



Fossil Fool Bulletin

Fossil fools in the spotlight this week: A resource for people working to end the fossil fuel era in Australia

Published by Eve Sinton • fossil.fool.bulletin@gmail.com

FFB 1:23 • 8 MAY 2018

Acland Stage 3: Residents vow to fight on

Oakey Coal Action Alliance and Farmers for Climate Action have vowed to fight on to protect farmland and water resources, after a decision by the Supreme Court last week in relation to the Acland Stage 3 coal mine on the Darling Downs.

Paul King from Oakey Coal Action Alliance said “New Acland Coal failed on the majority of the grounds that it brought forward as part of its judicial review in the Supreme Court.

“Whilst the decision today in no way approves the mine, it refers it back to the Land Court on the basis of a couple of grounds raised by New Acland Coal.

Groundwater issues not fully considered

“The part of the decision that most concerns us is the finding that the Land Court did not have the power to fully consider groundwater issues.

“This raises major issues and recasts the way that environmental law relating to water issues has been understood in Queensland for a long time.

“On the ground of apprehended bias that was also raised by New Acland Coal, we are pleased that the judgement found that the original Land Court decision was fair and there was no finding of apprehended bias.

“We are currently still reviewing the very lengthy decision and taking further advice on it.

“This is a long fight and our farmers and local community are committed to seeing it through to the end, until we can obtain permanent protection for the land and water resources we rely on” he said.

Farmers for Climate Action (FCA)



A blasting operation at Acland Mine. Photo: Farmers for Climate Action

said Supreme Court Justice Bowskill rejected 32 of the 35 objections raised by the mine proponent, returning only three to the Land Court for further consideration.

FCA Queensland Coordinator, Michael Kane said, “Farmers for Climate Action stand in solidarity with the Acland community. We are deeply concerned for the well-being of the farmers and their families who have now fought the expansion of the New Hope coal mine for over a decade.

“We had hoped that today’s decision would put a final end to the division and pain the Acland coal mine has caused the community, however, we remain hopeful that the matter will

soon be resolved and the local community will finally be free to get on with their lives and livelihoods without the prospect of a coal mine polluting or consuming their homes, land and resources.

“Farmers for Climate Action remain confident in the findings of the original Land Court judgement.

Towns destroyed, polluted

“We call on the Government to issue no licenses or further approvals to the Acland coal mine, a mine that has already destroyed the township of Acland, polluted the township of Jondaryan and now further threatens prime agricultural land.”

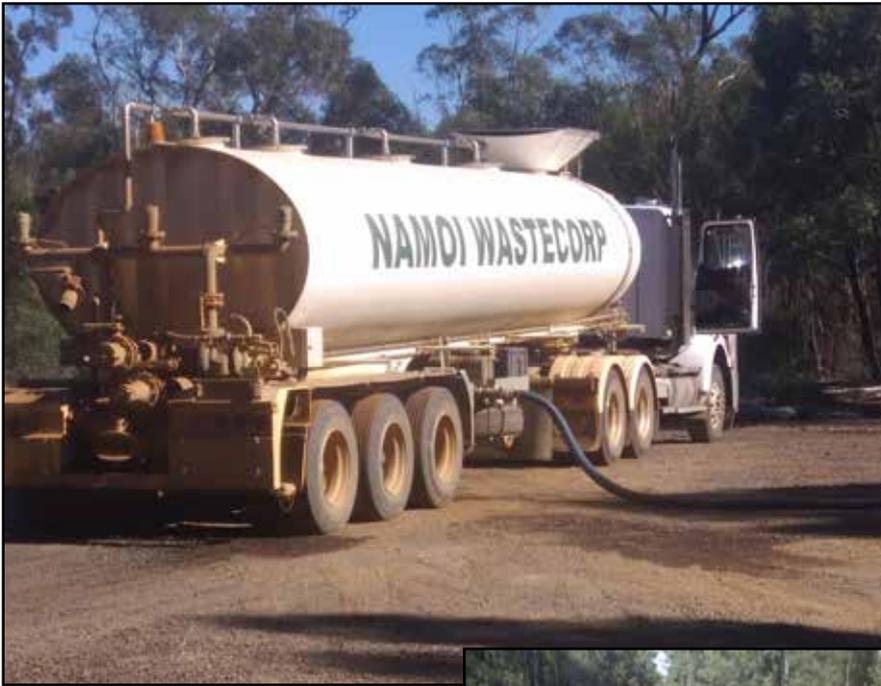
FFB

• P 2: CSG wastewater dumped on roads

• P 3: Gas industry hurt PNG – with Aus help

• P 4: Santos targeted in two cities

Untreated wastewater dumped on Pilliga roads



Pilliga protector Dan Lanzini observed untreated CSG waste water being sprayed in the Pilliga Forest last week.

“At dawn I found Xline Rd was wet as I drove past. Then I found the truck pulling out of Pilliga Forest Way, so we spent the next few hours in the forest.

“He was filling up around Biblewindi, taking the water to Pilliga Forest Way to be used for regeneration – and dumping as much as he could on the way.

“This is standard operating procedure for the unconventional gas industry.”

Dan’s observations follow witness accounts of CSG produced water being sprayed on roads in the Darling Downs last month. A gasfield tour group saw an unmarked truck, with no registration plates, spraying water from the Santos Fairfield gasfield onto sealed roads nearby.



If you can help Dan with fuel and associated costs please donate to his ANZ account, BSB 013 011, Account 7654 50732.



