

MINORITY REPORT
Senator John Woodley - Australian Democrats

The Australian Democrats believe that the Committee's Report provides a good outline of the many issues involved in the Eastlink proposal and endorse the Committee's findings. In particular, the Committee's findings and recommendations on the social impacts, the weight of public concern about Eastlink, the unsatisfactory public consultation and Environmental Impact Assessment processes, and the need to ensure adequate and accurate compensation to those effected should be noted.

Additional Recommendation Given the enormous amount of money which will be expended on Eastlink, the Democrats believe the governments involved should reconsider their commitment to the proposal until such time as the concerns outlined in this Report and in these additional comments have been adequately investigated. Such investigations must be open to public input and scrutiny.

Broader environmental consequences

The Democrats believe the evidence provided to the Inquiry shows

- a continuing lack of support by governments or the electricity industry for encouraging the reduction of electricity consumption throughout the community, and
- an ongoing failure to provide serious support or encouragement to alternative energy options, and
- little or no consideration given to the potential impact of Eastlink on greenhouse gas emissions.

The ACF and Greenpeace submission found that Eastlink is highly unlikely to satisfy the Qld Government's resource acquisition criteria. In comparison with the alternatives modelled, Eastlink is the least likely to result in Greenhouse gas savings. There are a number of alternatives which have a higher probability of providing CO2 savings at lower cost than Eastlink.

The question of impact on greenhouse gas emissions hinges on whether Eastlink would mean the ongoing use of coal fired power stations at the expense of options that would mean lower greenhouse emissions.

Health impacts

The Democrats also believe the evidence provided to the Inquiry, particularly by Dr Richard Lubin, on the potential health effects of exposure to Electro-Magnetic Fields was scientific and credible. As a minimum, electricity authorities should abandon their current approach of trying to discount or ridicule such evidence. All future projects which involve the potential of public exposure to EMF should take the possible health impacts into consideration.

The Competitive Energy Market

Changes within the market system were seen as necessary to bringing changes to the electricity industry. The assumption that large centralised power stations and long distance transmission will continue as the dominant technology were seen as underlying Eastlink. It needs to be emphasised that Eastlink is seen by many submissions as not being necessary for effective trading in the competitive energy market.

"Eastlink highlights the changed world of the energy industry. Eastlink and the NGMC are seen as commodity vendors trying to sell more electricity as opposed to the developing of an energy services Market (*Lockyer against Eastlink submission*)

" The majority of customer benefits resulting from participation in the competitive energy market will occur without physical interconnection." "Investment in energy efficiency as an alternative to Eastlink would increase customer choice and could be the beginning of a competitive market in Queensland that treated demand and supply side investments as interchangeable" (*Greenpeace/ACF*)

The ongoing failure of governments and electricity authorities to seriously consider or promote reduction in energy consumption levels throughout the community, or to adequately encourage alternative energy production must be acknowledged.

An investment of public monies of the magnitude which Eastlink requires needs to be justified at least against the next best option. The Democrats believe that the power authorities involved should make available to the public a more detailed cost/benefit analysis of Eastlink- and alternatives to Eastlink.

The scope for benefits from the interconnection of the electricity grids between Queensland and NSW has long been advocated by the electricity industry, Whilst the industry may well benefit, it is less clear how much economic or environmental benefit there is for the wider community

As the submission from Greenpeace and ACI outlined, the majority of customer benefits resulting from participation in the competitive electricity market will occur without physical interconnection. (*Greenpeace/ACF p 2 Para 4*)

Statements at a Committee hearing by representatives from the Federal Department of Primary Industries and Energy clearly illustrated that Eastlink is part of the ongoing implementation of the National Competition Policy. The Democrats' concerns about the negative social consequences, particularly for people in rural areas, of the Hilmer reforms embodied in the Competition Policy have been voiced repeatedly in the Senate and elsewhere. The widespread community concerns about Eastlink are just one more demonstration of the fact that there is the potential for a very big downside to Hilmer and the National Competition Policy.

Conclusio

Until there is a serious commitment to action in these areas, the community will continue to face many more Eastlinks in the future, with an ongoing repetition of the problems that have been identified in this Report.

Senator John Woodley, Australian Democrats