

Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2015

Disallowable instrument DI2015–264

made under the

Climate Change and Greenhouse Gas Reduction Act 2010 (the Act), s 11 (Measuring greenhouse gas emissions – determinations)

EXPLANATORY STATEMENT

Overview

The *Climate Change and Greenhouse Gas Reduction Act 2010* (the Act) sets targets for greenhouse gas (GHG) emissions 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 for the ACT. 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 consulting firm Pitt&Sherry on the method for measuring GHG emissions.

Two important developments over the past year provide both the necessity and the opportunity for a fundamental review of the methodology used to compile the ACT greenhouse gas inventory. These are:

- the publication in 2014 of the *Global Protocol for Community-Scale Greenhouse Gas Emission Inventories*, and
- the use of the 2006 IPCC (*Intergovernmental Panel on Climate Change*) *Guidelines for National Greenhouse Gas Inventories* in the National Greenhouse Gas Inventory 2013, published in May 2015.

The *Global Protocol for Community-Scale Greenhouse Gas Emission Inventories* (henceforth termed the *Global Protocol*), in the words of its Foreword

“offers cities and local governments a robust, transparent and globally-accepted framework to consistently identify, calculate and report on city greenhouse gases. This includes emissions released within city boundaries as well as those occurring outside them as a result of activities taking place within the city.”(p. 7)

As its name suggests, this document is a modification of the very widely used and highly regarded *Greenhouse Gas Protocol*, to meet the requirements of compiling an inventory of an administrative region, rather than a corporate entity. As such, it is fully consistent with the 2006 IPCC *Guidelines for National Greenhouse Gas Inventories* protocol used by national states and others reporting under the United Nations Framework Convention on Climate Change.

The *Global Protocol* is ideally suited to the requirements of the ACT, where the treatment of emissions outside the boundary of the ACT, but directly attributable to activities within the ACT, have always required the use of an inventory methodology inconsistent with national inventory methodologies. By basing its emissions inventory on the *Global Protocol*, the ACT will be aligning with the approach being adopted elsewhere in Australia.

An important consequence for the ACT of moving to the 2006 IPCC Guidelines will be changes to the 100-year Global Warming Potential values for methane and nitrous oxide. The value for methane increases from 21 to 25 and the value for nitrous oxide decreases from 310 to 298.

The Determination is not likely to impose appreciable costs on the community, or part of the community and for this reason a regulatory impact statement is not required consistent with section 34 of the Legislation Act. In addition, in accordance with s36(1)(b) of the Legislation Act, a regulatory impact statement is unnecessary as the determination provides a tool to calculate the greenhouse gas emissions in the ACT and does not adversely affect a person’s rights, or impose liabilities on anyone.

Similarly, as the determination only provides a tool to calculate the greenhouse gas emissions in the ACT it does not derogate from a right contained in the *Human Rights Act 2004*.