



Submission on

NSW Environment Protection Authority :
*Draft Climate Change Assessment
Requirements and Guide*

1 July 2024

About Bushfire Survivors for Climate Action

Bushfire Survivors for Climate Action (BSCA) is a growing group of people who have been directly impacted by bushfires in Australia. We are a non-partisan, community organisation made up of bushfire survivors, firefighters and their families, working together to call on our leaders to take action to reduce emissions.

BSCA formed shortly after the Tathra and District fire in March 2018, and its founding members were all impacted by bushfires, including the Black Summer bushfires in 2019-20, Blue Mountains in 2013, Black Saturday in 2009 and Canberra in 2003.

As authors of this submission on behalf of Bushfire Survivors for Climate Action, we have lived experience of the impacts of climate change—through the loss of our homes and loved ones, the fracturing of our communities, and the destruction of our natural environment. We firmly believe that urgent and ambitious climate action by all levels of government is essential to protect the safety and future of all Australian communities and to reduce the impacts of climate change that we have already experienced first-hand.

www.bushfiresurvivors.org

Submitted to:

climatechange.review@epa.nsw.gov.au;
<https://yoursay.epa.nsw.gov.au/draft-climate-change-assessment-requirements-and-guide>

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SUBMISSION

As community members with firsthand experience of the impacts of climate change as well as a deep care for the natural environment of NSW, we appreciate the opportunity to contribute the following perspectives on the NSW EPA's Draft Climate Change Assessment Requirements and Guide.

We commend the EPA on the release of these draft Climate Change Assessment Requirements and draft Guide for Large Emitters. We especially acknowledge a number of points in the drafts, including:

- The statement that "...although the federal Safeguard Mechanism provides a minimum standard for the highest-emitting facilities, there is still a role for the EPA to evaluate projects' climate impacts and ensure that all emissions are appropriately managed".
- The commitment to engage with Aboriginal people, young people, and relevant local communities (including disaster-affected communities).
- Bringing climate impact assessment into early stages of the planning process.
- Setting the definition of "large emitter" as a likelihood to emit 25,000 tonnes or more of Scope 1 and 2 emissions (CO₂-e) in any financial year during the operational life of the project, especially as this is unaffected by offsets.
- Requiring proponents to demonstrate that they have seriously and credibly applied the mitigation hierarchy before utilising offsets only for residual emissions that cannot be avoided or reduced. In addition, requiring offsets to meet established integrity standards and to be based on clear, enforceable, and accountable methods, with offsets that conserve, preserve, protect, enhance, and manage the NSW environment to be prioritised.
- Requiring proponents to document Scope 3 emissions and encouraging the development of Scope 3 emission goals.
- Requiring proponents to address all relevant guiding principles in section 8 of the Climate Change Act 2023, to document how the principles (where relevant) have been met, and if they have not been met, why not.
 - However, we are concerned about potential ambiguity around what determines which guiding principles are relevant, and what constitutes an acceptable reason for not meeting them.

- Requiring proponents to demonstrate within the GHG Assessment that best-practice measures are to be implemented or provide evidence-based justification for why alternative measures are proposed.
- Requiring proponents to report uncertainties in estimated emissions, in the effectiveness of mitigation measures and contingency actions, and to recognise uncertainties in the timing and feasibility of emerging technologies.
- Requiring proponents to account for the cost of emissions.

We congratulate the EPA on these points. However we also have some concerns with the draft Climate Change Assessment Requirements and draft Guide for Large Emitters, which are discussed in detail below.

Specific comments

We offer the following feedback with reference to specific **Sections (in bold)** in the draft Guide (throughout, quotes from the draft Guide are in *italics*, and we have added underlines for emphasis).

2. Identifying large emitters & 2.2. How and when EPA requirements apply

“The EPA will usually use the approach outlined in this guide, to ensure that projects are considered in an effective, consistent and equitable manner. However, it reserves the right to apply all or a subset of CCARs for large emitters to specific projects, as each proposal will be considered on its own merits.”

