



Environmental Factor Guideline – Greenhouse Gas Emissions **Summary of Submissions**

(February 2023)

This document provides a summary of public submissions and advice received regarding the Environmental Protection Authority's (EPA) revised *Environmental Factor Guideline – Greenhouse Gas Emissions* (EFG GHG).

Background

Public consultation on the Environmental Protection Authority's (EPA) revised *Environmental Factor Guideline – Greenhouse Gas Emissions* (EFG GHG) opened on 27 July 2022 and closed on 21 September 2022.

The EPA's current EFG GHG was published in April 2020 and outlines how greenhouse gas emissions are considered by the EPA in the environmental impact assessment process. The guideline committed to a 12-month review.

The EPA's review sought to address a range of issues considered by the EPA since the guideline was first published. Acknowledging that climate science and policy is a rapidly developing subject area, the EPA considered the most contemporary science and policy setting as part of its review.

As part of the consultation, the EPA published a draft of its revised EFG GHG on its website. Briefings were also provided to some stakeholders during the consultation period.

The EPA sought feedback from all sectors and the community. The EPA was particularly interested in views on whether there were:

1. Any additional measures that should be included to meet the EPA's objective?
2. Any measures that could constrain innovation or adoption of best practice emissions avoidance and reduction?
3. Any measures that are not practical?
4. Any other comments related to the assessment of greenhouse gas emissions by the EPA?

A total of 1,088 submissions were received from the public, industry, peak bodies, government and non-government organisation groups. A broad range of views and information was presented by submitters reflecting the complexity of the subject area. Submissions will be considered by the EPA in finalising its revised EFG GHG.

Approach

Details from the submissions were categorised into subject areas and key themes. Some issues and concerns were addressed by respondents more frequently than others and were considered fundamental to the resolution of the next draft of the EPA's greenhouse gas guideline.

The information below is not, nor is it intended to be, a full summary or analysis of the review.

Key themes

Any additional measures that should be included to meet the EPA's objective?

- Emissions scope: some submitters considered a proposal's full life cycle emissions (scope 1, 2 and 3) should be considered by the EPA without distinguishing between scope type. Some submitters supported the inclusion of scope 2 but raised concerns of double counting. Others want to see scope 2 removed to align with the Commonwealth requirements. Submitters were of the view that the definitions for different emission scopes should be clearer to avoid confusion.
- Emissions estimates: some submitters considered the current approach for calculating scope 1 and scope 2 estimates sufficient. A few submitters are of the view that proponents may underestimate emissions. Some submitters want further clarification on how the EPA will assess and apply estimates of scope 3 emissions in their assessment, given that these emissions may be from a third party. Some submitters considered that the EPA should require proponents to provide emissions estimates using an up-to-date global warming potential for methane.
- Threshold: there was a diverse range of views on the proposed threshold that informs the EPA's decision on whether to assess greenhouse gas emissions. Many submitters considered the threshold should be lowered to cover a broader range of emitters. A few submitters considered that the threshold be reduced to 25,000 or 10,000 tonnes of carbon dioxide equivalent (CO₂-e) per year. Other submitters considered the threshold should remain in line with the requirements of the Commonwealth's Safeguard Mechanism (>100,000 tonnes scope 1 CO₂-e per year). A few submitters supported the inclusion of combined scope 1 and 2 emissions, where they are reasonably likely to exceed 100,000 tonnes CO₂-e per year. Others requested clarification on the EPA's consideration of combined scope 1 and 2 emissions in relation to the threshold. Some submitters believed the threshold should take into account total cumulative emissions from all scopes over the lifetime of a proposal.
- Emissions reduction targets: there was varying feedback from respondents relating to emissions reduction targets.
 - Some submitters considered a linear trajectory from 2030 and net zero by 2050 are not adequate to reduce emissions based on the latest climate science.
 - Some submitters concluded a linear trajectory from 2030 for emissions reductions may not be practical in some sectors.
 - A few submitters presented the view that new projects should have net zero emissions from commencement or achieve net zero by 2030 or by 2035, while others considered that deep and substantial emissions reductions this decade will not be practicable because of the slow pace of technological development.
 - Others want to follow the baseline declines proposed under the Safeguard Mechanism¹.
- Policy application: some submitters believed the activities list should be expanded to better reflect greenhouse gas emitters (for example, all emitters; oil and gas exploration). Submitters requested clarification on the application of the new guideline for existing proposals. Some respondents said the EPA should apply the guideline when reviewing conditions on existing proposals and commence a review of existing proposals when the guideline is finalised.

¹ The Commonwealth Department of Climate Change, Energy, the Environment and Water is redesigning the Safeguard Mechanism with reforms anticipated to start on 1 July 2023.