A short educational film on the shale gas rush in the Northern Territory

Featuring Eddie Mason and Heleana Gulwa from Protect Arnhem Land, Gadian Hoosan, Nancy McDinny and Asman Rory from Borroloola in the South West Gulf of Carpentaria, Daniel and Shannon Tapp from Big River Station in the Roper and Marjorie Braedon from Wattarka Kings Canyon.

Produced by Lauren Mellor and Boudicca Cerase edited by Cloudcatcher Media for Lock the Gate Alliance, 2015.

<https://vimeo.com/122897319/description>

Fiona Wilson fundraiser

Gas industry whistleblower Fiona Wilson is still battling her incarceration and forced medication by Queensland’s Fixated Persons Unit. Fiona’s story was told in FFB1.2 and FFB1.13. She needs to fund about \$30,000 in legal costs.

If you can help, click the link below:

<https://www.gofundme.com/barrister-needed-for-fiona-wilson>



THE TOWN THAT SAID NO TO AGL

\$25 plus \$9 postage in Australia.
gloucesterbookorders@gmail.com

ORDER YOUR COPY NOW!

\$25 if collected from Gloucester Health Foods. Add \$9 for postage Australia-wide. gloucesterbookorders@gmail.com

SACRIFICE ZONE



<https://vimeo.com/257444267>

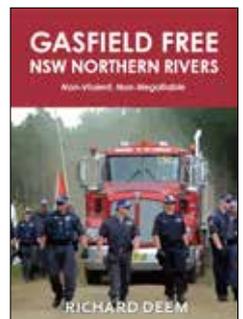
Interview: CSG on the Darling Downs

Karen Auty talks about the CSG water that goes into the Chinchilla drinking water supply, the health impacts on gasfield residents, the visits by politicians and government reps who then do nothing to help, the buyouts, the make good agreements, the industry and its private health service plus more.

Recommended listening!

<https://soundcloud.com/nwpa/karen-auty-interview-150318-in-chinchilla>

A struggle against the imposition by force of a CSG industry.



E-BOOK \$3.99 from:

https://play.google.com/store/books/details/Richard_Deem_Gasfield_Free_NSW_Northern_Rivers?id=wjsdDQAAQBAl

<https://www.amazon.com/dp/B01H4WU0L0>

<https://store.kobobooks.com/en-us/ebook/gasfield-free-nsw-northern-rivers>

<https://itunes.apple.com/au/book/gasfield-free-nsw-northern/>

Double or Nothing: Report exposes how gas industry harmed Papua New Guinea economy

A new report on the economy of Papua New Guinea will reopen the case for the Australian government to be held accountable for the negligent decision to lend AU\$500 million taxpayer money to the PNG-LNG project.

Jubilee Australia's new report, 'Double or Nothing: The Broken Economic Promises of PNG LNG', is co-authored by Paul Flanagan and Dr Luke Fletcher. Paul has worked for the Australian government in senior executive positions and with the PNG Treasury where he was Team Leader and Senior Advisor to the SGP Program from February 2011 to August 2013. Luke is the Executive Director of Jubilee Australia.

Summary of findings:

- Despite predictions of a doubling in the size of the economy, the outcome was a gain of only 10% and all of this focused on the largely foreign-owned resource sector itself;
- Despite predictions of an 84% increase in household incomes, the outcome was a fall of 6%;
- Despite predictions of a 42% increase in employment, the outcome was a fall of 27%;
- Despite predictions of an 85% increase in government expenditure to support better education, health, law and order, and infrastructure, the outcome was a fall of 32%; and
- Despite predictions of a 58% increase in imports, the outcome was a fall of 73%.

PNG LNG is an Exxon-led project which supplies about 8 million tonnes of LNG a year to Japan, South Korea and China. It is projected to run for 30 years.

Australia chipped in \$500m

In 2009, Australia's Export Credit Agency, Efic lent AU\$500 million to Exxon, OilSearch, Santos and the Government of PNG. Efic's decision was based on advice from DFAT provided to the then-Minister for Trade, Simon Crean. This is the largest loan ever made by Efic.

"In 2008 Australian economics consultants, ACIL-Tasman provided inflated projections of growth in employment, essential services, household income



Hides wellpad, PNG. Photo: Santos

and the broader economy if the PNG LNG project went ahead. This new analysis proves just how misleading these promises were and how PNG has slipped back into the poor policies associated with the resource curse.

PNG would have been better off had the project not happened at all

"Currently, on almost all economic indicators, the people of PNG would have been better off had the project not happened at all," said Paul Flanagan.

"Australia's Export Credit Agency, Efic is an agency that is out of control. It has deplorable due diligence and accountability; as a result, it makes decisions like this that not only undermines the livelihood and prosperity of our neighbours in PNG, but also our own nation's security," said Dr Luke Fletcher, Executive Director of Jubilee Australia.

"The Australian government continues to withhold the secret advice that was used by Efic to loan AU\$500 million of taxpayers money to Exxon and its project partners.

"In light of this damning new evidence of economic regression, the advice provided to Trade Minister Crean in 2009 which recommended Efic support the PNG LNG project should be released alongside all related risk analysis.

"Exxon and Oil Search should be paying half a billion dollars (AUD) to the PNG government every year, since the

gas started to flow in 2014. Instead, they are paying a fraction of this amount, partly because of their use of tax havens in the Netherlands and the Bahamas.

"Unless there is greater accountability on the use of foreign loans and a crack down on the use of tax havens by companies like ExxonMobil and OilSearch, the pattern of Australian governments and corporations causing harm to our region simply to create profits for big business will continue," concluded Dr Fletcher.

