



Environment Institute  
of Australia and  
New Zealand Inc.

15/02/2021

Via email to:

environment.policy@nt.gov.au

Dear Sir/Madam,

**Re: Submission to the Greenhouse Gas Emissions Management for New and Expanding Large Emitters Policy Position Paper**

Thank you for the opportunity to make a submission to the above policy.

The Environment Institute of Australia and New Zealand (EIANZ) represents environmental professionals working in environmental science, land management and related professional services such as cultural heritage, legal, community engagement, social scientists, academics and researchers and non-government organisations.

The NT EIANZ Division has a keen interest in environmental policy and legislation development and appreciates the invite to make a submission.

We support the pragmatism of the activity types considered and the alignment with the Commonwealth's NGER reporting scheme. We make no comment on threshold values but note that upwards of 6,000 hectares needs to be cleared in northern Australia's eucalypt woodlands to cross the 500 000 tCO<sub>2</sub>-e threshold.

We submit the following items to be considered:

- Limiting the thresholds to Scope 1 emissions that are a direct result of activities undertaken by the proposal is pragmatic. However, a proposal may induce Scope 2 and 3 emissions because the proposal may consume goods and services (such as fuel, electricity, manufactured components, and other processed inputs) that generate their own emissions in the production or delivery of these items to the proposal. The complexity of estimating and determining appropriate responses to Scope 2 and 3 emissions can be significant and beyond the immediate control of project proponents and may impose an unwieldy obligation on them. The draft policy suggests that only Scope 1 emissions are relevant to the threshold calculation that determines which proposals this policy is relevant to. This appears to be a pragmatic approach to managing the transition to a lower carbon intensity NT economy over a reasonable timeframe.
- But, limiting the thresholds to Scope 1 emissions that are a direct result of activities undertaken misses an opportunity to influence behaviour to reduce emissions through

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the design of proposals and/or voluntary and/or mandated offset arrangements, particularly those that come in under the threshold.

- The proposed threshold for GHG emissions from industrial projects is 100,000 tonnes per annum, at any point in time over the life cycle of the proposal. This does not address the cumulative emissions over the life cycle of a proposal.
- We believe that the policy needs to consider future reductions in thresholds and clearly state that appropriate arrangements will be introduced for pre-existing and compliant activities if the policy parameters are changed in the future. Particularly as the policy is to be reviewed every two years.
- *This policy applies to new projects and expanding projects that require environmental approval under the EP Act and are defined as large greenhouse gas emitting projects.* This implies that both conditions need to be met: that a project needs assessment under the EP Act and are large emitters, is there a scenario where, there are no triggers met (the former condition) but it could still qualify as a large emitter?
- The relationship between this policy and the NT EPA's factors and objectives is not explicit, can we assume that if you are a large emitter then the Atmospheric Process factor is triggered, a significant impact is assumed and an environmental approval process under the EP Act follows?
- For expansions, because the Act requires consideration of cumulative impacts, the policy should clarify that the thresholds would apply to the entire activity, not just the expansion. Also, then, we presume, the Greenhouse Gas Abatement Plan would need to address the whole of the activity not just the expansion.
- The policy should clarify how it will be applied to pastoral and NPU land clearing activities where the land clearing occurs as part of separate applications (each beneath the threshold):
  - Would a property be classified as a 'Large Emitter' once the cumulative GHG emissions from land clearing on that property exceed 500,000tCO<sub>2</sub>e?
  - When calculating the cumulative GHG emissions from multiple land clearing applications, how far back in time needs to be considered?
  - Once a property reaches the threshold of being a 'Large Emitter' (in the defined time period) does that mean that:
    - All future land clearing applications on that property would trigger assessment under the EA Act for impacts to the Atmospheric Processes factor?
    - All future land clearing on that property would require a GHG Abatement Plan, or essentially offsets that address the cumulative impacts of land clearing on the property.
- Once a project triggers assessment on other matters, in our experience stakeholders and the NT EPA ask proponents to demonstrate consideration of using renewable energy sources to reduce GHG emissions. It would be useful for the policy and/or other guidance to clarify expectations of these smaller projects. The majority of mining proposals in the NT are likely to fall into this category.
- The Introduction to the policy states: *the NT EPA may consider the predicted greenhouse gas emissions of the project during the assessment process and may recommend conditions in the draft Environmental Approval that address greenhouse gas emissions for the Minister for Environment's consideration.* The proposed thresholds could offer the NT EPA some guidance as to how 'significant GHG emissions' could be defined, but it is unclear whether the NT EPA has the capacity to interpret a volume of emissions less than the proposed thresholds as significant, and thereby subject to EPA assessment. This

potential ambiguity appears to offer the NT EPA some discretion if projected emissions of a proposal are below the proposed thresholds, but reduces the transparency of this process in that a proponent won't know if the NT EPA is going to consider the predicted GHG until during the assessment process.

- The draft policy encourages the use of Australian government endorsed methodologies for estimating GHG emissions, but allows for alternative methods to be proposed provided there is appropriate justification. There may be potential to improve upon methodologies endorsed by the Australian government but the activities undertaken in the NT that may lead to increased GHG emissions are not unique to the NT and are well covered by methodologies endorsed by the Australian government. Allowing alternative methods to estimate GHGs may have the unintended effect of introducing additional complexity into the estimation, assessment and compliance processes. The benefits of accommodating such complexity are not obvious, and could easily be outweighed by the costs of allowing this approach which may not be borne by the proponents.
- GHG Abatement Plans:
  - Will this be publically available?
  - How will compliance be monitored?
  - What are the implications of non-compliance?

If required, we have no objection in our submission going public.

Yours sincerely,



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President, Northern Territory Division  
Environment Institute of Australia and New Zealand