- We are concerned about the ambiguity and potential inconsistency that may be introduced by bringing in the idea that the EPA may choose to not always apply all of the CCARs. This works in direct opposition to the stated goal of considering projects “in an effective, consistent and equitable manner”.
- In addition, the idea of “merits” is ambiguous here. To our knowledge there is no defined standard of what would constitute a merit in this context; so this has the potential to become a loophole, open to subjective interpretation that may not be consistent with good environmental protection outcomes.

3.1. Emissions reduction objectives for projects & 4.5.4. Setting emission goals for the project

“Proponents of large emission projects are expected to set interim and long-term scope 1 GHG emissions goals to make a meaningful contribution to NSW’s emissions reduction objectives.”

“... a meaningful contribution to the emissions reduction objectives of the State.”

“A meaningful contribution’ refers to the expectation that the project’s scope 1 emissions would reduce at a comparable rate to the relevant industry-sector emissions trajectory, or if this does not exist, to the overall NSW net zero emissions trajectory. Proponents should compare the average annual percentage change in project emissions to 2030 and 2035 relative to the average annual percentage change in the relevant industry-sector or overall NSW net zero emissions trajectory over these time frames, and note any project-related emissions projected for 2050. “

“...we are committed to developing a series of feasible, evidence-based emission reduction targets and related pathways for key industry sectors that we license (or parts of those sectors)”

- It is unclear why the definition of “meaningful” refers only to Scope 1 emissions. Scope 2 (and ideally Scope 3) emissions should also be included.
- In addition, as NSW aims to achieve net zero emissions by 30 June 2050, then it is inconsistent to require proponents to only note emissions projected for 2050, and these should be required to be abated.
- **The industry-sector emissions trajectories are urgently needed.**

“Scope 3 emission goals are encouraged but not required ”

- As noted above, we commend the EPA for encouraging proponents to start thinking about Scope 3 emissions. However we point out that for climate change to be genuinely managed, Scope 3 emissions ultimately must also be controlled. In addition, because emissions reductions are now urgent it is no longer possible to introduce these as gradually as might have been wished. We foresee it is unlikely that commercial entities will voluntarily do more work than required; and so we urge the EPA to take this item a step further and begin requiring Scope 3 goals.

“...licensees are expected to make fair and reasonable contributions to NSW achieving its economy-wide greenhouse gas emission reduction targets.”

- The phrase “fair and reasonable” is ambiguous and subjective, and should be replaced with a clear statement of the required emissions reduction.

4.3.2. Assessing the feasibility and effectiveness of mitigation measures

“While it is not expected that emissions reductions be pursued at any cost, it is expected that the project proponent will consider plausible cost-recovery options and other benefits gained to help balance the costs and improve the financial viability of measures.”

- The phrase “at any cost” is subjective and implies some type of “escape clause” that would allow commercial entities to continue business as usual if they judge the cost of emissions reduction would impact too much on profits. We hope this is not true of control measures on other forms of pollution in NSW, and it should not be so for greenhouse gas emissions.
- We would argue that if a project can’t be done both safely (including safety of the environment and the people of NSW as well as project workers) and affordably, then it’s up to the proponent to conclude that it is not a commercially viable endeavour.

“Which technologies are commercially and technically ready to be adopted now (or are likely to be ready at some time during the project life)?”

- It may be reasonable to include consideration of technologies that are “likely to be ready at some time during the project life” as a separate question; but including it in the same question with “ready now” relies too heavily on uncertain future solutions. This risks extending some emitting activities based on technologies that may never become viable. Even if the technologies do eventually become viable, there is a risk of substantial emissions in the interim.

