



Greenhouse gas emissions guidance consultation

Submission

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1.0 About us

The Western Australian Local Government Association (WALGA) is the peak industry body for Local Government in Western Australia. WALGA is an independent, membership-based organisation representing and supporting the work and interests of 138 Local Governments in Western Australia.

WALGA provides an essential voice for approximately 1,222 Elected Members and approximately 22,000 Local Government employees as well as over 2.5 million constituents of Local Governments in Western Australia. WALGA also provides professional advice and offers services that provide financial benefits to the Local Governments and the communities they serve.

2.0 WALGA's comments

WALGA thanks the EPA for the opportunity to provide input to the follow documents released for comment:

- Environmental Factor Guideline – Greenhouse Gas Emissions (the **Guideline**); and
- Technical Guidance – Mitigating Greenhouse Gas Emissions (**Technical Guidance**),

together referred to in this submission as “the Guidelines”, and

- *Background paper on greenhouse gas assessment guidance* (the **Background Paper**).

As a member of the EPA's Stakeholder Reference Group, WALGA made a direct submission to the EPA in support of the guidelines before their initial release in March this year. The parts of the earlier submission that remain relevant are included in this submission.

This submission is made in accordance with the [WALGA Climate Change Policy Statement](#) (2018), and following consideration and endorsement by State Council, WALGA's decision making body.

3.0 Climate change and Local Government

Climate change is a key issue for Local Governments that cuts across almost all aspects of operations and responsibilities. In Western Australia, Local Governments are the most proactive level of government on climate change and they are actively pursuing a range of emissions reduction and adaptation actions. This includes, but is in no way limited to, ambitious corporate and community-wide energy efficiency, renewable energy and emissions reductions strategies, along with programs and policies to encourage residents to reduce their carbon footprint. Local Governments are active on climate change, but all levels of Government must act.

The WALGA Climate Change Policy Statement (the **Climate Change Statement**) was

endorsed by State Council in July 2018 following extensive consultation across the Local Government Sector, and represents the consolidated position of Western Australian Local Governments:

Local Government acknowledges:

- I. The science is clear: climate change is occurring and greenhouse gas emissions from human activities are the dominant cause.
- II. Climate change threatens human societies and the Earth's ecosystems.
- III. Urgent action is required to reduce emissions, and to adapt to the impacts from climate change that are now unavoidable.
- IV. A failure to adequately address this climate change emergency places an unacceptable burden on future generations.

Local Government is committed to addressing climate change.

Local Government is calling for:

- I. Strong climate change action, leadership and coordination at all levels of government.
- II. Effective and adequately funded Commonwealth and State Government climate change policies and programs.

WALGA Climate Change Policy Statement (2018), p3.

Along with the above headline statements the Climate Change Statement specifies the mitigation, adaptation, emergency management and resilience actions the sector views as priorities. Key areas outlined in relation to the State Government and the Environmental Protection Authority are:

1. Accelerated action and fast tracked reform to remove regulatory barriers and facilitate the transition to a low carbon, energy efficient economy

Local Governments are already active in renewable energy and energy efficiency projects, but State level regulations continue to hamper Local Governments from undertaking or supporting a range of high impact cost-effective energy efficiency and renewable energy projects. For example, LED street lighting retrofits, large scale renewable energy projects and community energy projects.

2. A State level emissions reduction target and/or renewable energy target

Western Australia is the only State or Territory without an emissions reduction target or a renewable energy target. The State Government has previously indicated it considers it the responsibility of the Federal Government to enact any targets, however following the recent Federal election, there is a now a stronger argument to be put for setting a state level target. The Premier recently "warned that States such as WA could go it alone on climate policy unless the Morrison Government comes up with a workable national approach to reducing greenhouse gases and supply certainty to investors" (*The West Australian*, Friday, May 31 2019).

3. Planning for climate proof communities (incl. funding for innovative climate change projects)

This priority speaks to the need for State Government and Local Government to work in partnership to build healthy, resilient communities by ensuring that climate change considerations (both mitigation and adaptation) are embedded in Government policies and regulations. A key aspect of this is a State Planning regime that adequately incorporates climate change in planning policies, along with related environmental issues such as urban forestry, biodiversity, water security and emergency management.

4. Comprehensive, effective adaptation planning

It is recognised that there is planning around coastal adaptation currently occurring, but effective planning needs to take in comprehensive identification of, and response to, the effects of climate change. It also needs to expand out to other effects of climate change such as heat waves and other extreme weather events, bush fire planning and water management.

5. Role for the EPA in emissions reduction

The *WALGA Climate Change Policy Statement* calls for a stronger regulatory role for the EPA in assessing and recommending conditions to mitigate the greenhouse gas emissions associated with major projects within the Environment Impact Assessment process.

4.0 Local Government supports the EPA's decision to make greenhouse gas guidelines

The EPA's proposed guidelines align with the Climate Change Statement, which includes the following specific position:

Local Government calls on the Environmental Protection Authority to take a stronger regulatory role in assessing and recommending conditions to mitigate the greenhouse gas emissions associated with major projects within the Environment Impact Assessment process. (p8)

The EPA's Background Paper notes that the present and likely future impacts of further greenhouse emissions pose a significant risk to the environment that must be considered in the EPA's assessments and advice, in order for the EPA to comply with its statutory obligations. The Background Paper guidance also notes that the EPA can *only* take into consideration environmental matters; for example broader economic and social impacts of a proposal are excluded from consideration. It is of course the role of the State Government to consider the EPA's independent advice and balance that with broader implications including economic and social considerations.

