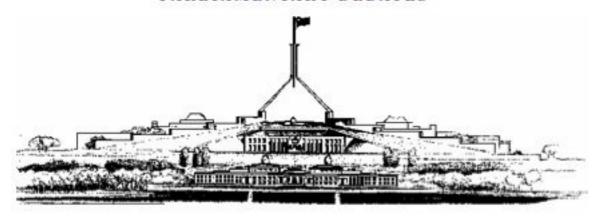


PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES PROOF

ADJOURNMENT

Energy

SPEECH

Thursday, 16 February 2017

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

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Questioner
Speaker O'Brien, Ted, MP

Source House Proof Yes Responder Question No.

Mr TED O'BRIEN (Fairfax) (16:34): The Prime Minister is absolutely right when he says that if Australia is to have a reliable, affordable source of energy for households, for businesses, for hospitals and for schools—to sustain our way of life—then we have to be agnostic about how it is generated.

The simplistic, ridiculous notion from Labor and the Greens is that we close down all coal fired power stations; massively subsidise the construction of wind turbines and solar farms; pay through the nose for it; save the planet; and live happily ever after. But that is not reality. It is not rational; it is a fairy tale.

The reality is that wind and solar are intermittent sources of energy, chronically unsuited to providing baseload power. Wind turbines generate when there is wind, in a particular speed band, and solar only when the sun shines —which is, at best, not even half the time. Neither can be relied on to generate power when it is most needed. That simple, unavoidable fact of life means that there has to be back-up generators either already fired up or that can be brought online very quickly when the wind does not blow, or when it blows too hard or when the sun is down.

And that means you have to have fossil-fuel-fired generators on standby to fill the gap, because that is all there is. Coal can do it, as long as stations are already fired up. Gas can do it, and it can be activated very quickly. So, too, can hydro, but we do not have a lot of that in this, the driest continent on earth.

Some of this equation could change over time in favour of renewables. A lot is being done to improve battery storage and, over time, this may make wind and solar more reliable. But until then we have to appreciate that coal and gas have a crucial role to play in keeping the lights on, in keeping the whole place viable and in keeping energy affordable.

You have to have ultra-reliable base and intermediate generators so that you can meet predictable escalating demand, especially in the morning as the country cranks up and in the evening as people come home from work, do the cooking and turn on the TV. In the heatwaves they turn on the air conditioning and in the winter they warm their houses. All of these changes in activity cause fluctuating demand curves that wind and solar simply cannot reliably meet. So again it comes back to coal and gas to do the heavy lifting—fossil fuels that have to provide base and intermediate generation because, given we do not have nuclear power, it is all there is.

I am a Queenslander and I am proud that my state is one of the most energy-rich places on the planet, based on coal and gas. Coal and gas from Queensland are two of Australia's biggest export commodities and will remain so for at least decades to come, to feed an insatiable demand from the likes of India and China as they seek to bring hundreds of millions of people out of poverty.

Emissions do have to be reduced—we know that. But we can only do that, realistically, over the next few decades, in a significant way, by improving the emissions performance of fossil fuels, and especially coal, as the Prime Minister has made clear, by adopting an agnostic approach that needs to include close consideration of the very latest coal technologies, including ultra-supercritical generators. Queensland, my state, has some of the best thermal coal in the world and an ageing fleet of coal-fired stations that would make it a perfect place to start—to start the planning now for the first such plant in this country, to help make sure we can keep the lights on. The word 'agnostic' is so well chosen by the Prime Minister because, on the one hand, it explicitly speaks to the need for a diversified approach, using multiple energy sources, while, on the other hand, at least to my mind, the word 'agnostic' implies rejection of the near-religious zealotry of those opposite who crusade against fossil fuels, thereby threatening one of our nation's true competitive advantages.