'Double or Nothing' is the first of two papers on the PNG-LNG pipeline that has been commissioned by Jubilee Australia. The second paper will discuss the unpaid royalties and development benefits and the escalating violence as a result of the PNG LNG project. (See media reaction p8.)

Jubilee Australia: www.jubileeaustralia.org



Santos draws flack in Adelaide, Brisbane

News this week



Adani “is unable to provide a viable or bankable coal off-take agreement for Adani Enterprises Ltd for the Carmichael proposal in Australia”, said a report by US-based institute IEEFA. “If the next 12 months are only half as bad as the last year, Adani Power Ltd will end up with negative total equity (in other words total liabilities will exceed total assets and it will be technically insolvent),” IEEFA said.

However, The Australia Institute’s **Richard Denniss** warned the **Adani mine won’t die** until “the last generation of climate-sceptic fiscal conservatives to fill our parliament” have gone.

The **Coalition’s rabid pro-coal agenda** drew a spate of attacks on **Energy Security Board** chairwoman **Kerry Schott**. Dr Schott had stated there was no longer an investment case to build new coal-fired power stations in Australia.

Coal tragic **Matt Canavan** used his resources ministerial position to demand an explanation of her comments. Monash Forum members **Craig Kelly** and **Barnaby Joyce** added their voices to the fury. They were joined by **Minerals Council of Australia** executive **Greg Evans**.

Meanwhile another of Matt Canavan’s **\$6 million giveaways** to gas companies came under scrutiny, as **Crikey’s** Glenn Dyer questioned why **Beach Energy** needed the dosh when it was rolling in “free cash generation” and could easily have paid for the subsidised Katnook plant itself. It is also possible Beach could sell Katnook – but would it return the \$6m?

While **Centrelink** recipients are chased for every cent of alleged over-payments, the same rigour doesn’t apply to Canavan’s lucky **gas lottery** winners. Beach energy is part of media magnate **Kerry Stokes’** empire.

In a worrying development in the UK, it was revealed that **British police** are targeting **anti-fracking campaigners** in the same way as **terrorists**. Given our current government’s ever-expanding agenda to spy on Australian citizens, this is likely to spill over into our own land.



Santos held its AGM in Adelaide last week.

Farmers and Indigenous people turned to let the company know its proposed Narrabri gasfield in NSW is unwelcome (Photo: Lock the Gate).

Questions were asked about deficiencies in the Environmental Impact Statement for the project, and the company’s inadequate response to the record number of objections.

A group of Knitting Nannas Against Gas trekked by train and on foot to the Santos Brisbane HQ. They entertained passers-by with songs and a Nanna chat about the company’s coal seam gas projects. (Photos: Gwilym Summers)

FFB



FFB

In the news this week:

This week Fossil Fool Bulletin has summarised 17,000 words of news for your convenience. Click on the [links](#) to view original articles. (\$) = subscription may be required

THE ADANI SAGA

<https://www.themonthly.com.au/issue/2018/may/1525096800/richard-denniss/why-adani-won-t-die>

Why Adani won't die

Richard Denniss, *The Monthly*, 01/05/2018

The Carmichael coalmine is as much about symbols and interests as it is about jobs and money...

While some environmentalists and bankers have been saying for years that the Adani coalmine will never be built, the project just won't die. ...

Nobody believes that the Adani mine will create the "10,000 jobs" so frequently claimed by Adani and their parliamentary boosters, let alone the "tens of thousands of jobs" our current prime minister said it would create. How can I say that with such confidence? I was in the witness box at the Queensland Land Court the same day that Adani's own economic expert ridiculed the 10,000 jobs claim. Indeed, in responding to criticism from yours truly, Dr Jerome Fahrer said, under oath, "[i]t's not many jobs. We can agree on that ... Not many jobs ... No argument. Not many jobs." But while lying to a judge is a crime, many in the mining industry think lying to the public is funny. As soon as the court case was over, Adani and its boosters returned to the "10,000 jobs" claim. We have departed the age of reason and entered the age of truthiness.

The claim that the Adani mine will provide the revenue needed to fund schools and hospitals is even easier to debunk. Leaving aside the fact that the Queensland government gets more revenue from car registrations and parking fines than it does from coal royalties, Adani has secured a "royalty holiday" that means it wouldn't even have to pay them for its first five years.

Resources Minister Matt Canavan and the rest of his Coalition colleagues went out of their way to pick a symbolic fight about coal. Throwing public money at Adani, throwing public money at coal-fired power stations and literally handing lumps of coal around the parliament are all symbolic acts designed to make clear to the public whose side the government is on and who its opponents are. ...

The Adani mine was supposed to be a



Far North Queensland Frontline Action on Coal together with Bill McKibben, founder of 350.org, snorkelled the coral graveyards at Opal Reef last week. McKibben is currently on a speaking tour of Australia. Photo: Frontline Action on Coal

symbol in the fight between those who want to "develop" Australia and the environmentalists who oppose "development" ... whatever that means. Instead it has become a symbol of the hubris and hypocrisy of the last generation of climate-sceptic fiscal conservatives to fill our parliament. And no matter what happens to the world demand for coal, the Adani mine isn't going away until they do.

• Richard Denniss is the chief economist at the Australia Institute.

<http://www.miningmonthly.com/investment/international-coal-news/1337529/adani-makes-dow-mining-ceo>

Adani makes Dow mining CEO

Mining Monthly, 03/05/2018

Adani has appointed BHP Billiton Mitsubishi veteran Lucas Dow CEO of its mining division in Australia making him instrumental to laying the groundwork for its \$16.5 billion Carmichael project in Queensland.