4.5.4. Setting emission goals for the project

“If the project emissions trajectory...does not align with the relevant industry-sector emissions trajectory (or...the overall NSW net zero emissions trajectory), the proponent must provide a comprehensive explanation as to why the alternative trajectory is appropriate, including if relying on offsets to meet the trajectory goal.”

- We suggest that this wording is problematic, as it implies that a pathway that does not align with the industry-sector or NSW net zero emissions trajectory is merely “alternative” rather than inadequate or unacceptable.
- It is unclear what if anything would be considered an acceptable explanation as to why the proposed trajectory is “appropriate”.
- We further propose that there must be some information about a hard limit, or rejection criteria based on excessive emissions, somewhere in the Guidelines, and this would be a good place for it. **The EPA must have some instrument for simply saying “no” to a project based on excessive climate impacts.**
 - We realise this may be coming in the EPA’s Licensing Conditions Policy (currently being drafted by the EPA), as it is planned in the NSW EPA Climate Change Action Plan (Action 5(c) ...develop appropriate climate change conditions for development approvals (Year 1); Action 18: Progressively place greenhouse gas emission limits and other requirements on licences for key industry sectors (Year 2)). However **this only further underscores the urgency of the EPA’s continued work in this area and the importance of defining an emissions limit in the CCARs.**

4.6. Step 6: Offsets strategy

- As noted above, we commend the EPA on including the requirement for proponents to demonstrate that they have seriously and credibly applied the mitigation hierarchy before utilising offsets only for residual emissions that cannot be avoided or reduced. We also commend the requirement for offsets to meet established integrity standards and to be based on clear, enforceable, and accountable methods, with offsets that conserve, preserve, protect, enhance, and manage the NSW environment to be prioritised.
- That said, ensuring absolute integrity of carbon credits remains challenging. This section of the Guide refers to “the integrity standards and principles set

out in the Commonwealth Carbon Credits (Carbon Farming Initiative) Act 2011 (Australian Government, 2011) and the Climate Active Carbon Neutral Standard for Organisations (Climate Active, 2022)". Unfortunately the Commonwealth Carbon Credits scheme has its own problems¹ and it is extremely important that any carbon-credit generating activities result in genuine emission reductions; so this will still require the EPA's attention.

- We would like to further remind the EPA that there is a limited supply of genuinely valuable emissions offsetting activities, and these should be viewed as precious. They should be reserved for offsetting hard-to-abate emissions from vital activities such as agriculture, not as an alternative to reducing and stopping high-emitting activities that are not necessary for society or for which alternatives exist (such as producing and burning fossil fuels when wind, solar, storage and electric vehicles can do the same job).

General comments

First, we point out that in relation to improving the trajectory of emissions reduction in NSW, **existing forests and other natural carbon sinks should be preserved** as extremely precious resources for biodiversity as well as climate change reasons.

Land clearing should be slowed, and native forest logging stopped.

Next, in our opinion the very strong focus throughout this process on extensive consultation with industry and licensees is impeding emissions reduction and is unnecessarily conciliatory toward the regulated community. Likewise, the repeated emphasis on making targets "reasonable" and "feasible" (which are subjective terms) does not necessarily serve all of the Guiding Principles of the Climate Change Act 2023, all of the Objects of the Protection of the Environment Operations Act 1997, nor the Environmental Protection Authority's role as the primary environmental regulator for NSW. While arguments can be made that existing operations need time and support to transition to necessary emissions reduction, new and extended operations (that these guidelines apply to) should be held to the highest standard.