WALGA shares the EPA's concerns regarding the trajectory of Western Australia's greenhouse gas emissions and the impact this will have on meeting Australia's international obligations. In addition, that the EPA's guidance is being developed in the absence of a comprehensive, effective Commonwealth framework and mechanisms for meeting

Australia's international commitments or a State climate change policy (noting that the State Government is in the process of developing one, due for release in early 2020).

WALGA acknowledges that regulation of greenhouse gas emissions through the EPA conditioning of proposals is not necessarily the most cost-effective or efficient way of achieving emissions abatement. However, WALGA supports the EPA's Guidelines in the context of the current climate change 'policy vacuum', seen most keenly in Western Australia as being the only state of territory without an emissions reduction or renewable energy target.

It is noted that the EPA has advised on greenhouse gas emissions in its assessments since 1991, taking in more than 40 proposed large emitters. The EPA's proposed guidelines set out emission minimisation expectations that are more explicit and onerous, taking into account 'contemporary climate science, emissions trends, existing policies and regulation, and, ultimately, the risks to the Western Australian Environment' (Background Paper, p1).

WALGA supports the EPA's proposed guidelines, and the EPA's consideration of the current level of policy commitment at the State and Federal level in formulating the guidelines.

5.0 A role for regional communities

Beyond the scope of the proposed guidelines, WALGA recommends that consideration is given to a strategic greenhouse gas offset fund to maximise the effectiveness, efficiency and co-benefits of required greenhouse gas offsets.

WALGA's [Economic Development Framework Project](#) (2019) made a number of recommendations for policy priorities and reform to encourage economic development, including providing support and encouragement for new and emerging industries.

A strategic greenhouse offset fund could encourage a new market for carbon offsets in Western Australia, unlocking low carbon businesses and job opportunities, particularly in regional areas, with potential for abatement projects including carbon farming, crop and livestock efficiencies and vegetation management.

6.0 Specific comments on the Guidelines

6.1 'Avoid, mitigate, offset' hierarchy

WALGA considers that there should be a greater emphasis on avoidance/mitigation of greenhouse gas emissions throughout the document (avoid, mitigate, offset) particularly for large emitting projects. It should be clear that the feasibility to offset residual emissions (in addition to the technical feasibility of mitigation) should be a key consideration in whether projects/activities are recommended for approval, and if so, under what conditions. In addition, there should be a clear, robust and enforceable framework around greenhouse gas emission offsets. WALGA considers greenhouse gas offsets should be publicly reported, and tabled annually in Parliament.

6.2 Emissions covered

Scope 1, 2 and 3 emissions

WALGA notes that the Technical Guidelines set the threshold for consideration of greenhouse gas emissions in a proposal on the basis of direct (Scope 1) emissions only. WALGA also notes that once the Scope 1 threshold is triggered, proponents are required to estimate Scope 1, 2, and 3 emissions per annum and over the life of the proposal. WALGA supports disclosure of all emissions (Scope 1, 2 and 3) but queries why the trigger relates only scope 1 emissions, when the EPA has indicated it will take into account all emissions (Scope 1, 2 and 3). If Scope 2 and 3 emissions are seen as relevant to the EPA's consideration of a proposal, it would seem appropriate that they are also relevant to the triggering of the threshold for consideration of greenhouse gas emissions from a proposal. For example, a project may have very high indirect emissions (Scope 2 and 3) that trigger the threshold, but the proposal does not involve direct emissions (Scope 1). It would seem consistent with a comprehensive policy on greenhouse gas emissions that Scope 2 emissions (*at least*) are included in the trigger.

Emissions threshold of 100,000 tonnes CO₂-e

The proposed threshold for the consideration by the EPA of emissions associated with a proposal is set quite high, applying only to large projects with direct emissions of more than 100,000 tonnes CO₂-e. This is somewhat aligned with the federal Safeguard Mechanism, which applies to facilities with direct emissions over 100,000 tonnes CO₂-e. 'Facility' under the *National Greenhouse and Energy Reporting Act 2007* (Cwth) is a broader term than 'proposal' under the *Environmental Protection Act 1986* (WA), meaning the proposed threshold is effectively higher than the Safeguard Mechanism threshold.

The EPA Background Paper observes that the national framework for emissions reductions (including the Safeguard Mechanism) does not impose effective limitations on emissions. The EPA also expresses concerns regarding the trajectory of Western Australia's greenhouse gas emissions and the impact this will have on meeting Australia's international obligations. **WALGA therefore recommends that the EPA consider setting a lower threshold for consideration of emissions associated with proposals.**

6.3 Language

Explicit reference to greenhouse gas emissions and contribution to climate change as part of the air quality factor should be made early in the document. The current reference 'minimising impact on climate' is too oblique; WALGA suggests changing it to 'contributing to climate change'.

The use of terms such as 'may', 'encourage' and 'reasonable and practicable', 'expect' is too equivocal. While noting it is not appropriate to be definitive in all circumstances, wherever possible, WALGA considers that more assertive terminology such as 'will', 'require' etc. should be used.

7.0 Concluding comments

As key contributors to climate change mitigation, and as the level of government that is already managing and planning for a range of impacts of climate change, WALGA's members have a keen interest in seeing efficient, effective and equitable climate change policy at all levels of government. Given the current lack of strong and effective climate policy at the Federal level, the lack of State-based renewable energy target or emissions reduction target, and with the State's climate change policy still in development, WALGA supports the EPA making science-based greenhouse gas guidelines to inform its advice to government on major projects in Western Australia.