

# Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2020

Disallowable instrument DI2020–16

made under the

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

## EXPLANATORY STATEMENT

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This explanatory statement relates to the *Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2020* as made by the Minister for Climate Change and Sustainability and presented to the Legislative Assembly. It has been prepared in order to assist the reader of the instrument. It does not form part of the instrument and has not been endorsed by the Legislative Assembly.

This explanatory statement must be read in conjunction with the instrument. It is not, and is not meant to be, a comprehensive description of the instrument. What is said about a provision is not to be taken as an authoritative guide to the meaning of a provision, this being a matter for the courts.

### Overview

The *Climate Change and Greenhouse Gas Reduction Act 2010* (the Act) sets targets for greenhouse gas (GHG) emissions reductions and the use of renewable electricity in the ACT. It also provides for monitoring and reporting on progress made in achieving GHG emissions 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 GHG 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 for the period two years in arrears.

## **Purpose**

The purpose of the *Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2020* (the Determination) is to prescribe a method for measuring GHG emissions. Under section 11 of the Act, the Determination is made 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 on the day after its notification day.

In making the Determination, the Minister must (section 11(3) of the Act):

- seek, and have regard to, the advice of an independent entity on the method for measuring GHG emissions; and
- as far as practicable, ensure consistency with the best national and international practices in relation to measuring GHG emissions.

Prior to making the Determination, the Minister sought and had regard to the advice of the independent consultant, Dr Hugh Saddler, on the method for measuring GHG emissions. Dr Hugh Saddler is an Honorary Associate Professor at the Crawford School of Public Policy, Australian National University.

## **Previous updates made**

In 2015, a fundamental review of the methodology was made to align the ACT greenhouse gas inventory with 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.

In 2016, minor technical amendments were made to the methodology to:

- use a waste emissions model that incorporates ACT specific data from landfill sites to improve the accuracy of accounting, while remaining consistent with the methods used in the National GHG Inventory and National Greenhouse and Energy Reporting system, and
- use an extrapolation calculation to synthetic gas data as provided by the National Inventory system to better estimate the current years emissions value.

In 2017, minor technical amendments were made to reflect best practice GHG accounting and improve the accuracy of the GHG Inventory. The changes were:

- including emissions from commercial composting of biomass materials; and
- calculating below-baseline electricity generation on a 5-year rolling average.

## **Updates made by this Determination**

The amendments in 2020 have been made to reflect changes in the availability of data relating to the ACT's share of below baseline NSW region National Electricity Market renewable generation.

## **Other**

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 GHG emissions in the ACT, it does not derogate from a right contained in the *Human Rights Act 2004*.

## **Outline of Provisions**

### **Clause 1 Name of Instrument**

This clause names the instrument as the *Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2020*.

### **Clause 2 Commencement**

This clause states that the instrument commences on the day after its notification day.

### **Clause 3 Determination of method for measuring greenhouse gas emissions**

This clause determines the method for measuring the amount of greenhouse gas emission in the Act by reference to the methodology set out in the schedule.

The schedule to the instrument contains several provisions that provide the method for calculating emissions from different energy sources and industries. The schedule includes methods for measuring emissions from stationary energy including electricity; natural gas; LPG stationary combustion; fuel oil; wood fuel and fugitive energy emissions: natural gas distribution. The schedule also includes methods for calculating emissions from transport; industrial processes and product use; agriculture; land use, land-use change and forestry; and waste.

### **Clause 4 Revocation**

This clause provides that the previous disallowable instrument, the *Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2017* (DI2017-250), is revoked.