

# The Large Emitters Policy

## Introduction

The Northern Territory (NT) Government has released its policy, 'Greenhouse Gas Emissions Management for New and Expanding Large Emitters' (the Large Emitters Policy).

The Large Emitters Policy identifies the Government's minimum requirements for how greenhouse gas emissions are to be managed from new, or expanding, industrial and land use development projects.

It is one of a range of policies developed to support the NT's target of net zero greenhouse gas emissions by 2050.

Projects that are covered by the Large Emitters Policy are required to prepare a Greenhouse Gas Abatement Plan to demonstrate how the project will contribute to the Territory's net zero emissions target.

The Large Emitters Policy provides proponents with flexibility for how they will achieve emissions reduction, reflecting that the technical and commercial feasibility of emissions reduction is likely to improve rapidly through scientific advancement and as global carbon policy settings evolve.

The Large Emitters Policy ensures there is consistency and transparency in how Government works with project proponents to reduce greenhouse gas emissions. Proponents are provided with guidance on what is expected of their project and the community has the assurance that the Territory is tracking towards its net zero greenhouse gas emissions by 2050 target.

## Application of the Large Emitters Policy

- The Large Emitters Policy applies to new projects and expansion of existing projects that are considered to be 'large emitters'. The Policy is not retrospective. Existing projects or projects that are currently being assessed by the Government are not subject to the Policy.
- The Large Emitters Policy defines 'large emitters' as projects that meet or exceed emissions thresholds:
  - The industrial project threshold is 100 000 tonnes carbon dioxide equivalent (tCO<sub>2</sub>-e) (scope<sup>1</sup> 1) in any financial year over the life cycle of a project.
  - The land use project threshold is 500 000 tCO<sub>2</sub>-e (scope 1) generated from a single clearing action, or cumulatively from multiple land clearing actions on a property over time.
- A project which is required to obtain an environmental authorisation under Territory legislation to proceed *and* meets one of the thresholds contained in the Policy is required to meet the obligations of the Policy.

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<sup>1</sup> For national reporting purposes, emissions are classified into 'scopes' to delineate between sources and reporting responsibilities. These are explained further in the Large Emitters Policy.

- Projects covered by the Policy are required to develop a Greenhouse Gas Abatement Plan (GGAP) which will demonstrate how scope 1 and scope 2 emissions (direct and indirect) will be managed and reduced.
- A GGAP must establish a project's overarching emissions target and set out interim targets that establish a trajectory for achieving the long-term target.
- The Large Emitters Policy establishes net zero emissions by 2050 as the default expectation for a project's target, but provides flexibility to proponents to propose alternatives where justification is provided.
- A GGAP will form part of the approving Minister's consideration of a project and may be captured by conditions of an environmental authorisation, making the GGAP enforceable.

## Additional information

The Large Emitters Policy applies to development projects that require an environmental authorisation to be granted under Northern Territory environmental legislation. This includes the *Environment Protection Act 2019* and the *Petroleum (Environment) Regulations 2016*.

The intent of the Large Emitters Policy is to ensure the greenhouse gas emissions produced by new and expanding development actions that are likely to exceed specified emissions thresholds are appropriately managed. This means they will be required to avoid, mitigate and manage their emissions in accordance with the Northern Territory (NT) Government's expectations and in context of the target of net zero greenhouse gas emissions by 2050.

The Large Emitters Policy is not intended to deliver the net zero emissions target alone. It is an important early step in the Territory's transition to a low carbon economy that targets those projects that are still in development and therefore have the greatest opportunity to be designed, and approved, in a manner that limits their emissions.

The Policy is one of a number of actions related to the management of emissions being undertaken by the NT Government as part of its response to climate change. It forms part of a suite of policy and regulatory initiatives designed to support the NT Government's commitments to decarbonise the Territory's economy and achieve the Territory's net zero emissions target, which include:

- the Northern Territory's Greenhouse Gas Emissions Offsets Policy and Technical Guidelines
- an Emissions Reduction Strategy for the Territory.

The Policy requires public reporting on implementation of a GGAP and progress against emissions targets, providing public transparency of a project's commitments. Compliance will be in accordance with existing regulatory tools and compliance policies.