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Department of Parks, Environment and Water Security

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Mode of delivery

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To Whom it May Concern,

**Submission in relation to the draft policy “Greenhouse Gas Emissions Management for New and Expanding Large Emitters”**

Thank you for the opportunity to provide a submission in relation to the draft policy “Greenhouse Gas Emissions Management for New and Expanding Large Emitters” (**Large Emitters Policy**).

The Environment Centre NT (ECNT) is the peak community sector environment organisation in the Northern Territory, Australia, raising awareness amongst community, government, business and industry about environmental issues and assisting people to reduce their environmental impact and supporting community members to participate in decision making processes and action.

In ECNT’s opinion, the Large Emitters Policy is an extremely weak climate policy that will do little to assist the NT Government to achieve its goal of net-zero emissions by 2050.

The Large Emitters Policy arbitrarily limits the (non-legislative) requirement to create a Greenhouse Gas Emissions Abatement Plan to the small group of projects that (a) require an environmental approval, and therefore assessment under the *Environment Protection Act 2019 (NT)*; and (b) meet the Large Emitters Policy’s arbitrary definition of a large greenhouse gas emitting actions. This means that many (if not most) significant greenhouse gas emitting projects will avoid the application of the Large Emitters Policy altogether.

Firstly, ECNT notes that, despite numerous calls to subject gas companies’ exploration activities in the Beetaloo Basin to an environmental impact assessment under the *Environment Protection Act*, to date there has not been an assessment of fracking activities under this legislation. This means that, as currently drafted, no fracking activities would fall within the purview of the Large Emitters Policy.

Further, ECNT notes that despite the significant greenhouse gas emissions generated by pastoral land clearing in the Northern Territory, no pastoral land clearing application has been referred for assessment

under the *Environment Protection Act 2019 (NT)*. Pastoral land clearing is a significant contributor to the Northern Territory's greenhouse gas emissions. For example, a recent pastoral land clearing application at Ban Ban Springs would generate in the vicinity of 600,000 tonnes, contributing around 3% to the Northern Territory's annual greenhouse gas emissions. This application was not referred for assessment under the *Environment Protection Act*, and therefore would not meet the threshold criteria for application of the Large Emitters Policy.

ECNT notes that there is likely to be an avalanche of land clearing applications with significant emissions profiles. The NT Farmers Association has revealed plans for 168,000 hectares of farming development across the Northern Territory, which would equate to approximately 17million tonnes of emissions, equivalent to the Northern Territory's entire annual greenhouse gas emissions. Applying the Large Emitters Policy as currently drafted, it is conceivable that none of these land clearing proposals would require the preparation of a Greenhouse Gas Emissions Abatement Plan, making the policy almost futile.

As it stands, it is not clear from the Large Emitters Policy that project proponents actually have to take responsibility for offsetting any unabated emissions. A requirement to offset emissions is consistent with "polluter-pays" principle and with the environmental decision-making hierarchy (set out respectively in section 24(2) and section 26 of the *Environment Protection Act 2019*). The best place to embed this requirement is in legislation, or regulations promulgated under the *Environment Protection Act*.

ECNT is also troubled by the arbitrary distinction between what constitutes "large greenhouse gas emitting actions" for industrial activity (scope 1 emissions of 100,000 tonnes of CO<sub>2</sub> equivalent), compared with land use activity (scope 1 emissions of 500,000 tonnes of CO<sub>2</sub> equivalent). This would appear to increase the likelihood of large scale land clearing activities avoiding the policy altogether.

ECNT also believes that the exclusion of scope 2 and 3 emissions from the definition of what constitutes large greenhouse gas emitting actions is similarly arbitrary. The industry that will have the greatest Scope 3 emissions is, of course, the gas industry: it extracts gas for the primary purpose of that gas being combusted by consumers, releasing greenhouse gases. While it may be useful for accounting processes to separate emissions into Scope 1, Scope 2 and Scope 3, these definitions do not reflect the actual pollution caused by fossil fuel extraction projects. Further, the Pepper Inquiry found that the residual lifecycle emissions from fracked gas (essentially Scope 3 emissions) posed unacceptably high risks to the environment (p239), recommending that these risks could be reduced by fully offsetting the lifecycle emissions from fracked gas (p239). In line with the implementation of this recommendation in the Pepper Inquiry, Greenhouse Gas Abatement Plans must include plans to offset all of the lifecycle emissions.

In ECNT's view, in order for the Draft Emitters Policy to be effective to reduce the Northern Territory's emissions in line with stated government policy, it needs to be linked to the *Environment Protection Act*, and significantly amended.

**Recommendation 1: Projects with “Significant greenhouse gas emissions” should be declared a referral trigger under section 30 of the *Environment Protection Act*. This would be to ensure that environmental approvals are obtained for all projects with significant greenhouse gas emissions, thus ensuring all projects come within the purview of the Large Emitters Policy.**

**Recommendation 2: “Significant greenhouse gas emissions” should be defined as “any development that produces a minimum of 100,000 tonnes of CO2 equivalent per year (including Scope 2 and 3 emissions).**

**Recommendation 3: Rather than a loose policy, ECNT recommends that regulations be promulgated under the *Environment Protection Act* that all projects with significant greenhouse gas emissions require a Greenhouse Gas Abatement Plan.**

**Recommendation 4: Regulations requiring a Greenhouse Gas Abatement Plan should include an actual requirement to offset any scope 1, 2 and 3 greenhouse gas emissions.**

**Recommendation 5: That the Draft Emitters Policy should include emissions from clearing “previously-cleared” land.**

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Yours faithfully,

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Co-Director

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