Dow would report to Adani Australia CEO and country head Jeyakumar Janakaraj, an Adani spokesperson told the *Daily Mercury*. ...

Dow also had consulting roles and was in charge at BMA during 2013-15

when he needed to put off 700 workers in Queensland at the end of the coal boom. ...

<https://www.dailymercury.com.au/news/disguised-adani-flyer-distributed/3400454/>

Disguised 'Adani' flyer distributed

Daily Mercury, 30/04/2018

Flyers disguised as advertising for mining company Adani have been distributed in Bowen during the superboat event on the weekend.

The flyer, complete with the Adani logo, asks for people to contact their local MP and tell them the company needs "free money, water, coal, profits and land". ...

<http://www.zeebiz.com/companies/news-adani-power-unable-to-provide-viable-coal-off-take-agreement-for-carmichael-report-45518>

Adani Power unable to provide viable coal off-take agreement for Carmichael: Report

Zeebiz.com, 04/05/2018

Adani Power Ltd is unable to provide a viable or bankable coal off-take agreement for Adani Enterprises Ltd for the Carmichael proposal in Australia,

a report by US-based institute IEEFA said on Friday. Its analysis came a day after Adani Power Ltd, a part of Adani Group, announced its financial results for the quarter and financial year ended on March 31. The US \$317 million net loss would have been worse except that Adani Power Ltd turned off most of its imported coal-fired power plants for much of the last quarter, renegotiating on power supply contracts in the process, the Institute for Energy Economics and Financial Analysis (IEEFA) said. Net debt is totally unsustainable at \$7.4bn against shareholders equity of just \$133 million, before pending writedowns deemed unnecessary by directors. ...

The result neither makes reference to APL's already delayed \$2bn greenfield imported coal-fired power plant proposal at Godda nor its \$2bn expansion of Udupi import coal-fired power plant. Absent a multi-billion dollar capital raising, neither project can proceed, in IEEFA's view, i.e. stranded assets. ...

IEEFA said revenue and fuel costs of Adani Power Ltd for the year have declined due to the decision to stop operating much of the unviable Mundra power plant, which particularly impacted the final quarter of the year.

Due to the Mundra shutdown, Adani Power's average plant load factor (similar to utilisation rate) dropped to 55 per cent from 70 per cent in the prior year. For the final quarter, the average plant factor load dropped to 37 per cent.

Adani Power's total debt remains unsustainably high at \$7.4bn, it said. In another bad sign for the company, the net current liabilities have increased to \$2.1bn from \$1.8bn in the prior year.

The company's total equity has reduced to \$133m. "If the next 12 months are only half as bad as the last year, Adani Power Ltd will end up with negative total equity (in other words total liabilities will exceed total assets and it will be technically insolvent)," the IEEFA added.

COAL ROCKS ON

<https://www.commercialrealestate.com.au/news/mining-company-pembroke-buys-queensland-cattle-stations-for-50m/>

Mining company Pembroke buys Queensland cattle stations for \$50m

Larry Schelisnger, AFR, 16/04/2018

Coal miner Pembroke Resources has beaten local and offshore agricultural investors to acquire the well-known

Iffley, Deveril and Twenty Mile cattle stations near Moranbah in central Queensland for around \$50 million.

Pembroke, which is backed by global private equity group Denham Capital, acquired the 41,500 hectare aggregation from the Australian arm of US coal miner Peabody Energy. Peabody put the three cattle stations up for sale in April last year at the same time as it exited Chapter 11 bankruptcy protection in the US. ...

<http://www.abc.net.au/news/2018-05-02/new-acland-coal-mine-expansion-back-on-the-table/9718230>

New Acland coal mine expansion back on the table after Land Court decision rejected

Kirrin McKechnie & staff, ABC, 02/05/2018

The Supreme Court in Brisbane has rejected a Land Court decision that had recommended scrapping the expansion of the New Acland coal mine on Queensland's Darling Downs.

More than 60 landholders have been fighting the mine expansion, claiming it would ruin prime agricultural land.

The Land Court last year found in their favour, saying the risks to groundwater were too great.

But today the Supreme Court rejected that decision and sent the matter back to the Land Court for further consideration of issues including social impacts, noise and groundwater.

The mine's owner, New Hope Corporation, has issued a statement, saying it welcomed the judgement. ...

Outside the court, soil scientist Dr John Standley said he was flabbergasted by today's decision. ...

<http://www.couriermail.com.au/business/new-hope-for-900-at-risk-acland-coal-mine-workers-after-supreme-court-referral/news-story/7989c207537062636b-4d998e04b99331?login=1>

New hope for 900 at-risk Acland coal mine workers after Supreme Court referral

John McCarthy, Courier-Mail, 02/05/2018

The Supreme Court has breathed life into the controversial Acland coal mine after it set aside a recommendation from the Land Court to scrap the \$900 million expansion which put at risk about 900 jobs. ...

The mine had been opposed by some landowners who feared the project would deplete their groundwater making their farms unviable, but residents of the nearby town of Oakey have been strongly supportive.

<https://www.theaustralian.com.au/national-affairs/new-coal-power-stations-no-match-for-renewables/news-story/898637a898cb4b119313063a4813af5c>

New coal power stations 'no match for renewables'

Ben Packham & Greg Brown, The Australian, 04/05/2018

The architect of Malcolm Turnbull's signature energy blueprint says there is no longer an investment case to build new coal-fired power stations in Australia because "the cost of coal is always going to be more than the cost of wind and sun".

