

**Western Australian
Sustainable Energy
Association
(WA SEA) Inc.**

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SUBMISSION

TO THE

WATERS AND RIVERS COMMISSION

IN RESPONSE TO

**DRAFT STATE WATER CONSERVATION STRATEGY
FOR WESTERN AUSTRALIA**

Friday, 13 September 2002

CONTACT PERSON

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Mission:

'On behalf of the people of Western Australia, the Association will vigorously promote the development and adoption of sustainable energy so that by the end of this decade, 30% of the states fossil fuel use is displaced by sustainable energy practices.'

The Western Australian Sustainable Energy Association (WA SEA). congratulates the Gallop Labor Government for undertaking a community consultative approach to examine all options for Water Conservation in Western Australia. WA SEA shares concern with all other Western Australian's at the current water crisis we are experiencing.

The major concern to WA SEA is the narrow perspective of the State Water Conservation Strategy. In particular it does not adequately address the issue of Climate Change and the Water Corporation's responsibility (leadership) and ability to reduce Greenhouse Gas emissions. The Premier has linked the current water crisis we are experiencing to Climate Change and issues of greenhouse are of immense social and economic importance to the State.

WA SEA submission addresses the following key issues (sumarised below) which we believe have not been adequately addressed in the State Water Conservation Strategy for Western Australia.

SUMMARY OF ISSUES AND RECOMMENDATIONS

ISSUE	RECOMMENDATION
Climate change and commitment to decreasing Greenhouse Gas emissions	<ul style="list-style-type: none"> • The State Water Conservation Strategy (SWCS) fully quantify the Water Corporation's (WC) responsibility towards and impact on climate change. • The SWCS provide meaningful statistical information regrading WC's Greenhouse Gas (GHG) emissions. • For tables presented in the SWCS that GHG emissions are included in the analysis – not just the financial cost. • The SWCS quantify WC's exposure to climate change and the potential additional costs that this may incur for WA taxpayers. For example, WC exposure to carbon taxes and what the additional costs would mean for low income consumers? What is the risk associated with WC signing long term contracts for electricity generated by fossil fuel and how is this risk managed? • The SWCS fully examines energy management options.
Purchasing Renewable Energy	<ul style="list-style-type: none"> • The SWCS adopts a policy that states electricity is preferentially sourced from renewable energy - reduce exposure to future carbon taxes and provides leadership in addressing GHG emissions, stimulates local renewable energy industry • The SWCS supports the Gallop Governments commitment towards ecological sustainable development and invest in renewable energy technologies which will significantly reduce current GHG emissions.
The true costs of water development and efficiency options	<ul style="list-style-type: none"> • The SWCS examines <u>all</u> costs associated with source development and water efficiency options – in particular greenhouse intensity.
Development of a sustainable water policy	<ul style="list-style-type: none"> • The SWCS develop policies in line with the Gallop Government's commitment towards ecological sustainable development • The SWCS develop policies that are congruent to the Gallop Government's commitment towards reducing GHG emissions

Climate Change And Commitment To Decreasing Greenhouse Gas Emissions

WA is currently experiencing the effects of climate change (ie. record low rainfall), which is a result of increased greenhouse gas emissions. The Water Corporation is contributing significantly to the effects of climate change. The Water Corporation is Western Power's second largest electricity customer and on average spends many million of dollars per annum on fossil fuel electricity. This inturn makes the Water Corporation one of WA's largest contributors of greenhouse gas emissions.

The Water Corporation is in the unique position in that it is able to use this opportunity to champion the effort in reducing greenhouse gas emissions. One clear method of reducing its greenhouse gas emissions is through better energy management – by using energy more efficiently and adopting renewable energy technologies

WA SEA recommends

- The State Water Conservation Strategy (SWCS) fully quantify the Water Corporation's responsibility towards and impact on climate change.
- The SWCS provide meaningful statistical information regarding WC's GHG emissions.
- For tables presented in the SWCS that GHG emissions are included in the analysis – not just the financial cost.
- The SWCS quantify WC's exposure to climate change and the potential additional costs that this may incur for WA taxpayers. For example, WC exposure to carbon taxes and what the additional costs would mean for low income consumers? What is the risk associated with WC signing long term contracts for electricity generated by fossil fuel and how is this risk managed?
- The SWCS fully examines energy management options.

Purchasing Renewable Energy

The Water Corporation is one of the greatest contributors of greenhouse gas emission through its current energy use. A cost effective and environmentally sound method of reducing greenhouse gas emissions, while still providing a reliable energy source, is via the use of renewable energy. Take water desalination as an example. This is ideally suited to renewable energy as the water can be desalinated and stored for use as required – this can be done at a cost comparable to fossil fuel.

While not only reducing greenhouse gas emissions, the Water Corporation alone has the ability to stimulate the renewable energy industry by selectively purchasing renewable energy. Purchasing 40MW worth flat could significantly stimulate the sustainable energy industry in WA as well as significantly decrease greenhouse gas emissions.

Cost can no longer be a constraint as to why renewables are not a viable option. Existing renewable technologies make renewable energy costs comparative to fossil fuel energy. At present, the Water Corporation already purchases renewable energy (Landfill Gas) at a lower cost than fossil fuel derived electricity.

The use of renewable energy technologies also adheres to the Gallop Governments commitment towards ecological sustainable development. We do not want to see this statement as being simply empty rhetoric. There is opportunity to leverage of Federal funding to ensure that this principal is achieved.

WA SEA recommends:

- The SWCS adopts a policy that states electricity is preferentially sourced from renewable energy - reduce exposure to future carbon taxes and provides leadership in addressing GHG emissions, stimulates local renewable energy industry
- The State Water Conservation Strategy supports the Gallop Governments commitment towards ecological sustainable development and invest in renewable energy technologies which will significantly reduce current GHG emissions.

The true costs of water development and efficiency options

The comparative costs of source development options and water efficiency options were examined in the State Water Conservation Strategy (see page 24). It is of concern that **only** the direct financial costs associated with all the given option were examined.

WA SEA believes that it is imperative that other indirect costs, such as greenhouse intensity, also be a key factor which is considered in the equation. Greenhouse intensity must be included in the Methodology. By examining the Greenhouse intensity of each option, this will also reflect the true sustainability of each option, what the greatest CO2 costs are now and how will they impact us in the future.

In addition, WA SEA is concerned that the Water Corporation is exposing WA tax payers to an increased risk of high water costs by not factoring in the potential for greenhouse related taxes and charges that are starting be imposed in Australia. For example, the Mandatory Renewable Energy Target (MRET).

WA SEA recommends

- The State Water Conservation Strategy examines **all** costs associated with source development and water efficiency options – in particular greenhouse intensity.

Development of a sustainable water policy

It has been identified that the Water Corporation has the ability to significantly decrease the state's Greenhouse Gas emissions just by adopting the use of renewable energy technologies. This also has the advantage of stimulating jobs in the local industry.

WA SEA believes that a sustainable water policy be adopted that highlights the Water Corporation's commitment towards Greenhouse Gas abatement and outline the methods of achieving this.

WA SEA recommends

- The State Water Conservation Strategy develop policies in line with the Gallop Government's commitment towards ecological sustainable development
- The State Water Conservation Strategy develop policies that are congruent to the Gallop Government's commitment towards reducing greenhouse gas emissions