

From: Mark Sinclair
To: [fracking inquiry](#)
Subject: Submission Inquiry
Date: Saturday, 13 January 2018 2:43:53 AM

In Response to a submission by Bruce Robertson of the IEEFA, I would like to present evidence that is counter to his erroneous report.

But first, let's look at the IEEFA, i.e. who are they? They are a US-based pro-renewables think-tank whose mission is to accelerate the transition to a renewable energy economy. Sounds nice, but why are so many of their employees professionals from the financial and investment space? Take Bruce for example, as his bio states he was a "fund manager and professional investor for over 32 years."

Let's look at some other bios:

-Director of Finance Tom Sanzillo has 30 years of experience in public and private finance, including as a first deputy comptroller of New York State, where he held oversight over a \$156 billion pension fund and \$200 billion in municipal bond programs.

-Director of Energy Finance Studies, Australasia, Tim Buckley has 25 years of financial markets experience, specializing in equity valuation, including as a top-rated analyst and as co-founder and managing director of Arkx Investment Management.

-Energy Finance Analyst Sara Jane Ahmed is a former investment advisor specializing in originating and structuring energy opportunities in emerging markets.

-Energy Finance Analyst Simon Nicholas, a fellow of the Institute of Chartered Accountants of England and Wales. Nicholas joined the IEEFA team in July 2016, after 16 years' experience within the finance industry at ABN Amro, Macquarie Group and Commonwealth Bank of Australia in both Sydney and London.

-Energy Finance Consultant Melissa Brown, a former securities analyst at JP Morgan and Citigroup

(all from their website – <http://ieefa.org/bios/>

What does that mean? They have an agenda which includes profiting off of the success of the renewables industry, and have a major bias to doing whatever it takes to help that industry proceed, including creating false cases against completion.

Let's see, much like LTG, The Australia Institute, and the like, how else they work to the detriment of their competition:

How the Rockefeller-Funded #ExxonKnew Echo Chamber Operates

<https://www.energyindepth.org/national/rockefeller-funded-exxonknew-echo-chamber/>

A snippet:

Although Egan did note that IEEFA is bankrolled in part by several foundations associated with the Rockefellers, he did not disclose the significance of that funding: the Rockefellers have been the common financial link among the myriad activist groups behind the #ExxonKnew climate campaign. One of the goals of that campaign, according to its own adherents, is to "drive divestment from Exxon." The IEEFA report and subsequent news coverage provide a window into the well-orchestrated strategy against Exxon, particularly the digital echo chamber that the activists have carefully created to make the #ExxonKnew

campaign appear much larger and significant than it actually is. Within minutes of the CNN Money story's release, the environmental activists pushing the #ExxonKnew climate conspiracy had jumped into action. Chief #ExxonKnew instigator Bill McKibben tweeted out the story, as did the co-founder of 350.org, Jamie Henn. "Oof, that has to hurt," Henn wrote in reference to the CNN Money headline. Other members of 350.org promoted the story, as did the official #ExxonKnew campaign Twitter account. The Ceres Investor Network on Climate Risk shared the story a few hours later, along with the Occupy Wall Street account.

Very crafty indeed.

So back to Bruce's latest submission to inquiry, listed as Submission #526.

His take:

- There is a global glut of LNG that now extends out to 2030
- Excess supply and faltering demand
- The Global Gas glut keeps getting bigger and longer
- Globally the contract pricing mechanism is breaking down

But what does an actual credible agency like the International Energy Agency's research actually state:

- **Gas will grow faster than oil and coal over the next five years, helped by low prices, ample supply, and its role in reducing air pollution and other emissions.** In our new five-year forecast to 2022, gas demand will grow at 1.6% per year, a slight upward revision from last year's forecast of 1.5%. This means that annual gas consumption almost reaches 4 000 billion cubic metres (bcm) by 2022, from around 3 630 bcm in 2016.
- **Industry emerges as the main engine of demand growth, accounting for half of the forecast growth in global gas demand.** A growing use of gas in the chemical sector, strong demand for fertilisers in countries like India and Indonesia, and the replacement of coal by gas in a host of smaller industrial applications in China mean that industrial gas demand grows by almost 3% per year.
- **Many countries are reforming their gas markets to increase the use of gas and to attract new investments.** A diverse group of countries worldwide, including Mexico, China and Egypt, are moving ahead with important gas market reforms, allowing more private participation in the supply, transport and marketing of gas, and introducing third-party access to gas infrastructure. If implemented rigorously, these reforms can lead to more investments throughout the supply chain and generate more sustainable demand and supply balances.
- **The United States takes the lead on global supply as the shale revolution gets a second wind. The United States, the world's largest gas producer, will increase production more than any other country over the next five years, accounting for almost 40% of global output growth.** While overall US production fell in 2016, output from the Marcellus basin continued to grow, underscoring the ability of US gas drillers to counter the effect of lower prices by improving efficiency and producing more gas with fewer rigs.
<https://www.iea.org/Textbase/npsum/gas2017MRSsum.pdf>

Not exactly the doom and gloom of MR. Robertson's report, huh? There should also be much more credibility to the IEA report as it takes a shorter timeframe look at the situation. For the IEEFA to think it can predict what is going to happen in the world past that timeframe is absurd.

I didn't think I needed to make this submission, as it appears your panel has done an exceptional job of weeding out the "noise", but as the inquiry moves forward, and as expected, finds that the unconventional gas industry can proceed safely with appropriate controls, the "noise" is getting louder as those groups absolutely refuse to accept this as fact. I could continue on with this submission for a considerable time exposing the funding groups of the organizations making the "noise" or the deceitful tactics and skewing of words that counter EVERY ONE of their claims, but I think you all are becoming well aware of all of this. As always, I hope you continue to focus on the facts and the science, and not the "noise" of those so determined to see a safe, reliable, and productive industry fail so that they may profit.

Thank you for your time in reading this submission, and the wonderful work you are doing in regards to this inquiry.

-Mark Sinclair