The comments by Energy Security Board chairwoman Kerry Schott sparked a furious response from the Coalition's pro-coal Monash Forum, but were backed by Energy Minister Josh Frydenberg, who said new coal stations faced "an uncertain utilisation rate and return on capital". ...

<https://www.theaustralian.com.au/business/mining-energy/shutdown-of-sas-last-coal-fired-power-station-killed-port-augusta-community-says-council/news-story/4505dfc2aa967e0fa7a1fdb477eaf5>

Shutdown of SA's last coal-fired power station killed Port Augusta community, says council

Michael Owen, The Australian, 04/05/2018

The shutdown of South Australia's last coal-fired power station highlights the failure of governments, compliance agencies and regulators to protect and support local communities, Port Augusta City Council says.

In a scathing, 22-page submission to a Senate inquiry, the council outlined a litany of alleged shortcomings after Alinta announced in 2015 it was shutting the 60-year-old plant — partly because of the rapid rise of renewables — that had been the lifeblood of the region, 300km north of Adelaide.

The plant closed in May 2016 and demolition, which started two months later, was still blanketing the regional city this year, with ash and dust when it is windy, causing breathing problems and asthma attacks. ...

<http://www.couriermail.com.au/news/opinion/coal-comfort-as-mine-wait-takes-heavy-toll/news-story/e1c15e-86126a7b45a29f284d6ce78691>

Coal comfort as mine wait takes heavy toll

John McCarthy, Courier-Mail, 04/05/2018

For 11 years, five governments and four environmental impact statements, New Hope has spent millions of dollars trying to get through Queensland's approval system.

Its effort beats Adani's tortured existence by a few years and the odd EIS. On the other side of the debate, Oakey's small army of landowners have faced similar frustration and delay. ...

<http://www.couriermail.com.au/business/new-hope-for-miner-after-judge-speaks-out/news-story/94c3b-1525495286cb6f5f5296128a74f>

New Hope for miner after judge speaks out

John McCarthy, *Courier-Mail*, 04/05/2018

New Hope is likely to ask for another judicial officer to hear its case in the Land Court after a judge strongly criticised the findings of member Paul Smith.

The Supreme Court this week set aside the Land Court's recommendations to not approve New Hope's mining lease at the New Acland expansion, and will send the case back to the lower court for another hearing.

Industry sources said the 122-page New Hope judgment from Justice Helen Bowskill was a slapdown for the Land Court.

Although she found there was no apprehended bias in the decision by Member Smith, she said the reasons he gave for his decision "give the impression that many of his personal thoughts and feelings about the case and the participants in it are expressed in the reasons, unnecessarily and undesirably." ...

<https://www.theguardian.com/environment/2018/may/03/shift-to-renewables-would-save-australians-20bn-a-year-report>

Shift to renewables would save Australians \$20bn a year – report

Ben Smees, *The Guardian*, 03/05/2018

A total shift to renewable energy would pay for itself through cost savings within two decades, and ultimately save Australians \$20bn a year in combined fuel and power costs, a new report says.

The report, released on Thursday morning, outlines a path to powering homes and businesses from renewable sources by 2030. By 2035, 40% of transport could be emissions free, it says.

Nicky Ison, the report's co-author and a founding director of the Community Power Agency (CPA), said that despite political sparring over energy policy, momentum behind renewables can only be slowed by policymakers, not stopped. ...

GAS, GAS, GAS

<https://www.chinchillanews.com.au/news/farmers-gain-funds-to-install-water-monitoring-gear/3401294/>

Farmers gain funds to install water monitoring gear

Brooke Duncan, *Chinchilla News*, 30/04/2018

Landholders in the Surat Basin can receive a subsidy for up to 75 per cent of the cost of installing water monitoring equipment on their bores.

A new grant, provided by Origin Energy, is available through the Queensland Murray-Darling Committee (QMDC) as part of the Groundwater Net program for landholders who contribute data on water levels to the government.

QMDC chief executive Geoff Penton said the project came after the committee received feedback landholders wanted to be involved in the monitoring program but lacked the equipment to participate. ...

<https://www.westernstarnews.com.au/news/basin-hot-lng-property/3401665/>

Basin hot LNG property

Alexia Austin, *Western Star News*, 30/04/2018

The Surat region continues to be a popular LNG destination, with Santos' announcing the successful start-up of the Scotia CF1 project on Thursday.

The project, situated in the Bowen Basin near Roma, will significantly boost gas supply to the Santos GLNG project - benefiting both the east coast domestic gas and export LNG markets. ...

Mines Minister Anthony Lynham welcomed the commissioning of the Scotia Project. ...

<https://www.echo.net.au/2018/05/farmers-indigenous-leaders-confront-mining-giant-santos-agm/>

Farmers and indigenous leaders confront mining giant Santos at AGM

Paul Bibby, *Echonet Daily*, 03/05/2018

NSW farmers and indigenous leaders are confronting mining giant Santos over its proposed Narrabri coal seam gas scheme at the company's annual general meeting in Adelaide today.

The group is furious at Santos's plan to drill 850 gas wells throughout the Pilliga, a vast area near the north-west NSW town that includes native forest and farm land. ...

<https://www.theland.com.au/story/5367687/accc-to-shake-up-dysfunctional-gas-market/>

ACCC gas market move to help local buyers do deals

Mike Foley, *The Land*, 27/04/2018

East coast gas prices have eased, taking some of the pressure of large commercial and industrial customers, but the opaque gas market is still dysfunctional, according to the Australian Consumer and Competition Commission. ...

