Australian state and federal governments are today pursuing plans that must produce high prices for electricity and gas, electricity blackouts and high risks to petrol and diesel supplies.

Every proposed government energy policy seems designed to create long term energy chaos for Australians. Three foolish policies stand out:

1. **The Emissions Tax Scam**

The silliest energy policy of all is the whole carbon reduction program, with:
- its creation of a costly artificial emissions industry, trading in hot air,
- its taxes on power and fuel costs, and
- its mandates and subsidies for renewable energy speculations and playthings.

Without nuclear power, there is zero chance that windmills, solar panels, water power, hot rocks and ethanol stills can replace carbon fuels to power our cities, cars, factories, farms and transport fleets within the timeframe demanded by the Warmists. There is also no hope that existing carbon emissions from power stations, cement factories, steel works, smelters, vehicles, trains, ships and aircraft can be captured and stored in that time frame. The cuts demanded could only be achieved by politically unacceptable cuts in Australian living standards. This means that they will not occur.

Therefore the sole result of the whole carbon scare campaign will be to add a large but unpredictable tax burden to the cost of all energy (to buy emission permits or pay penalty taxes). It is merely a tax grab and will do nothing to reduce the warmth of the atmosphere, even if that were a desirable or achievable goal.

(It could even be worse than that if we join an international scheme whereby Australian power consumers have to fund the purchase of emission permits from foreigners. That way, the only beneficiaries of the Emissions Tax are foreigners).

“If we overdo wind, we are going to put up the price of electricity and that means more people will fall into the fuel poverty trap.”

Sir David King, former chief scientific adviser to the UK government.

BBC News, 4 September 2008

http://news.bbc.co.uk/1/hi/uk/7596214.stm
2. Encouraging the Waste of Gas Resources.

The next silly aspect of current energy policy is one that mandates the use of gas for base load electricity generation on the false claim that the gases produced by burning natural gas are preferable to the gases formed by burning natural coal. This is a nonsense argument – coal and gas are natural hydrocarbon products. When burnt, both carbon fuels produce the same two “greenhouse” gases (water vapour and carbon dioxide). And water in all of its forms has far more influence on climate than the tiny amounts of CO₂ in the atmosphere.

These gases are not pollutants, and they do not drive climate change, but they are food and drink for all life on earth.

“CO₂ causes global warming like wet roads cause rain”.

Natural gas and coal seam gas are normally too valuable to waste in base load power stations when ample coal is available for this purpose. Gas is far more valuable for chemical feedstock, peak load power stations, and for easily transportable fuel for vehicles, boats and the backyard barbecues. Normal cars won’t run on coal, but they will run on gas. Our extensive gas resources could deliver more value to Australia by reducing our reliance on imported petroleum and earning export income.

Forcing power companies to use more gas instead of cheaper coal is going to force up the price of gas, increase the price of electricity, and do nothing useful for the environment. Gas is a fine fuel, and should be allowed to compete for markets in any application, but governments should not encourage its waste with legislative mandates and subsidies in its favour.

3. Reducing Energy Security

Finally, Australia’s energy policies pose a severe threat to future energy supplies and security. In case it has escaped the notice of politicians, Australia does not run on sunbeams and sea breezes – it runs on carbon fuels – coal, petroleum products and natural gas. Every bit of food relies on diesel tractors, diesel harvesters, diesel road trains, diesel and electric locomotives, diesel trucks, diesel or electric water pumps, helicopters running on avgas and quad bikes drinking petrol. Forestry, fishing and mineral extraction also run on carbon fuels for boats, trucks, dozers, drilling rigs, land-cruisers and electric power. The jet aircraft that power the tourist industry guzzle kerosene. The suburbs move on petrol. All are carbon fuels.
The only other proven, reliable and politically accepted energy source in Australia is hydro power. But it will not move our cars or road trains, and any expansion will be opposed by the same mob for the same reasons.

Australia is the most decentralised and isolated country in the world. It relies totally on efficient internal and international transport. It is too late to go back to the “green energy” represented by draught horses, bullock teams, sulkies, sailing ships, pit ponies and the Light Horse Brigade. Without coal and petroleum fuels, outback Australia closes down, city Australia starves and our defence forces are totally immobilised.

However, every year, less oil is produced in Australia and more oil is imported from unstable and unfriendly countries. Too much land is closed to exploration, and every Australian coal mine or oil shale development has to run a gauntlet of opposition and delay.

Once upon a time, energy supplies were largely in the hands of the West, and our oil supplies came from safe sources, on safe oceans, protected by Anglo-American Navies. That is no longer the case. Other navies and pirates now roam our seas. And the Big Sisters now control just 13% of oil resources – the rest is controlled by governments, many of whom are openly or latently hostile to the West.

“When it comes to action over Georgia, Russia has the European Union over a barrel - in fact, over 1.2 million barrels”.

International Herald Tribune, 29 August 2008

The movement of a few Russian tanks into Georgia has woken the dreamy Europeans. They suddenly see the extreme danger of their anti-coal, anti-nuclear policies, which have forced places like Germany into a heavy reliance on imported Russian oil and gas.

“This is the energy election. It will determine our future peace and prosperity. And Alaska Governor Sarah Palin has the energy answer:

Our abundant country can produce more energy at lower cost if government gets out of the way.”

Larry Kudlow, National Review 3 September 2008
http://article.nationalreview.com/?q=NzYyMmU0ODE1ZjFIMjZkODcwNTdiOTg5YjI4ODdlYWI
Australia could awake one morning to a similar alarm. The Middle East, Nigeria or Venezuela could erupt in one day; Russian oil and gas could be turned off overnight; one warship could block the Strait of Hormuz; or an oil tanker could go aground or be subject to terrorist attack on the Barrier Reef or at the entrance to Sydney Harbour.

All of these risks pose more threat to Australia and the environment than to explore for, develop and produce coal, oil and gas from any part of our land or continental shelf (including sedimentary basins east of the Great Barrier Reef).

For too long our energy security has been damaged by extreme environmentalists who oppose, hinder and delay exploration and development of every feasible energy source with bans, moratoriums, scare stories and never-ending public enquiries.

As a result of the obstacles to exploration and resource development in Australia, Australian geologists, engineers and drillers are busy in places like Mozambique, Mongolia and the Middle East.

They could be at home, ensuring an energy future for Australia.