

Committee Secretary
Senate Standing Committees on Environment and Communications
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September 22, 2020

Re: Grid Reliability Fund Bill 2020

Dear Committee Secretary
Dear Senators

I am writing on my own behalf, to express my deep dissatisfaction with parts of the proposed bill. Any attempt at shifting funds from clean energy projects to gas projects is entirely out of place at this time and cannot be supported, for the following reasons:

1. Worldwide carbon dioxide emissions need to come down rapidly to reduce dramatic consequences from global warming and climate change. We simply cannot add any more fossil fuel emissions, especially since Australia is already lagging behind with its obligations to reduce carbon emissions.
2. Using gas is an expensive way to generate electricity. Its use is nonsensical from an economic standpoint, as it would drive prices up instead of down. For the benefit of Australian consumers, and especially during economically hard times, we need to bring power prices down, not up.
3. Gas-generated electricity is non-competitive in the electricity market in the medium term, as it is expensive, but power prices are steadily coming down due to the increased share of electricity generated from cheap renewable energy in the electricity market. Investing into gas-generated electricity will undoubtedly lead to costly stranded assets.

Instead, our focus must be on supporting future-proof clean technologies and the associated jobs, based on, or supporting, renewable energy. Examples of such technologies are:

- energy storage (including batteries, pumped hydro, hydrogen generated with renewable energy, and emerging storage technologies)
- providing suitable transmission infrastructure to places of renewable energy generation (renewable energy hubs)
- smart grids (such as intelligent demand response technologies)

I am concerned about the future of our planet (and thus of our children and fellow Australians) if we do not succeed at rapidly reducing our greenhouse gas emissions. Investing in polluting gas projects will make it even harder to achieve our emissions reduction targets.

Thank you for your time reading my submission.

Dr Felix Rauch Valenti