The ACCC plans to publish the netback price of liquefied natural gas exports, which are flowing to Asia from the Gladstone's LNG hub. ...

The netback price is calculated by taking the price for LNG delivered to an importer and subtracting ('netting back') the costs of converting gas to LNG and shipping.



Greenpeace NZ obstructs seismic survey. Photo: Greenpeace NZ

https://www.nzherald.co.nz/hawkes-bay-today/news/article.cfm?c_id=1503462&objectid=12042049

Greenpeace head Russel Norman pleads guilty to obstructing oil survey ship

Sam Hurley, *NZ Herald*, 30/04/2018

Greenpeace executive director Dr Russel Norman and a climate activist have pleaded guilty to attempting to obstruct an oil industry survey ship off the coast of New Zealand, forcing it to stop its seismic blasting work.

The former Green Party co-leader and Sara Howell swam in front of the Amazon Warrior as it searched for oil off the Wairarapa coast in April last year. ...

Fossil Fool Bulletin is emailed FREE to subscribers every Tuesday.



<https://knitting-nannas.org/bulletins.php>



<https://www.theguardian.com/australia-news/2018/apr/30/australian-backed-gas-project-fails-to-deliver-png-economic-boom-report>

Australian-backed gas project fails to deliver PNG economic boom – report

Christopher Knaus & Helen Davidson, *The Guardian*, 30/04/2018

The massive ExxonMobil-led liquid natural gas project in Papua New Guinea, backed by a \$500m Australian government loan, has failed to deliver on a promised economic boom for the country a new report has found.

The PNG people would have been better off if the project had never happened, according to the analysis, commissioned by research group Jubilee Australia. ...

The project, owned by an Exxon-led joint venture, was strongly backed by the Australian government through the largest loan ever provided by the nation's export credit agency.

The report author, Paul Flanagan, a former senior Australian treasury official, found that overall, the PNG economy had grown by 10% – far less than the near-doubling of GDP predicted in Exxon-commissioned modelling produced in 2008 by the strategy consultants, Acil Tasman (now Acil Allen).

<http://www.abc.net.au/news/2018-04-30/png-lng-project-fails-to-deliver-on-economic-promises/9710136>

Papua New Guinea's massive LNG project fails to deliver on economic promises

Liam Fox, *ABC*, 30/04/2018

The immense benefits predicted to flow from Papua New Guinea's liquefied natural gas project have not been realised, and the country's economy has even gone backwards on some indicators.

A report from the Jubilee Australia Research Centre said household incomes and employment had deteriorated since the PNG LNG project began in 2014.

One of the report's authors even said the country would have been better off without the massive project. ...

<http://www.abc.net.au/news/2018-05-01/png-pm-rejects-lng-report/9716208>

Papua New Guinea's Prime Minister rejects LNG report he hadn't read as 'fake news'

Liam Fox, *ABC*, 01/05/2018

Papua New Guinea's Prime Minister Peter O'Neill has rejected as "utter nonsense" a report — he later admitted he hadn't read — that claims his



Papua New Guinea's LNG terminal ships the country's gas overseas while traditional owners say royalties have not been paid. Photo: Santos

country would have been better off without a massive liquefied natural gas project. ...

During a speech to the Australia PNG Business Forum and Trade Expo in Brisbane Mr O'Neill dismissed the report as "fake news".

"Now those kind of assessment [sic] are just an utter nonsense," he said.

"It's quite disappointing to note that some of our experts continue to try and talk down the economy."

After his speech, Mr O'Neill said he had not read the Jubilee Australia report. ...

https://www.theguardian.com/commentisfree/2018/may/02/exxonmobils-project-in-png-is-economic-parasitism?CMP=share_btn_fb

ExxonMobil's project in PNG is economic parasitism

Scott Ludlam, *The Guardian*, 02/05/2018

Exxon's Liquefied Natural Gas (LNG) project in the highlands of Papua New Guinea provides a distressing case study of large-scale economic parasitism. A new economic analysis of the project by Jubilee Australia quantifies the ways in which the resource industry can drain the life out of an economy while providing less than nothing in return. That it was pulled off with Australian taxpayers' assistance is even more damning.

There have been any number of warning signs. Last year in a budget estimates session, I was keen to understand how Australian officials representing our export credit agency Efic could justify lending half a billion

dollars to the project. After all, ExxonMobil advertises itself as "the world's largest publicly traded international oil and gas company", declaring revenues of nearly a quarter of a trillion US dollars in 2017. Why they would need Australian taxpayer assistance to get a gas project off the ground seemed highly suspect. At the time, the company was celebrating the 300th shipment of LNG from the project's export terminal, and yet the landowners in Hela hadn't been paid any royalties. Predictably, this was raising tensions in the area and there were – and are – very real fears that the project could end up triggering an armed insurgency.

The resource industry spends a fortune downplaying the negative social and environmental consequences of its presence. Their arguments generally gravitate to the simple appeal that the economic benefits more than compensate for the costs to country and culture. ...

We'd be dangerously wrong to conclude that this kind of parasitic resource-curse afflicts only our less fortunate neighbours: ExxonMobil pays no tax in Australia, either. While we do what we can to help the people of PNG wring some kind of redress from this debacle, we also need an honest diagnosis of the amount of anesthetic being applied here at home.