¹<https://iced.s.anu.edu.au/news-events/news/unsafe-safeguard-mechanism-how-carbon-credits-could-blow-australia%E2%80%99s-main-climate>

The most important determinant of appropriateness of emission reduction targets should be that they are **science-based**. The seriousness and urgency of acting on climate change now means that any other approach would be irresponsible, and associated with dramatically higher costs and worse outcomes in the long run.^{2, 3, 4, 5, 6} Current climate science indicates that to achieve even a 50% chance of keeping warming to 1.5C, the aligned target would be 75% emissions reduction by 2030 and net zero by 2035 - 2038.^{1 - 7} Because of previous inaction, incremental emissions reductions are no longer adequate; and strong mandates, rules and standards must be developed and implemented without delay. It has already been seen that asking business and industry to take voluntary measures toward decarbonisation at anywhere close to the scale and speed needed, while partially adopted by operators, has fallen well short of the necessary changes. The notion of basing targets first on what would suit the industries and businesses of today and then trying to fit science-based targets to that is inverted.

It must be deeply understood at all levels of government that the transition to a decarbonised economy is absolutely necessary to avoid existential impacts of climate change, and all further delay only increases the cost and worsens the outcome. The level of warming already locked in from emissions to date is associated with substantial risk, escalating economic impact, significantly worse mental and physical health and reduced safety and wellbeing of the people of NSW. Simply put, all further emissions will worsen the long term outcome. This means **there is no “good enough” on climate change and all possible efforts are needed.**

However, the good news is that recent reports show that higher emission reduction targets are in fact achievable using currently existing technology.^{2, 8, 9, 10} It must also be acknowledged that it won't be possible to please all stakeholders and some

²https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_LongerReport.pdf

³<https://www.csiro.au/en/news/All/News/2023/December/RAPID-DECARBONISATION-CAN-STEER-AUSTRALIA-TO-NET-ZERO-BEFORE-2050>

⁴<https://www.climatecollege.unimelb.edu.au/files/site1/docs/%5Bmi7%3Aui7uid%5D/ClimateTargetsPanelReport.pdf>

⁵ <https://www.climatecouncil.org.au/resources/net-zero-emissions-plummet-decade/>

⁶<https://www.climatecouncil.org.au/resources/missionzero/>

⁷https://assets.wwf.org.au/image/upload/f_pdf/Climate-Resource-Updated_assessment_of_Australia_s_emission_reduction_targets_and_1.5C_pathways

⁸ <https://www.climatecouncil.org.au/resources/seize-the-decade/>

⁹ <https://www.iea.org/reports/net-zero-roadmap-a-global-pathway-to-keep-the-15-0c-goal-in-reach>

¹⁰ <https://drawdown.org/drawdown-roadmap>

projects will not remain economically viable long term - this is the nature of progress (but *importantly, workers in affected industries must be supported by their industries* as they phase out). However this does mean that with commitment, ecologically sustainable development in the broad perspective remains within reach; and a good long term outcome for NSW can be achieved.

Conclusion

We are pleased to see the NSW EPA taking active steps on climate change. Although later than anticipated, these documents bring welcome progress. These new requirements will improve the quality and timing of information on GHG emissions of proposed projects. They will improve clarity for proponents and will help proponents to understand how to account for and minimise their emissions, to contribute to getting NSW towards net zero emissions by 2050.

However, while these drafts are a step in the right direction, they are still largely about documentation and accounting. This is important, but it is **only valuable if it leads to genuine emissions reduction**. We are concerned the Guide is currently too permissive and relies too heavily on the good intentions of proponents; and that **there appears to be no “hard cap” or emissions-based rejection criteria**.

Moreover, while this is outside the immediate purview of the EPA, we must point out that the **NSW emission reduction objectives that the Guide aligns with are not currently science-based targets** (i.e. they are too low to be consistent with the level of decarbonisation required to achieve the goals set in the Paris Agreement).

BSCA's members understand only too well the seriousness and urgency of climate change. **We urge the NSW EPA to take this opportunity to continue to enhance its leadership on climate change, increase the pace of this work, and to introduce more stringency in its GHG-based assessment of applications**. We look forward to the release of industry-specific emissions reduction targets and the General CCARs. Most importantly we look forward to hearing how those targets and the draft documents being discussed here will be reflected in licence approvals.

Thank you for your consideration of our submission.

Yours sincerely,



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