



## Senate Environment and Communications References Committee Inquiry: Oil and gas exploration and production in the Beetaloo Basin

31 August 2022

Dear Committee Secretariat,

On behalf of the Wide Bay Burnett Environment Council Inc (WBSEC), thank you for the opportunity to make a submission to the Inquiry into Oil and gas exploration and production in the Beetaloo Basin.

WBSEC is an apolitical not-for-profit member-based environmental advocacy organisation in the Wide Bay Burnett region of Queensland. Further information about WBSEC and its activities can be found at <https://wbsec.wordpress.com/>.

Our submission is as follows.

### Summary

Because

1. to meet the goals of the 2015 Paris Climate Agreement there must be no investment in new fossil fuel supply projects;
2. other nations have also agreed to the terms of the Paris Climate Agreement, international markets for gas will greatly decline, and
3. the potential for carbon-neutral biogas production from organic wastes in Australia is large enough for Australia to meet all its gas requirements without exploitation of any 'natural' gas from Beetaloo Basin gas or elsewhere, thus allowing Australia to also meet its commitment to the Paris Climate Agreement

WBSEC considers investment in exploration activities in the Basin for oil and gas to be a *poor* use of private sector (corporate/investor) funds and an inappropriate use of taxpayer funds.

### Recommendation

It is recommended that both taxpayer and private sector funds would be better allocated to the development of an Australian biogas industry, and private sector profits from biogas production allocated to cleanup and remediation of existing gasfields.

### Argument in Detail

1. According to the International Energy Agency's 2021 report "[Net Zero by 2050: a](#)



*Roadmap for the Global Energy Sector*<sup>1</sup>, for the world to have an even chance of limiting global average temperature rise to 1.5°C by 2050 (the agreed goal of the 2015 Paris Conference of the Parties to the UNFCCC ('COP21')), there must be "no investment in new fossil fuel supply projects"<sup>2</sup>.

2. Because most of the rest of the world pays attention to International Energy Agency reports, and has already committed to the Paris COP21 goal, international markets for gas will greatly decline if not cease altogether by 2050.
3. Australia does not need Beetaloo Basin gas, either; methane gas does not need to be mined, it is naturally produced by bacteria digesting organic wastes such as agricultural residues, animal and human waste from feedlots and sewage treatment plants respectively, municipal garbage, and food processing waste<sup>3</sup>. Methane gas generated in this way is sometimes called "biogas", chemically identical to the gas sought from mineral deposits to power the Gas Fired Recovery.

AEMO's 2021 Statement of Opportunities<sup>4</sup> projects south-east Australian demand for gas to remain fairly steady at about 200 petajoules (PJ) per year, and in Deloitte's 2017 "Decarbonising Australia's Gas Supply Networks" report<sup>5</sup>, it is determined that Australia has the potential to produce 371 PJ of biogas from such organic waste materials food processing and paper manufacturing wastes, urban garden and forestry waste, feedlot wastes and sewage sludge.

Australian biogas production opportunities are also described in ENEA Consulting's

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<sup>1</sup> <https://www.iea.org/reports/net-zero-by-2050>; downloaded on 7 July 2021

<sup>2</sup> <https://www.iea.org/news/pathway-to-critical-and-formidable-goal-of-net-zero-emissions-by-2050-is-narrow-but-brings-huge-benefits>; downloaded on 7 July 2021

<sup>3</sup> For example, methane from RichGro's Jandakot anaerobic digester generates methane to power 3,000 homes in Perth from food waste collected from processors and businesses in the Perth region as described in "Meet the giant mechanical stomach turning food waste into electricity", ABC, <https://www.abc.net.au/news/2021-03-28/meet-the-mechanical-stomach-turning-food-waste-into-electricity/100032660>, accessed 31 March 2021.

<sup>4</sup> Australian Energy Market Operator 2021 Gas Statement of Opportunities, 29 March 2021. Accessed from <https://aemo.com.au/en/energy-systems/gas/gas-forecasting-and-planning/gas-statement-of-opportunities-gsoo> on 31 March 2021.

<sup>5</sup> Deloitte, "Decarbonising Australia's Gas Networks", November 2017. Accessed from <https://www2.deloitte.com/au/en/pages/economics/articles/decarbonising-australias-gas-distribution-networks.html#> on 31 March 2021



March 2019 report “Biogas opportunities for Australia”<sup>6</sup>.

Because these organic wastes are ultimately from carbon drawn down from the atmosphere by growing plants, by definition they are “carbon-neutral”. Such wastes are available for biogas production in perpetuity (long after 2050) everywhere in the world where people need to eat food and have gardens, meaning the export market for gas will decline, to be replaced by carbon-neutral biogas.

Because these waste materials are produced by agricultural and forestry activities, and by human and animal populations, they do not need infrastructure investment to be piped long distances across Australia, or indeed across any country in the world.

Additional benefits are that both liquid and solid residues from anaerobic digestion of organic wastes may be beneficially re-used; plant nutrients such as phosphorus, nitrogen and potassium are recovered in the liquid digestate remaining after anaerobic digestion, and the biosolid residues may be used as soil improvers in either or both of agriculture and forestry.

Finally, we note that costs of cleanup and remediation of Australia’s offshore oil and gas facilities are already expected to cost \$60 billion<sup>7</sup>; it is WBBEC’s concern that this represents a material risk to taxpayer funds should oil and gas industries be allowed to exhaust existing profits on exploration for resources which will never be exploited instead of cleaning up and remediating existing sites.

Thank you for considering WBBEC’s submission.

Yours sincerely,

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<sup>6</sup> ENEA Consulting, “Biogas opportunities for Australia”. Accessed from <https://www.enea-consulting.com/en/publication/biogas-opportunities-for-australia/> on 30 August 2022.

<sup>7</sup> “Oil and gas industry facing \$60 billion clean up costs for their own rigs”, Mike Foley, Sydney Morning Herald, 4 August 2021. Accessed from <https://www.smh.com.au/politics/federal/oil-and-gas-industry-facing-60-billion-clean-up-costs-for-their-own-rigs-20210804-p58fss.html> on 31 August 2021.