• *Scott Ludlam is a Guardian Australia columnist*

<https://thewest.com.au/business/public-companies/strike-on-the-verge-of-gas-greatness-in-cooper-basin-ng-b88821932z>

Strike on the verge of gas greatness in Cooper basin

Matt Birney, *The West Australian*, 30/04/2018

Strike Energy and its drilling contractors have put on an oil and gas drilling exhibition to keep the Jaws 1 Southern Cooper Basin Project marching towards its prize of a company making 11 tcf of gas.

In an update to the ASX, the John Poynton chaired petroleum junior reported the Jaws-1 horizontal well had been successful in intercepting a pre-drilled vertical production well, setting the project up for a cutting edge hydraulic stimulation phase.

This makes Jaws-1 the deepest horizontal/vertical intercept in Australian drilling history and is an eye-popping achievement, given the difficulty of making the intercept after some 800 metres or horizontal drilling at a vertical depth of more than 2,000 metres. ...

<http://www.abc.net.au/news/rural/2018-05-02/australia-shipping-industry-halving-toxic-fuel-emissions/9716812>

Australia's shipping industry to halve toxic emissions by 2050 with dramatic drop of sulphur in fuel

Jon Daley, *ABC*, 02/05/2018

The United Nations' International Maritime Organisation (IMO) has confirmed its intention to reduce sulphur emissions by 3 per cent over the next two years, and to halve greenhouse gas (GHG) emissions by 2050. ...

Maritime industry veteran, Walter Purio said most ships coming into Australian ports burnt heavy fuel oil, which was an affordable but dirty source of fuel. ...

Captain Purio said the best fuel option would be to switch entirely to LNG.

"[Using] LNG reduces sulphur oxide to effectively zero and particulates are effectively zero. Nitrogen oxide reduces by 60 to 80 per cent and carbon dioxide is reduced by up to 25 per cent. That's just by burning LNG," he said. ...

Being one of the world's biggest exporters of natural gas, Captain Purio said Australia was in an ideal position to leverage off an LNG marine fuel industry, but said the industry was at risk of falling behind its northern hemisphere counterparts if transitioning did not become a priority. ...

According to Captain Purio, Australia only has one LNG vessel.

<http://www.ntnews.com.au/business/jemena-says-ngp-failures-are-expected/news-story/cdbc98fe3d6ec1485e529650585623c4>

Jemena says NGP failures are 'expected'

Ashley Manicaros, *NT News*, 02/05/2018

Jemena has confirmed there were "some" compression testing failures on the 622km \$800 million Northern Gas Pipeline.

About 420km of the Tennant Creek-to-Mt Isa pipeline has been constructed so far, with the remainder expected to be completed by the end of this year. ...

A Jemena spokesman said the failures were in line with expectations.

"There were some issues identified through the testing process which have since been resolved," he said. "This is quite standard for projects of this size and scope." ...

Reports out of Tennant Creek indicated the pipeline had failed a number of compression tests and there has been talk of "inherent fallibility" in the pipes.

<https://smallcaps.com.au/strike-energy-fracking-jaws-coal-seam-gas-well/>

Strike Energy to begin fracking at Jaws-1 coal seam gas well

Danica Cullinane, *Smallcaps*, 03/05/2018

Unconventional gas explorer Strike Energy (ASX: STX) is about to commence a multi-stage fracking program on the Jaws-1 appraisal well at its Southern Cooper Basin coal seam gas project in South Australia.

The company today announced it had completed the installation of the liner and fracture stimulation sleeves at a total depth of 2873m. The packers have been set in the wellbore and positioned to allow for the full seven stages of the program to be achieved. ...

Jaws-1 is being drilled by contractors Halliburton and Ensign on the 965 rig.

FOSSIL POLITICS

<http://www.abc.net.au/news/2018-05-03/nt-labor-party-divisions-deepen-after-fracking-industry-approval/9724664>

NT Labor Party divisions deepen after fracking industry approval

Jano Gibson, *ABC*, 03/05/2018

Internal divisions are rising within Territory Labor over its fracking policy and the party's management in the lead up to its annual conference in Darwin on May 12.

The ABC understands Labor's Alice Springs branch will put forward a

motion condemning the Gunner Government's decision to allow hydraulic fracturing.

"The Alice Springs branch is very disappointed in the Government's decision to lift a ban and the limited say that party members had in this important decision that has ramifications for communities right across the NT," the motion states.

"[The branch] calls for NT Labor to oppose onshore shale gas fracking in the Northern Territory by supporting and implementing a total ban." ...

<http://www.abc.net.au/news/2018-05-01/nt-budget-industry-pans-mining-royalty-scheme-but-population/9714606>

NT budget: Industry pans mining royalty scheme but welcomes population plan

ABC, 01/05/2018

The Northern Territory Government's 2018-2019 budget has drawn a mixed reaction from industry stakeholders, with some concerned by cuts to health services, while others have applauded a strategy to increase population.

But it was the new budget's inclusion of a minimum royalty scheme, set to be introduced to all mines in the NT, that left Association of Mining and Exploration Companies chief executive Warren Pearce "very disappointed". ...

However, Australian Petroleum Production and Exploration Association director Matt Doman was far less scathing, and said the budget had revealed the need for the private sector to step up and invest in the NT.

He also welcomed the \$26 million set aside for minerals exploration.

The penalties for companies that employed FIFO workers were also of little concern, as Mr Doman said it was the onshore gas industry's intention to maximise local employment opportunities once it resumed in the NT. ...

