



The Bullroarer - Friday 28 March 2008

Posted by [Big Gav](#) on March 28, 2008 - 8:09am in [The Oil Drum: Australia/New Zealand](#)

Topic: [Miscellaneous](#)

Stuff.co.nz - [NZ Minister of Energy rejects gas lobby claims](#)

Energy Minister David Parker says the oil and gas industry claim that renewable electricity will be more expensive than the gas fired electricity future the gas industry prefers is wrong. "In fact the steep rise in electricity prices that consumers have faced in the last decade has been caused mainly by the rise in gas and coal prices that have forced up the cost of fossil fuelled thermal electricity. To suggest that NZ gas prices will buck that recent history, and the overseas trend of increasing oil and gas prices, is optimistic and wishful thinking from a lobby group whose interest lies in selling more gas."

"It is also undeniable that current and announced new investments by electricity generators prove that they think our renewables are cheaper. They are currently building geothermal and wind power – putting their money on the line. New Zealand has an abundance of renewables. We used to have 90% renewable generation in New Zealand. We can get back there by 2025, by building about 175 MW of renewable energy each year. This year alone we're building around 300 MW. This shows the target is well within grasp. Of course with renewables, once built, their fuel is free. Wind and geothermal steam don't go up in price. The same can't be said of gas. The latest push by the gas lobby to increase gas usage and decrease renewables would also increase NZ's greenhouse gas emissions."

The Oil Drum (ANZ) - [Should Natural Gas Be Used To Power New Zealand ?](#)

NZ Herald - [Govt rejects 50pc power price rise forecast](#)

The Government says claims its energy policy could drive electricity prices up by 50 per cent are incorrect and driven by self-interest. A report by the Centre for Advanced Engineering says electricity prices could rise 40 to 50 per cent, adjusting for inflation, because of the Government's ban on gas-fired power stations and its target for 90 per cent renewable power. The centre - based at Canterbury University and headed by executive director George Hooper - was commissioned to do the report by the Petroleum Exploration and Production Association.

The Australian - [Push to relax rules on oil and gas exploration](#)

RULES hampering oil and gas exploration will be streamlined under a renewed push to bolster the domestic energy industry. The urgent need for the next Bass Strait of crude oil fields, as well as bolstering local gas stocks at a time of unprecedented international demand, has led governments to re-examine the barriers to finding new supplies. Commonwealth, state and territory leaders agreed to start reducing duplication and red tape on exploration and development applications, as well as environmental controls.

Their meeting in Adelaide yesterday renewed the related agreement to address climate change through a national emissions trading scheme and complementary policies that achieve emissions reductions "at least cost". In Western Australia, the hunger for gas is so strong the Carpenter Government has been looking at reserving gas fields to ensure access for domestic users. Australia's local crude oil supplies will run out in the next decade without significant new discoveries.

ABC - [Rubbish to power 20,000 homes: NSW](#)

The New South Wales Government says methane gasses from a landfill site near Goulburn, in the state's south, will be captured and turned into enough electricity to power 20,000 homes. A new contract signed between Energy Australia and the owners of the Woodlawn Bioreactor, Veolia, will see 25 megawatts produced and sold to customers as green power. Garbage from Sydney will be transported by rail to the disused mine site. State Energy Minister Ian Macdonald says the bioreactor maximises gas production and captures the methane produced when the waste breaks down.

The Australian - [BHP rejects cost blowout at Olympic Dam](#)

BHP Billiton says increased power estimates for the proposed expansion of its massive Olympic Dam copper and uranium mine in South Australia are estimates only and the final scope of the project is still being studied. ...

South Australian Premier Mike Rann distanced his Government from investing in BHP Billiton's power needs. He said: "We won't be paying for it, I can promise you that." But he revealed the company was exploring low-emission options, including piping gas from Queensland. Gas-fired power stations produce about 20 per cent of the greenhouse emissions of an equivalent coal-fired power station. Energy sector sources said that a single combined-cycle gas-fired power station producing all of Olympic Dam's power needs would be the largest ever built in Australia.

The Australian - [BHP to use half of state's electricity](#)

BHP Billiton will need nearly half of South Australia's current electricity supply to power its vastly expanded Olympic Dam copper and uranium mine. The mining company wrote to potential suppliers this month revealing that power demand for the mine was expected to top 690 megawatts when it reaches full production in 10 years.

This 30 per cent increase on previous forecasts for the mine 600km northwest of

Adelaide is equivalent to nearly 42 per cent of South Australia's total electricity consumption and nearly half of Adelaide's power supply. An industry insider yesterday described as "staggering" BHP's new power needs, which exceed previous forecasts by 170mW.

The Australian - [Market forces 'will short-circuit power'](#)

AUSTRALIA'S major electricity generators will suggest to Ross Garnaut's emissions trading review today that the application of pure market forces will cause severe disruption to the nation's electricity supplies. Professor Garnaut has proposed that the dirtiest power stations -- three in Victoria's Yallourn Valley and those in Western Australia based on the Collie coalfields -- should receive no assistance in meeting emissions caps when the system is introduced in 2010.

