

An update on Australia's Climate Change Policy

Ilona Millar, Special Counsel

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Australia's Paris Commitment

- Australia's Intended Nationally Determined Contribution is to implement an economy-wide target to reduce greenhouse gas emissions by 26% to 28% below 2005 levels by 2030
- progression on 2020 commitment to cut emissions by 5% below 2000 levels by 2020 (equivalent of 13% below 2005 levels)

Australia's Paris Commitment

- Measures to achieve INDC include:
 - Emissions Reduction Fund (abatement purchases and safeguard mechanism)
 - Renewable Energy Target
 - National Energy Productivity Plan (target of productivity improvement of 40% between 2015 and 2030)
 - improved efficiency of light and heavy vehicles
 - enhanced management of synthetic GHGs
- 2017-2018 consultation to determine further post-2020 domestic emission reduction policies

Current Political Landscape

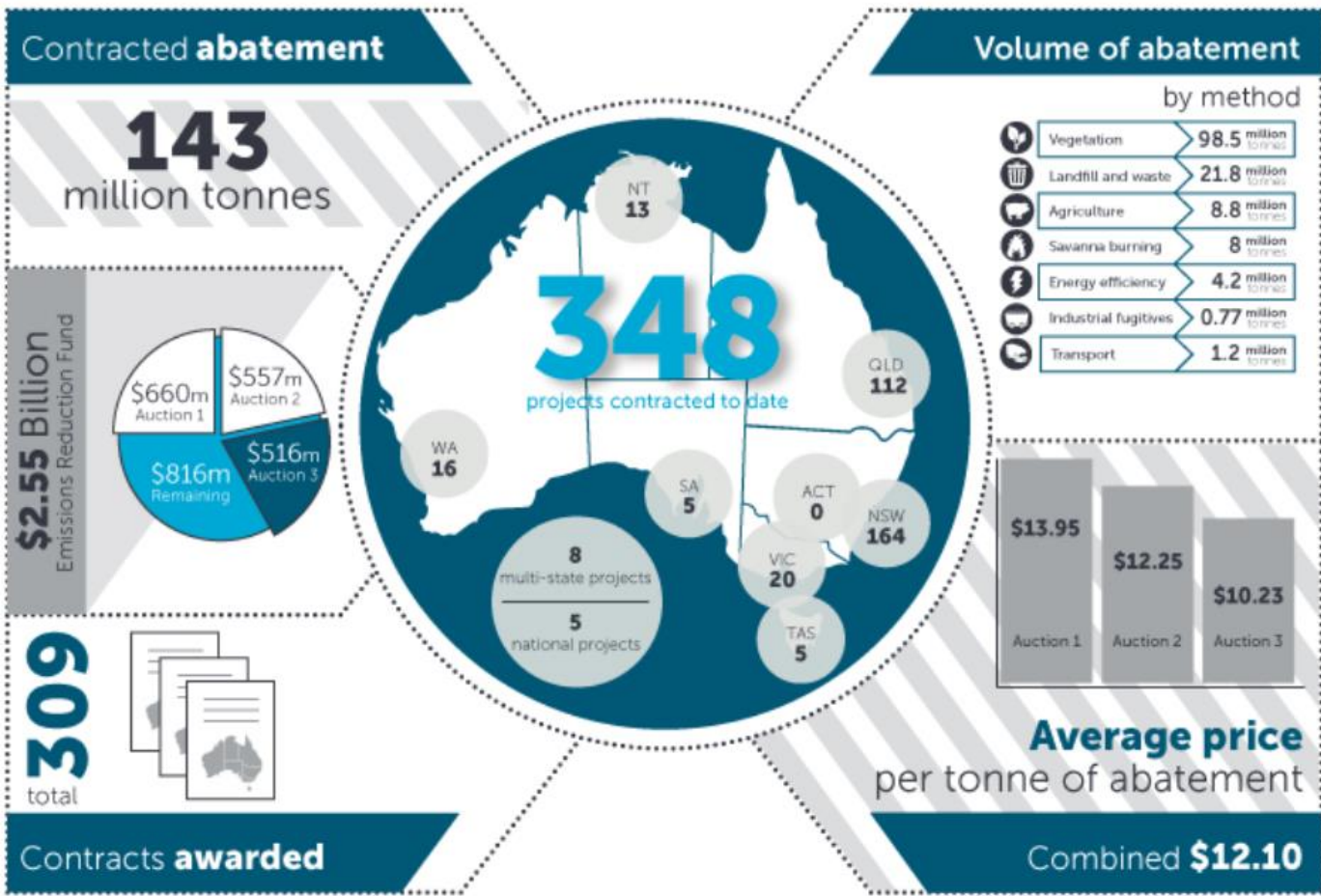
- Support for Paris Agreement
 - Australia signed Paris Agreement in April 2016
 - referred to Joint Standing Committee on Treaties which must report back to Parliament before decision on ratification can be taken (submission period closed 7 October)
 - note Australia endorsed the NZ-led Ministerial Declaration on Carbon Markets in Paris
- 2016 Election
 - Liberal-National Coalition re-elected
 - Climate Change now within Department of Energy and Environment (Minister Frydenberg)

“two sides of the same coin”

Combined results for auctions 1, 2 and 3 Emissions Reduction Fund

Released 5 May 2016

The Carbon Credits Register is a public register of all carbon credits issued under the Emissions Reduction Fund. It is available at www.ecdc.gov.au/CarbonCreditsRegister.

