

# POLICY STATEMENT

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## Clean Energy is our Economic Future

The CLP is committed to the efficient and economical transition to renewable energy in the Territory, both as an answer to climate change and as a driver of future economic prosperity.

The transition to renewables represents the future of energy production and growth in the sector presents a once-in-a-generation opportunity for the Territory to leverage its natural resources to grow the economy and lead the world in the transition towards clean energy.

The CSIRO recently confirmed that using natural gas for electricity generation produces about 50 per cent less carbon emissions than coal.<sup>1</sup> Leveraging the benefits of gas, including the royalty and tax revenue from the industry, will further reduce emissions by providing capital for additional investment in the commercial production of solar and hydrogen energy. The result will be a world-leading commercial clean energy industry in the Territory that provides jobs, increases the population and creates own-source revenue.

In less than a decade, the Territory can be a clean energy powerhouse, if we move quickly.

### Exporting Solar Power

The Territory is one of the sunniest places on earth and provides the ideal landscape for solar energy generation.

Solar power is currently utilised immediately, on-demand and for domestic use within the Territory. That, however, is just the beginning. There are significant opportunities for the Territory to lead the way in supplying solar energy to other markets, including the East Coast of Australia. As the proposed Sun Cable project illustrates, exporting solar energy external markets is not only possible, but represents a potential economic windfall.

The Territory can take advantage of our geographical location to supply peak-hour power much closer to home. When electricity demand hits its peak after sunset on the East Coast, solar installations in the Territory can still be supplying extremely profitable solar power.<sup>2</sup>

In order to achieve this, we need to think out of the box and develop a way to value add to our solar generation potential, including assessing the feasibility of connecting the Territory to the National Energy Market (NEM). Such a connection would not only drive our economy through increased solar investment creating long-term jobs and revenue, but would also add stability to the local power grid.

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<sup>1</sup> Shandl et al, Whole of Life Greenhouse Gas Emissions Assessment of a Coal Seam Gas to Liquefied Natural Gas Project in the Surat Basin, Queensland, Australia (July 2019) viii.

<sup>2</sup> See Ausgrid, Time of use pricing, <https://www.ausgrid.com.au/Your-energy-use/Meters/Time-of-use-pricing>.

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## Commercial Hydrogen Production

The development of a commercial hydrogen industry presents a significant opportunity for the Territory to be a world leader in the emerging world-wide renewables market.

The commercial production of hydrogen for domestic energy use and for the export market is no longer a far-off aspiration. Last year, the first large scale hydrogen project, the Hydrogen Energy Supply Chain Pilot Project, began in Victoria.

The Territory has all of the necessary inputs for hydrogen production, including abundant natural gas supplies and capacity for vast solar generation. It is estimated that the hydrogen industry will be worth more than \$1.8 trillion by 2050.

## Our Plan

If elected, a CLP Government will ensure that the Territory becomes the next energy powerhouse by:

1. Directing the Utilities Commission to conduct a full cost/benefit analysis of:
  - a) connecting the Territory to the National Electricity Market
  - b) connecting the Alice Springs, Tennant Creek and Darwin energy grids;
  - c) the optimal mix of renewables to maximise the stability, reliability and affordability of electricity in the Territory; and
  - d) the business case for creating a spot market for the commercial transport and sale of energy from the Territory to the East Coast.
2. Tasking the Territory Coordinator with:
  - a) the design and launch of a commercial hydrogen export pilot program to utilise solar and natural gas resources in order to create a hydrogen production industry in the Northern Territory; and
  - b) securing new infrastructure corridors to accommodate future energy production and export.
3. Creating a task force within the Department of Chief Minister to explore specific options to help the Territory achieve zero net emissions, including carbon offsets, such as increased utilisation of carbon-farming, carbon sequestration options and improving energy efficiency of the public and private sectors.