The Australian - [Garnaut warns of fixers](#)

AUSTRALIA'S risk in combating climate change lies in a revival of rent-seekers, political lobbyists and sectional manipulators who hurt our economy for most of the past century, government adviser Ross Garnaut warned last night. He said reducing greenhouse gas emissions was the next battle between economic reformers, who relied upon transparency and competition, and the old Australian impulse to political fixes.

In his dinner speech to The Australian-Melbourne Institute economic and social conference, Professor Garnaut took aim at critics of his proposed emissions trading scheme, particularly those who want emissions permits issued for free. "That approach would have government deciding which firms and which activities should be given permits to emit greenhouse gases," he said. "We once handed out foreign exchange in this way - firm by firm, activity by activity. If this course were to be followed, managers would find it more rewarding to put pressure on government to secure emissions rights than to find and to apply low-emissions ways of going about their business. We wouldn't find enough new ways to reduce emissions at low cost."

An ETS was "a new market established by government decree" that relied upon government coercive powers. As a result, "the rich possibilities for corruption of an ETS" had led many economists to favour a direct carbon tax that was transparent and "much less amenable to manipulation by private interests".

WorldChanging - [Why Giving Away Carbon Permits is a Bad Idea](#)

The Australian - [LNG hub depends on finding operator](#)

NONE of the Browse Basin LNG proponents will be allowed to operate a Kimberley LNG hub under the West Australian Government's proposed model. The multi-billion-dollar privately funded hub is being considered as part of a strategy to avoid piecemeal industrial development on the Kimberley, which is strongly opposed by environmentalists.

SMH - [Desalination plants In 50 year plan](#)

One desalination plant is on the way, and another five may be built to accommodate a booming population and climate change in south-east Queensland. A draft 50-year plan released yesterday seeks to increase the supply of water, and reduce demand for it, to ensure there's enough for a "comfortable, sustainable and prosperous lifestyle".

It means, when the drought breaks, Brisbane and Gold Coast residents may once again wash their cars. The Queensland Water Commission plan wants permanent bans on watering gardens during the heat of the day, rain tanks for all new homes, and water prices that "encourage" conservation. But it also wants to relax current restrictions, aiming for an average household water consumption three-quarters of the pre-drought level, despite current consumption being less than half.

SMH - [Australia to switch off for Earth Hour](#)

Australia's cities are preparing to switch off for Earth Hour. City icons across the country, from Parliament House in Canberra to the Sydney Harbour Bridge, Melbourne's Federation Square and the WACA cricket ground in Perth, will go dark for an hour from 8pm on Saturday. Earth Hour, a climate change initiative aimed at curbing greenhouse gas emissions, started in Sydney last year and has now gone global with 24 cities across the world signed up for Saturday's event.

Greenpeace - [Rainbow Warrior blocks New Zealand coal shipment](#)

This week the Rainbow Warrior marked the start of a six week 'Target Climate Change' tour of New Zealand with an action against the Hellenic Sea, a 60,000 tonne bulk carrier owned by coal exporter Solid Energy.

NZ Herald - [Greenpeace blockade won't cost Solid Energy](#)

Protests have cost Solid Energy tens of millions of dollars but the company has been spared any further financial pain from the Greenpeace coal ship blockade. The state-owned enterprise has been paid for the 60,000 tonnes of coal loaded on to the bulk carrier Hellenic Sea and will not be liable for any penalty caused by the delay of several hours. The ship is now heading for Dunkirk in France after climate-change activists failed to stop it leaving Port Lyttelton on Tuesday.

NZ Herald - [Pay up to \\$88 to ease your climate change conscience](#)

Air New Zealand will offer passengers a voluntary carbon offset scheme that will cost up to \$88 per trip.

In the move to more renewable power, the Government's own analysis suggests the gas used for electricity generation will fall from present levels of 60 petajoules a year to 40PJ. Mr Hall said many gas companies would simply not invest here and would explore elsewhere. One big explorer had already decided not to do any more exploration in New Zealand and two others were considering pulling out, though he declined to name them. "I would expect a substantial reduction in exploration," he said.

However others, such as explorer New Zealand Oil & Gas believe that demand for gas will be boosted sharply by methanol producer Methanex. It is back in the market for as much as 50PJ of gas a year for its Taranaki plant at Motunui. That should more than offset lower demand because of the 10-year Government ban on new baseload gas- and coal-fired power stations. Mr Hall said Methanex would act as a sponge for excess gas with short-term contracts, but that would not be enough to support the investment in new gas fields.

NZ Herald - [Kupe Gas Project to drill Momoho prospect](#)

NZ Herald - [Biofuels drive running out of gas](#)

Growing concern about the merit of biofuels is threatening to derail a Government push to get the new fuels flowing out of petrol pumps in little more than three months. The biofuel bill, now before a select committee, proposes to make oil companies begin selling a small but progressively higher amount of biofuels each year from July 1. But while the bill passed its first reading comfortably, widespread political support is no longer as assured because of worries that the legislation does not deal strongly enough with questions about whether biofuels will come from sustainable sources.



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