

15 October 2021

Jo Townsend
Chief Executive Officer
Department of Environment, Parks and Water Security
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Submission: Draft Greenhouse Gas Emissions Offsets Policy (and technical guidelines)

Dear Madam,

Sun Cable supports the Territory's target of zero emissions by 2050, and the establishment of a Climate Change Response. We commend the Territory on the preparation of the draft Greenhouse Gas Emissions Offsets Policy, which incorporates the Technical Guidelines, and welcome the opportunity to provide comments on the policy.

Company overview

Sun Cable is an Australian-founded, world leading renewable energy company. It is focused on making use of Australia's abundant solar resource to power the Indo-Pacific region with competitively priced, dispatchable, high volume renewable electricity. The Australia-Asia PowerLink (AAPowerLink) project is the first of its kind and the first of many. Sun Cable's energy projects will position the Northern Territory as world leaders in intercontinental transmission of renewable electricity. These projects will facilitate the electrification of new and existing industries, supporting large-scale economic development, whilst reducing greenhouse gas emissions.

Sun Cable's Australia-Asia PowerLink Project

Electricity demand in the Asia Pacific region is expected to double from ~13,000 TWh today to ~28,000 TWh by 2050. Australia has the highest average solar radiation per square metre of any continent in the world and the Northern Territory is strategically positioned to capitalise on the opportunity to connect enormous solar resources with burgeoning clean energy demand across Asia. The AAPowerLink is a pioneer project that will use inter-continental renewable electricity transmission technology to deliver significant opportunities for Territory businesses, and lasting benefits for Territorians in the new green economy.

Greenhouse Gas Emissions Offsets Policy

Sun Cable supports the implementation of a Greenhouse Gas Emissions Offsets Policy in the Northern Territory as an important step towards ensuring that the objectives of the Northern Territory Offset Principles are met. Furthermore we endorse the regulation of offsets and the monitoring of greenhouse gas accounting in the Territory, to ensure that large emitters contribute to the net zero economy which the Territory and its citizens aspire toward.

Below we provide brief commentary on aspects of the draft Policy for consideration.

Policy Considerations

1. International Credit Recognition

Sun Cable supports the approach in the draft policy that Australian Carbon Credit Units and other direct emissions offsets are accepted under the NT policy. Noting the enormous potential that clean energy exports offer for the Territory economy, the adoption of verifiable international carbon credit mechanisms should be carefully regulated.

Sun Cable has previously engaged with the Clean Energy Regulator recommending a renewable energy certification scheme to facilitate renewable energy exports. We recommend that a guarantee of origin (GO) scheme be adopted for renewable electricity to ensure that governance of Australian renewable energy certificates (REC) can be recognised internationally. The International REC standard (I-REC) is an existing international standard which would be effective and helpful for Australian RECs that will be exported. The I-REC Standard is a well-established REC standard for the markets outside of North America and Europe, with presence in over 30 countries.

2. Retirement of Credits

Sun Cable supports the inclusion of the Australian Carbon Credit Units mechanism and the Climate Active Carbon Neutral Standards, however noting that the latter is updated regularly and therefore subject to change. Importantly, the policy should ensure that large-emitters who are capable of generating carbon credits through their own operations, can utilise those credits to offset their own emissions.

Renewable electricity and green hydrogen exports will generate overseas credits from activities within the Territory. These credits should be able to be sacrificed or retired by project proponents to meet their own emissions, in addition to the alternative mechanism of selling those credits on the open market. Proponents should have the ability to determine which mechanism they wish to use to offset their emissions, and at what stage they do so, within the framework of the Climate Active Carbon Neutral Standards.

We commend the Territory on the preparation of this draft policy and look forward to the implementation of the NT Offsets Framework.

Yours sincerely,



Jett Street
Head of Territory Affairs