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Albo's Gas Cap Folly

Publish Date:

December 2022

If the threat of gas rationing and blackouts on the first day of winter this year taught us anything it is that maximising the supply of reliable and baseload power is the only way to ensure the lights stay on, right?

Australia is currently facing multiple economic crises on a number of fronts.

However, there are three that the federal government is seemingly determined to exacerbate, namely Australia's gas supply shortage, rapid rises in the cost of living, and our record low private business investment as a percentage of the economy.

The cost of living crisis is a handicap on the quality of everyday Australian life, and if private businesses are not investing in the Australian economy, then that minimises the opportunities available to Australians to help offset cost of living pressures.

These three crises are all linked to the policy of Net Zero emissions by 2050, introduced by the former Morrison government in 2021 and legislated by the Albanese government in 2022. Net Zero, by design, requires the removal of gas from the national energy market to make way for 'green' energy such as wind and solar.

One of the first acts of the Albanese government, when elected in May, was to legislate the Net Zero target. This has accelerated the closure of coal projects across the country, expanded the scope of green activist lawfare against critical resource projects, increased power prices, and localised a global gas supply shortage, even though Australia is one of the most energy resource-rich countries on Earth.

The consequences brought by the policy of Net Zero emissions by 2050 fuelled the energy crisis that the east coast continues to suffer through.

And the depths of this crisis cannot be underestimated. In the year 2022, how can it be that on the first day of winter this year, the Australian Energy Market Operator warned that gas rationing may be necessary to ensure that Australians could keep their lights and heaters on? This lack of supply made electricity prices surge.

In response, the Prime Minister recently floated imposing price caps on energy companies. This was a reactionary and short-sighted response. The proposal is also evidence the federal government does not have a cogent plan to get us out of the energy wilderness that is biting into the hip pockets of mainstream Australians.



Price caps will act as a direct deterrent for companies wanting to do business in Australia's already over-regulated energy market, with Woodside Energy indicating they will no longer invest in projects along Australia's east coast if this policy was adopted.

Woodside's threat of withholding new gas investment on Australia's east coast in response to the proposed price caps would worsen Australia's record low private business investment and exacerbate Australia's gas supply issues.

The vacuum created by private businesses deciding that investing in the Australian energy market is all too hard, opens the door for government agencies to fill the gap. You only have to look at the proposal to re-introduce the State Electricity Commission in Victoria, which is pursuing a renewable energy target of 95 per cent by 2035. It means instead of baseload power coming back into the market, even more taxpayer dollars will be used to push the ideological obsession with unreliable and experimental solar and wind energy, proven time and time again that it cannot deliver the power we need on scale.

The federal government should be fostering policies that increase the supply of gas. Increasing the supply of gas (and coal) is the only way to meet demand, and to drive down record energy prices.

These policies include repealing the *Climate Change Act 2022*, saying no to Net Zero, and exiting the Paris Climate Agreement.

Unfortunately, the far more likely outcome is that baseload power will continue to be forced off the national energy market in favour of unreliable solar and wind power leaving Australians with higher energy bills, insecure supply of power, and lower levels of employment.

Original Link:

<https://spectator.com.au/2022/12/albos-gas-cap-foolly/>

Originally published in:

The Spectator Australia