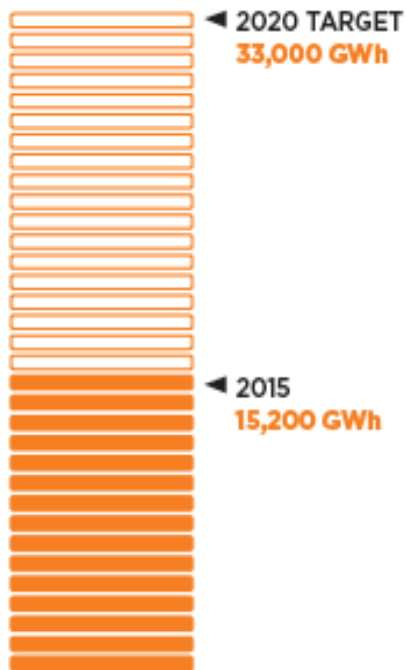


Safeguard Mechanism

- commenced 1 July 2016
- emissions threshold: direct emissions of 100,000+ tonnes of CO₂-e per year
- baselines set by reference to highest reported historical emissions 08/09 – 12/13 unless calculated
- flexibility in adjusting baselines to avoid exceedance
- if baseline exceeded can surrender ACCUs
- sectoral baseline for electricity
- reported baselines for 264 facilities in the following sectors:
 - metal manufacturing
 - coal mining
 - other manufacturing
 - oil and gas
 - transport
 - metal ore mining
 - waste
- calculated baselines may apply to a small number of additional facilities

Renewable Energy Target (RET)

PROGRESS TOWARDS THE LARGE-SCALE RENEWABLE ENERGY TARGET



- Revised Commonwealth target out to 2030 legislated in mid-2015 with bipartisan support
- Between 30-50 large-scale wind and solar projects must be built by 2020 to meet the large-scale component of the RET
- A number of States and Territory initiatives also underway

STATE	%	Target Year
ACT	100	2020
SA	50	2025
VIC	20	2020
QLD	50	2030

Source: Clean Energy Council – *Clean Energy Australia Report 2015*

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Renewables + Energy Security

SA storms: Rushing to renewable energy targets puts sector's reputation at risk

ANALYSIS

By political editor [Chris Uhlmann](#)

Updated 30 Sep 2016, 11:25am

The last time an entire state blacked out was on the night the Beatles arrived in Sydney in 1964.

So what happened in South Australia yesterday was rare and the repercussions could be vast.

The key question is whether that state's heavy reliance on wind turbines might have increased the risk of a state-wide blackout. More broadly, the event will supercharge concerns over how renewable energy is being integrated into a national grid that was not designed to cope with it.



PHOTO: Just under half of South Australia's energy is generated by wind and solar. (ABC News)

Turnbull turns South Australia crisis into row over renewables

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South Australian blackout: When the lights go out, it's a sign the electricity grid isn't working well

ANALYSIS
By political editor [Chris Uhlmann](#)
Updated Thu at 8:40am

The blackout of an entire state is rare. And bad.

Having all the lights go out in a storm, even a big one, is not a sign of an electricity grid that's working well.

And the Australian Energy Market Operator's (AEMO) [preliminary report](#) has not yet determined why [the whole of South Australia went to "black system"](#) at 4.18pm local time on Wednesday September 28.

"The root cause is subject to further analysis being conducted," it says.



PHOTO: Damaged transmission towers near Melbourne in SA's mid north. (ABC News: Dean Faulkner)

CCA Special Review on Australia's Goals and Policies & 2017 Review

	Current policies		Toolkit			
Electricity supply			Emissions intensity scheme from 2018 <i>Intensity baseline declines linearly over time, reaching zero well before 2050</i> <i>Eligible energy efficiency credits can be used to meet obligations</i>	Chapter 5		
			Renewable Energy Target <i>Ends 2030</i>	Chapter 9		
Direct combustion	Emissions Reduction Fund (ERF) - crediting and purchasing	Safeguard mechanism	Enhanced safeguard mechanism <i>Baselines decline consistent with Australia's commitments</i> <i>ERF credits from agriculture, land use and safeguard sectors can be used to meet obligations</i>	Enhanced safeguard or market mechanism	Chapter 5	
			Industrial processes Fugitive emissions	<i>ERF auctions in safeguard sectors and transport</i>		
Transport			Carbon dioxide standards for light vehicles	Chapter 10	Standards continue; 2022 review to consider transport coverage under enhanced safeguard or market mechanism	Chapter 5
			Cost-benefit analysis of carbon dioxide standards for heavy vehicles			
Agriculture			<i>ERF auctions for agriculture and land use</i>	ERF crediting		Chapter 11
Land use						
Waste	Regulation and standards					
Synthetic greenhouse gases	Safeguard mechanism					Chapter 12
Cross-cutting policies	State-based white certificate schemes Energy efficiency measures for buildings, industry, households Innovation support		Efforts to harmonise white certificate schemes for use as offsets under emissions intensity scheme		Chapter 7	
			ERF crediting and auctions for energy efficiency		Chapter 7	
			New or enhanced energy efficiency measures for buildings, industry, households		Chapter 7	
			Innovation support focussed on R&D for low-emissions technologies		Chapter 8	
Reviews			First toolkit review in 2022 Five-yearly reviews thereafter <i>Reviews to assess Australia's progress and that of key countries</i>			

Any questions?

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