- Cumulative and holistic impacts: a few submitters considered the guideline should acknowledge cumulative impacts (particularly from different emissions sources, native vegetation clearing and risks to human health and biodiversity). Others considered the EPA should require proponents to provide information and assess how their proposal will impact Western Australia's (WA) total cumulative greenhouse gas emissions. A few submitters believed the EPA should quantify the loss of carbon sequestration potential relating to native vegetation clearing and include this in their cumulative and holistic impact assessment.
- Mitigation: most submitters supported the application of the mitigation hierarchy, with the focus on avoiding and reducing emissions. Submitters broadly agreed that the use of offsets should be as a last resort. However, a few submitters considered the use of offsets may be the only option in the short-term for some hard to abate sectors, due to the limitations of available technologies.

Any measures that could constrain innovation or adoption of best practice emissions avoidance and reduction?

- Commonwealth and State policy: some submitters are concerned that duplication or onerous Commonwealth and State requirements may disadvantage trade-exposed industries or lead to carbon leakage (the shift of emissions overseas). Others considered regulation that is too restrictive may constrain innovation or adoption of best practice.
- Carbon offsets: a few submitters considered the use of any measures (including offsets) to avoid emission reductions constrains innovation and increases risk of avoidance of reductions.

Any measures that are not practical?

- Policy application: many submitters supported the inclusion of the statement that proposals should not be split into separate referrals to avoid consideration

of greenhouse gas emissions. Other submitters said this may not be practical in some cases because of geographical, operational or structural issues and that is the responsibility of the proponent to define in the scope of their proposal.

- Emissions scope: some submitters considered the ability to manage or reduce scope 3 emissions associated with a proposal is limited, may not be feasible and is inconsistent with Commonwealth requirements.
- Emissions reductions targets and technologies: some submitters consider the emissions reduction targets are not practical, prolong the transition to renewable energy and allow industry to increase emissions to 2030. Some submitters noted a linear trajectory from 2030 is dependent on available technologies and their ability to be implemented. Other respondents considered some technologies to be unacceptable.
- Corporate targets: some submitters were of the view that applying corporate targets, often set at a multinational level, may not reflect the proposed trajectory at a facility/proposal level.

Other comments related to the assessment of greenhouse gas emissions by the EPA?

- Commonwealth and State policy: there was consistent feedback for alignment between Commonwealth and State legislation, policy and reporting frameworks. Some feedback included the potential to defer the release of the revised EFG GHG to avoid misalignment or duplication. Some respondents acknowledged the following legislative and policy updates: *Climate Change Act 2022*; [Safeguard Mechanism reforms](#) under the *National Greenhouse and Energy Reporting Act 2007*; the [independent review of the Australian Carbon Credit Units](#); and the development of the [WA sectoral emissions reductions strategies](#) framework. A few submitters recommended that the policy context

should be expanded to include the [WA Government's Greenhouse Gas Emissions Policy for Major Projects](#).

- Climate change: most submitters recognised that greenhouse gas emissions from human activities are affecting our climate, noting frequent extreme weather events, and supported immediate action to reduce emissions this decade. Many respondents would like to see a phase-out of fossil fuels and transition to renewable energy, with some submitting the guideline should preclude any new fossil fuel proposals.
- Considerations for environmental impact assessment: many submitters supported the application of best practice design. Others considered applying best practice design for existing facilities may be difficult and is very different to opportunities available for new proposals. A few submitters sought further guidance on benchmarks, sector pathways and milestones and how best practice, technology and management will be evaluated. A few submitters recommended the adoption of 'as low as reasonably practicable' as an alternative to 'best practice'.
- Mitigation actions: most submitters supported the requirement for Greenhouse Gas Management Plans (GHGMPs), which provide transparent and accountable reporting of emission sources, mitigation/abatement measures and emissions reduction targets. A few submitters considered all GHGMPs should be subject to independent expert review, while others are concerned there may be challenges in finding appropriately qualified independent expert reviewers for certain sectors.
- Carbon offsets: some submitters considered offsets should be consistent with the Commonwealth requirements, and the use of international offsets are supported where the integrity of international credits can be demonstrated. Other submitters considered offsets should be constrained to within WA and limited to a small percentage of overall emissions. A few submitters had the view that the integrity and effectiveness of offsets is questionable. A few submitters considered that offsets should not be used to enable new or additional emission sources.
- Reporting: some submitters are concerned with duplication in reporting requirements between the EPA and existing Commonwealth frameworks. Others concluded that more frequent and transparent reporting should be required.
- Decarbonisation: some submitters considered the lack of regulation is preventing investment in low-emissions technologies. Some submitters considered that there are opportunities to transition WA's economy towards carbon neutrality but acknowledged there are several barriers including access to land, restrictive regulatory frameworks, availability of new technologies and shortage of investment in new infrastructure. Some submitters considered a collaborative approach is needed to achieve carbon neutrality.
- Other suggestions: some submitters presented ideas for consideration, including a carbon accounting system for the state and a bond to be secured from proponents for greenhouse gas emissions increases to support rehabilitation/restoration.

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