<https://www.rtt.com/uk/425657-anti-fracking-prevent-extremism-netpol/>

Anti-frackers branded 'domestic extremists' like jihadists & Neo-Nazis in Prevent program

Rt.com 02/05/2018

After a two-year legal battle, suspicions have been confirmed that sections of the British police are targeting anti-fracking campaigners under the counter-terrorism 'Prevent' program.

The Network for Police Monitoring (NETPOL) announced Wednesday that after two years of a legal battle, the

News this week ... from previous page

Home Office finally handed over the sought-after training materials used by counter-terrorism officers in its 'Prevent' strategy. ...

The legal challenge began in 2015 after a recording surfaced at a WRAP training event hosted by the North West Counter Terrorism Unit of England. According to NETPOL there was "concrete evidence" that counter-terrorism officers in the region were linking anti-fracking protests to "domestic extremism" and making unsubstantiated claims about campaigners who took part in protests the previous year in Salford. ...

Suspensions were confirmed in March 2017 when Merseyside Police released its own in-house WRAP training material. In addition to international jihadist terrorism, extreme right and left-wing extremism, and Irish-specific terrorism, anti-fracking was included as an example of "domestic extremists." Animal rights activists were also included. ...

With the release of the training material, NETPOL is continuing its legal battle by pursuing the release of statistics by the Home Office on anti-frackers referred to in the government's early intervention 'Channel' program. "We believe it's vital to know what impact, if any, falsely labelling opposition to fracking during training sessions may have had on referrals to Channel," the group said in its statement.

<https://go.pardot.com/web-mail/272522/159821640/46ef4237e83f6787a9dcd61100dd91c518e0e0a16231df900167b9175b37a30a>

Kerry Stokes shows you can never be too rich to ask for government money

Glenn Dyer, Crikey, 04/05/2018

Is the business empire of Kerry Stokes hard-up and in need of the odd million dollars of help from Canberra? Yes, apparently; \$6 million to be precise. Kerry's a billionaire who always has his hand out for government help, whether cash (such as the dropping of TV licence fees for Seven and the rest of the TV industry), legislative changes (such as freeing up media control and ownership laws) and most recently a \$6 million handout for his energy asso-

ciate company, Beach Energy, with all the trappings of corporate welfare. ...

So with all that value, why then does Beach need a grant from the department of resources minister Matt Canavan, who has never met a fossil fuel or producer he didn't like. ...

The release from Canavan's department said Beach was getting \$6 million towards the \$22.6 million cost of "a new Katnook Gas Processing facility to process gas from the south east of South Australia in the Otway Basin". Other companies include Westside, Armour Energy (which is associated with Queensland-based coal seam gas and coal mining companies) and a small US company, Tri-Star Fairview, with interests in the Queensland coal seam gas sector. ...

But money is not a worry for Beach. Its March quarter production report revealed that the company saw "free cash flow generation strong with approximately \$133 million generated for the quarter. Surplus cash reduces net gearing to 29% as at 31 March 2018 with liquidity at \$647 million." The \$22.6 million investment in the Katnook plant could have easily been financed out of free cash flow and the company would have avoided touching its cash pile.

Canavan's department said the handouts to the companies were made under the government's Gas Acceleration Plan, which was set up to help develop and secure domestic gas supplies. How giving \$6 million to Beach for a \$22.6 million project will deliver gas faster from the Katnook plant to the market is problematic. Beach clearly has the money to finance it all by itself.

And you have to wonder about the due diligence conducted by Senator Canavan's office. According to a research note in April, analysts at Macquarie upgraded Beach Energy's to "neutral" on the back of stronger prices as the expectation of a 30% divestment of its Otway Basin assets. Would they include the Katnook plant, financed partially by Australian taxpayers and then monetised by Beach into a nice fat price for that 30% sale? And if there is a sale, will Beach hand back some or

all of the \$6 million? This government forces welfare recipients to repay monies that are over-paid, but not for the corporate sector's welfare handouts. It seems the cash flow is all one way.

<https://www.theaustralian.com.au/national-affairs/canavans-please-explain-to-schott-over-coal-powered-stations/news-story/0a4784ffc61360076c4eb483627c697>

Canavan's 'please explain' to Schott over coal-powered stations

Greg Brown, *The Australian*, 05/05/2018

Resources Minister Matt Canavan has demanded an explanation from the architect of Malcolm Turnbull's signature energy policy after she declared there was no longer an investment case to build new coal-fired power stations in Australia. ...

Senator Canavan, one of the most pro-coal MPs in the Coalition, turned up the heat on Dr Schott yesterday by using his authority as a cabinet minister to ask for an explanation of her comments, which he said went against the advice of the Finkel review.

"Ms Schott's comments do not reflect the advice that has been provided to the government, including through the Finkel review," he said.

Energy Minister Josh Frydenberg ... is understood to have received complaints from Coalition MPs over Dr Schott's comments. Liberal MP Craig Kelly, who backs the pro-coal Monash Forum, said Dr Schott should consider resigning from her position for her "clueless" and "misleading" statements.

Former deputy prime minister Barnaby Joyce said the comments as reported were "100 per cent wrong". ...

Minerals Council of Australia executive director Greg Evans yesterday disputed Dr Schott's claims there was "no longer an investment case to build new coal-fired power stations in Australia".

FFB

CONTACT FFB: Email

fossil.fool.bulletin@gmail.com

with your comments & tips

**SUBSCRIBE FREE
FOSSIL FOOL BULLETIN**

<https://knitting-nannas.org/bulletins.php>

**SAVING THE LAND, AIR AND WATER
FOR THE KIDDIES**

www.knitting-nannas.com

