

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

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Hearing: Supplementary Budget Estimates
Outcome: Outcome 2
Program: Clean Energy Regulator (CER)
Topic: Calculated Baselines
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Senator Waters, Larissa asked:

Senator WATERS: Could you go through now, or even on notice, the circumstances that would need to be in place for a polluter to be able to get a calculated baseline?

Ms C Munro: Certainly. These are all legislated criteria so we can summarise those. We have had quite a discussion with industry about how they would demonstrate—because they have to have an audit report and have to demonstrate what the baseline would be. But we could certainly give you a summary of what bases on which they could apply for calculated baselines.

Senator WATERS: That would be great

Answer:

A facility may apply for a calculated baseline if it meets one or more of the specified eligibility criteria:

- the facility has exceeded or is reasonably expected to exceed its baseline in the first year of the safeguard mechanism, i.e. the 2016-17 financial year (the initial calculated baseline criteria)
- the facility is new and has exceeded or is reasonably expected to exceed 100,000 tonnes carbon dioxide equivalent in the first year of the calculated baseline (the new facility criteria)
- the facility extracts a natural resource or processes or liquefies natural gas, and its emissions are affected by the variability of the natural resource or natural gas (the inherent emissions variability criteria), and/or
- the facility has significantly expanded (the significant expansion criteria).

Applications for calculated baselines must include forecasts of production and emissions intensity, which are used to calculate a baseline, as well as underlying assumptions and other supporting information. All applications for calculated baselines must be audited by a greenhouse and energy auditor registered by the Clean Energy Regulator. The Clean Energy Regulator will reject applications based on forecasts, assumptions and data that are not fairly stated and reasonable.

Further details on the above criteria are available on the Clean Energy Regulator's website at: <http://www.cleanenergyregulator.gov.au/NGER/The-safeguard-mechanism/Baselines/Calculated-baseline>.