

**Submission  
No 18**

## **SUSTAINABILITY OF ENERGY SUPPLY AND RESOURCES IN NSW**

**Name:** Ms Melisse Reynolds

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Dear Committee,

Please accept this submission on the Inquiry into the Sustainability of Energy Supply and Resources in NSW. I acknowledge that major energy changes are underway globally, and these relate to Australia as well.

Regional communities look for long-term support to pursue emerging economic opportunities, like renewable energy.

This coal and gas policy impact social, economic and environmental situations. The Committee should consider the environmental, economic and social costs of burning coal and gas for electricity and how renewable energy can improve air quality, lower electricity prices and strengthen regional economies. Coal mining and burning are two of the chief causes of poor air quality in the Hunter region, which is damaging people's health. Coal mining and burning consume large volumes of water. In times of drought, our energy systems are vulnerable because they rely on water, and the demand from coal also impacts on other water users, especially agriculture. The opening of gas exports from eastern Australia and introduction of high cost coal seam gas to the market has driven up gas prices and expensive gas is making the price of electricity for households and businesses unsustainably high. Annual emissions from NSW coal exports, when burnt in overseas power stations, are approximately triple NSW's annual domestic greenhouse emissions. This gives New South Wales a global role to play in tackling climate change.

Experiences in other regions include the unmanaged and unplanned coal closure in the Appalachia region in the United States which was "characterised by short-term, reactive and fragmented responses to closures of coal mines, resulting in entrenched, intergenerational poverty and social dysfunction." In stark contrast, in the German Ruhr Valley, a decision was taken in 2007 to manage the adjustment over an eleven-year period, involving communities, stakeholders and unions in an orderly process. Germany's dedicated Coal Commission, made up of workers, companies, experts and environmentalists, has now released a plan with funding and environmental protections. Lessons from elsewhere in Australia, including the La Trobe Valley and Port Augusta, have highlighted that worker assistance and support for re-training and re-employment is crucial.

New opportunities need to be acted on. There are opportunities to diversify regional economies, such as the Hunter region, using the skills and assets it already possesses. However, this will only be achievable if support is provided to start preparing for the changes now. Expert research has shown that if action is taken now to prepare for change, and a clear plan is developed, the Hunter region could see 595 more new jobs created than are lost from coal mining and local wages and salaries increase by \$315 million in 2040. This scenario builds on the region's existing strengths in the agriculture, wine-tourism and manufacturing industries and on the strong skills base already present of machinery operators and drivers and technicians and trade workers. Replacing coal power stations and rehabilitating their ash dams can also bring new jobs and affordable energy to the Hunter region with targeted support. Raising the standard of mine rehabilitation can provide a crucial jobs "bridge" for coal workers while new industries are building. However, adjusting regional economies is a big job and it is not easy – regional communities have been seeking major government investment and strong diversification planning, with direct community participation and leadership.

I'd like to see detailed regional planning, driven by communities, and strong public investment to seize new opportunities and prepare our economies for the long-term.

I definitely don't want to see NSW open up coal seam gasfields or pursue new coal mines, let alone in our best farming country. Mining is polluting our air and draining our water at an alarming rate.

In regional areas we are already dealing with the impacts of climate change in the form of more extreme heatwaves, droughts and bushfires.

NSW needs to choose a new path that is focussed on preparing us for the future and which ensures that regional areas are at the forefront of emerging economic opportunities in renewables, agriculture and manufacturing.

I note that globally many of the customers the NSW supplies coal to are already shifting to renewable energy, and that creates substantial uncertainty for the coal mining industry here. Four power stations here are also scheduled to close down over the two decades.

Regional communities should not be subject to economic shocks and negative impacts from changing markets and a failure by our governments to lead and to plan.

We need to plan now to prepare for these changes, and to ensure that there is support for workers and a strong plan for new industries and new opportunities.

Please back substantial public investment into our regions and community-driven diversification plans, especially in the Hunter Valley, and fast-track plans for renewable energy and storage to prepare us for the long-term.

Concerned,  
Melisse