CLIMATE CHANGE (GREENHOUSE GAS EMISSIONS TARGETS) BILL 2008

EXPLANATORY STATEMENT

Circulated by Vicki Dunne MLA Member for Ginninderra

Overview

This Bill sets targets for reductions in greenhouse gas emissions for the medium and long-term. In addition the bill provides a mechanism for reporting on and reviewing these targets. It also sets targets that will assist with meeting the long-term targets.

Background

While the ACT contributes only 1.2% of Australia's total greenhouse gas emissions there is a general recognition that as the capital of a first world economy we must lead by example.

Out production of CO_2e has risen from about 3.5million tonnes in 1990 to 4.45m tonnes in 2007. Our per capita production of CO_2e is now 13.7 tonnes. The ACT is different in that most of our emissions come from electricity generation (72.3%) and transport (23.5%).

Despite the clear opportunities to address greenhouse gas emissions through renewable and alternative energy systems and energy efficiency the Stanhope Government has dropped the ball on this issue.

Summary of Clauses

Part 1 Preliminary

Clauses 1, 2, 4 and 5 are mechanical clauses relating to the naming and commencement of the legislation and its relationship with the Legislation Act.

<u>Clause 1 – Name of Act</u> – This Act is the *Climate Change (Greenhouse Gas Emissions Targets) Bill 2008*

<u>Clause 2 – Commencement</u> – This clause provides that this Act commences on the day after its notification day.

<u>Clause 3 – Objects</u> – Sets out the Objects of the Legislation which are to set targets in relation to greenhouse gas emissions and report on progress made in the ACT to meet the targets.

The object of setting targets is to assist in achieving ecologically sustainable development in the ACT by:

- addressing issues associated with climate change;
- promoting commitment to action to address climate change;
- promoting community understanding about issues of climate change; and
- encouraging energy efficiency and conservation in the ACT;

as part of a response which is consistent with national and international schemes designed to address climate change.

Clause 4 – Provides for a Dictionary to be part of the Act.

<u>Clause 5</u> – Relates to the operation of notes under the Legislation Act.

Part 2 Targets

<u>Clause 6 - Greenhouse Gas Emission Targets</u> – Sets Greenhouse Gas Emissions Targets for the ACT.

Clause 6(1) sets the principal target for the ACT which is to reduce greenhouse gas emissions to 60% of 1990 levels by 2060.

Clause 6(2) sets an interim target of a 30% reduction by the end of 2020.

<u>Clause 7- Related Targets</u> – Sets Related Targets aimed at assisting the ACT in meeting its principal target. The related targets are:

- by 2014 at least 20% of all electricity used in the ACT will be from renewable sources; and
- by 2020 there will be a 20% reduction in the per capita use of electricity.

<u>Clause 8- Greenhouse Gas Emission Targets – Determinations</u> – Requires that the Minister sets up a process for determining the 1990 baseline of greenhouse gas emissions and measuring greenhouse gas emissions in the ACT.

The Minister's Determinations under this clause are disallowable instruments.

Part 3 Reports about Targets

<u>Clause 9 – Annual Reports</u> – Requires the Minister to report annually on the targets set out in Part 2.

<u>Clause 10 – Contents of annual reports</u> – Sets out what must be included in annual reports including:

- Progress towards meeting targets
- If it is a target year¹, whether the target has been met.

The clause sets out the content of the report including the level of greenhouse gas emissions, the level of renewable energy use and the level of per capita electricity use.

The report must also include an analysis of current measures being used to address the targets and a review of emerging technologies as well as an assessment of the current impact of climate change. The extent of reports can be extended by regulation.

<u>Clause 11 – Minister to present annual reports</u> – requires the Minister to table the annual report in the ACT Legislative Assembly within three months of the end of the reporting period.

Part 4 Miscellaneous

<u>Clause 12 – Review of targets</u> – requires that the minister must conduct a review of the targets every two years and present the results of his review to the ACT Legislative Assembly within three months.

The Minister may incorporate the report of his review of the targets in the annual report for that year required by clause 9.

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¹ Target years are 2014 (renewable energy), 2020 (interim target and per capita consumption of electricity) and 2050(principal target).

<u>Clause 13 – Presentation of Reports – Assembly not Sitting</u> – is a technical clause that allows for the tabling of a report required in either Clause 9 or Clause 12 to be presented if the ACT Legislative Assembly is not sitting.

<u>Clause 14 – Regulation-making power – provides that the executive may make regulations for this Act.</u>