

Australian Capital Territory

Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2013

Disallowable Instrument DI2013-76

made under the

**Climate Change and Greenhouse Gas Reductions Act 2010 s 11
(Measuring greenhouse gas emissions – determination)**

EXPLANATORY STATEMENT

Overview

The *Climate Change and Greenhouse Gas Reduction Act 2010* (the Act) sets targets for greenhouse gas (GHG) emission reductions and the increase in renewable energy use and generation in the ACT. It also provides for monitoring and reporting on progress made in achieving GHG reductions, informs the government's development of policies, and encourages private entities to actively address climate change.

Pursuant to section 12 of the Act an independent entity must prepare and report annually on the measured emissions (the annual emissions amount) for the ACT. The annual report is released two years after the relevant period each year (for example, the 2010 ACT GHG inventory will be published in 2012) due to lags in the availability of data from national sources. The report must be provided to the Minister within three months after the end of the reporting period—that is, by 30 September each year.

Purpose

The purpose of the Determination is to prescribe a method for measuring GHG emissions. Under section 11 of the Act the Determination is by way of a disallowable instrument which must be notified, and presented to the Legislative Assembly, under the *Legislation Act 2001*.

The Determination takes effect the day after notification.

In making the determination, the Minister must (1) seek and have regard to the advice of an independent entity on the method for measuring GHG emissions, and (2) as far as practical, ensure consistency with the best national and international practices in relation to measuring greenhouse gas emissions. Prior to making this determination, the Minister sought and had regard to the advice of the Independent Competition and Regulatory Commission (the Commission) on the method for measuring GHG emissions.

The method for measuring GHG emissions in this determination is largely consistent with that adopted for the 2009 ACT GHG inventory with some enhancements made in some calculations. Key changes in the approach for measuring GHG emissions for 2010 to those adopted in the 2009 ACT GHG inventory include:

- a more accurate calculation of emission from electricity consumption that better accounts for network losses through a revised formulation and published data from the Energy Supply Association of Australia;
- recognition of improvements in the emissions intensity in post-2004 vehicles in the calculation of road transport emissions; and
- the explicit calculation of fugitive emission from natural gas leakage.

Where changes to the 2010 approach differ from the last determination (for example, published emission factors have changed, or more reliable data sources become available), historical emissions will be recalculated to ensure trends are reliable and can be compared on equivalent terms. The practice of recalculating is advocated by the Intergovernmental Panel on Climate Change (IPCC), the leading international body for the assessment of climate change.