As a concerned and wide-reading environmentalist, I have read a number of articles on websites, newspapers and magazines on the economics of producing energy. The overwhelming information I have read points to the fact that solar and wind energy is now the cheapest form of energy.

According to the Institute for Energy Economics and Financial Analysis, IEEFA, using the gas industry to stimulate the economy is ***not possible*** in the current low gas price world where projects around the country, and the globe, have been put on hold.

The IEEFA also notes gas companies themselves are not seeing a “gas-led recovery” without massive subsidies. On the contrary, the global gas industry was already suffering from a ***glut in supply*** pre-COVID as the overbuilding of LNG production facilities had outstripped demand. The COVID crisis has prolonged that glut in supply out to 2028-2030.

An updated study on current and future generation costs by the CSIRO and the Australian Energy Market Operator states that wind, solar and storage technologies are likely to dominate the global energy mix in coming decades. A draft of the updated study, GenCost 2019-20, on the AEMO website confirms that ***wind and solar and storage remain the cheapest technologies***, now and into the future, and are much cheaper than the technologies promoted by the Australian government – gas, carbon capture, and nuclear.

On a positive note IEEFA points out, there are several industries where Australian companies can and do lead the world. Some examples include medical technology with world-beating companies such as ResMed and Cochlear, or the rising domestic IT industry with companies such as Atlassian. There are also existing industries such as agriculture, and wind and solar energy production that should be considered to provide economic recovery from COVID.

Why would the Australian Government still want to consider extracting gas? Also, aside from the economic argument against it, if gas extraction were to go ahead at Narrabri, it would destroy some of Australia’s most productive farmland, remove beautiful forest that is habitat for our endangered koalas, and risk polluting Australia’s most extensive water supply. Surely more reasons why not to?!