

# NSW Greens policy initiative



## A plan to phase out coal and protect the climate

### 95% of NSW's coal reserves must remain unburnt to avoid dangerous climate change

Scientists are saying that if we are to avoid dangerous climate change and limit global warming to 2°C throughout the 21st Century then an historic and rapid transition away from fossil fuels is required.

A recent paper published in the journal *Nature* calculated that in order to have at least a 50% chance of keeping to no more than a 2°C rise in global temperatures, cumulative carbon emissions between 2011 and 2050 must be [limited](#) to around 1,100 gigatonnes of CO2 equivalent. The paper surveyed global fossil fuel reserves and calculated a carbon budget of exactly how much of each reserve can be burnt in order to avoid breaching 2 degrees of global warming. The study estimates that for Australia 95% of our coal reserves must be left in the ground.

For NSW this means that only a further 575 million tonnes, or just over three years of production at current rates, of the [11.5 billion tonnes](#) of recoverable coal reserves can be mined and burnt if we are to ensure 95% of our reserves remain in the ground.

Coal is already in structural decline with many mines uneconomic at current prices. A transition away from coal is inevitable, it's a question of how quickly and how it is managed.

### The Greens have a plan for a phase out of existing coal mines.

The Greens plan is to:

- 1) **Set a clear limit on remaining coal mining in NSW** in line with what scientists conclude we can extract – less than 600 million tonnes of coal in NSW.
- 2) **Develop a phase out strategy for phasing out coal mining** that accounts for, and balances, the socio-economic impacts of the phase out of the industry.
- 3) **Reassess all current coal mining licences and approvals** in accordance with remaining coal mining limit, and reduce allocations in line with the phase out strategy.
- 4) **Legislate to ensure that no compensation is payable** to coal mining and fossil fuel exploration companies. Investors have been aware of the potential impact of addressing climate change on their industry for many decades.

The Greens' phase out plan for NSW will include:

- 1) **An end to all coal exports by 2020;**
- 2) **A ban on all new coal mines;**
- 3) **A ban on all fossil fuel exploration;**
- 4) **Timetable a phase out of existing coal mines;**
- 5) **A transition package for effected workers and small businesses;**
- 6) **A rehabilitation package for affected land and water;**
- 7) **Fast-tracking investment in renewable energy** to replace fossil-fuel energy and displaced employment from the coal sector;
- 8) **Regional Development plan** to provide alternative industries for affected regions.

- 9) **An energy efficiency program** to reduce business, household and public sector energy consumption.

### **Labor, Liberals and Nationals are all wedded to coal**

The Baird government has nailed its colours to the mast on coal. The government has approved 1.3 billion tonnes of coal mining (2.5 times the total remaining coal budget) since September 2014. This includes the enormously controversial Shenhua Watermark coal mine in the heart of the fertile Liverpool Plains. NSW Farmers Association President Fiona Simson [said](#) of the Shenhua approval: *"This decision represents a complete policy failure by the NSW Government to protect any of the state's high value agricultural land and water."*

Premier Mike Baird appeared at *NSW Mining* dinner and [committed](#) to fast-track coal mining approvals. At the dinner Mr Baird said: *"I am tonight drawing a line in the sand on this. NSW must do better and I assure you we will"* and Planning Minister Pru Goward then provided 'directions' to the Planning Assessment Commission.

While Labor promote their position of a moratorium of coal seam gas, Labor are silent on coal mining – refusing to provide comment to journalists. As shadow environment minister, Luke Foley was rumoured to be working on a policy to phase out coal, but backed away from it when confronted a few years ago.

### **A rising tide against coal**

Currently in Australian politics there is a collective cognitive dissonance, where two fundamentally contradictory positions are maintained. The Coalition and Labor state they are committed to reducing emissions to keep global warming under 2 degrees, but at the same time support the continuation and expansion of the coal industry. These two positions are physically incompatible, regardless of what political spin is applied.

As a society we must honestly face these limits and make a plan to shift our energy production to non-fossil fuel sources. To pretend we can continue to mine coal indefinitely is dishonest.

Increasing numbers of people are understand that we must rapidly phase out coal to avoid dangerous levels of climate change. Many scientists, have called for a phase out of coal. Climate scientist, James Hansen the director of NASA's Goddard Institute for Space Studies [wrote](#) in 2009 *"coal is the single greatest threat to civilisation and all life on our planet"*.

Economists are increasingly assessing the risk of fossil fuel reserves becoming stranded assets. *Deutsche Bank Research Haus* [notes](#): *"To put it plainly, if the currently agreed climate change targets are to be met with any reasonable certainty, over half the proven fossil fuel reserves would have to stay where they are – underground."*

The Greens have been calling for a transition away from coal since [at least 2007](#) when Bob Brown called for a phase out strategy, and the time for action is fast running out. The next term of government will be critical in preparing a transition plan, or else, failing the climate and our children. Inaction will cost trillions of dollars globally, up to a 20 per cent reduction in GDP by the end of this century.

## **Metallurgical coal and thermal coal**

The Greens recognise that metallurgical coal (coking coal) is necessary as a feedstock for making steel. The Greens will work to ensure that greenhouse gas emissions from metallurgical uses of coal are minimised by enforcing world's best practices in process efficiency; maximising feed-stock recycling; and regulations to require the use of manufactured materials that minimise embodied emissions.

Burning and exporting thermal coal for electricity generation is the main issue and major contributor to emissions and climate change. It is thermal coal that is the focus of this policy.