

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment portfolio

Question No: 82

Hearing: Supplementary Budget Estimates

Outcome: Outcome 7

Programme: Renewables Projections & Governance Division

Topic: Mining Operations Emissions

Hansard Page: N/A

Question Date: 27 November 2013

Question Type: Written

Senator Urquhart asked:

Do mining operations often extract the easiest resources first, leading to increased energy and emissions in subsequent years? What penalties are such firms likely to suffer?

Answer:

The mining sector includes a wide range of subsectors with differing energy use and emissions profiles. The energy and emissions intensity of a mine is a function of three factors, the depth of the mine, the quality of the resource and associated fugitive emissions generally. It is not the case that the more accessible resources will necessarily be less intensive than those that are harder to access. The harder to access resources may be of greater quality or the more accessible could have a greater emissions content which would lead to higher fugitive emissions. There is limited evidence to suggest individual mines become more emissions intensive over time. Instead, energy and emissions intensity are likely to fluctuate over time for individual mines.

This variability will be considered in the development of the Emissions Reduction Fund (ERF). The Government is consulting with stakeholders concerning potential design options through the ERF Green Paper process.