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1. Draft NSW Planning Guidelines: Wind Farms

All guidelines are not created equal

The NSW Government is preparing a Renewable Energy Action Plan in response to the national target of 20% for renewable energy by 2020.¹ According to the Government, this target is the ‘primary driver of wind farm development proposals across NSW’². The Draft NSW Planning Guidelines: Wind Farms (the draft guidelines) were prepared by the NSW Government to guide investment in wind farms across NSW.

A key aim of the draft guidelines is to avoid any potential impacts of wind farms on local communities. In addition, the draft guidelines aim to:

1. provide a clear and consistent regulatory framework for the assessment and determination of wind farm proposals across the State;

2. outline clear processes for community consultation for wind farm developments; and

3. provide guidance on how to measure and assess potential environmental noise impacts from wind farms.

The draft guidelines propose to set limits on the distance a wind farm can come to dwellings as well as limits on noise and visual amenity. Strict community consultation requirements have also been flagged.

However, these sorts of provisions, while not themselves problematic, are far more onerous than the limits imposed on other forms of energy production, particularly coal mining and coal seam gas (CSG) projects.

Some examples of the discrepancies between the approaches to wind farms and coal/CSG developments are outlined below.

**Setback distance**

The draft guidelines propose a 2km setback from houses for wind farm developments (unless the consent of all landowners in that radius is obtained), which prohibits development or triggers an additional upfront ‘gateway’ assessment.

This is a far greater setback than the 200m setback required for mining and CSG projects.

In late 2011, the Victorian Government implemented new planning rules which place large sections of the State off-limits to wind farm developments, and set in place a 2km ‘right of veto’, whereby a single household can block any turbines within 2km of their home. This has already had an economic impact on the State, with an economic analysis by Friends of the Earth Melbourne showing a loss of up to $556 million in lost or stalled investment, and a loss of up to a total of 1,553 jobs.

**Noise limits**

The draft guidelines propose a 35 decibel (dB) noise limit for all NSW wind farms. For other types of development, **project-specific noise levels may be set in the consent and licence conditions. Indeed, significantly higher noise limits are often allowed for coal mines in NSW.** The draft guidelines’ noise limit for wind farms is also stricter than noise limit guidelines in other jurisdictions, both in Australia and overseas. For example, the noise limit in the US and Nederland is 50dB, Denmark 44dB, and Victoria, South Australia, and New Zealand 40dB.

The perceived need for strict noise criteria under the draft guidelines is attributed to the particular characteristics of wind turbines and a ‘precautionary approach’ to health issues. However, reviews of the scientific literature to date have not identified any positive link between wind turbines and adverse health effects. By contrast, **considerable health impacts of coal mining and power generation continue to be identified,** which would warrant a more stringent approach. However, these developments are not as a rule subject to strict criteria, nor do they attract the same ‘precautionary approach’ to health issues.

**Visual amenity**

Wind farm proposals will typically require a comprehensive assessment to be undertaken of the impact of the proposed wind farm on the landscape character, landscape values, visual amenity and any scenic or significant vistas. In contrast, there is no specific requirement for an assessment of the visual amenity of coal or CSG projects. The visual amenity of these projects may or may not be assessed, depending on the Director-General’s Requirements for environmental assessment.

**Community participation**

The draft guidelines set out a range of consultation requirements that are more stringent than those applying to other developments. For example, the draft guidelines propose to require the formation of a community consultative committee at the assessment stage. The consultation period is also set to be longer than for other development; wind farm applications are proposed to
be on exhibition for 60 days (compared to 30 days for coal and CSG projects).

The draft guidelines aim to ‘ensure NSW has a consistent, transparent and rigorous assessment process’. Rigorous assessment standards are welcome, but should be imposed on all forms of large scale and energy-related developments, rather than confining the more rigorous standards to wind energy development.

Furthermore, any standards for wind farm developments should enable the industry to compete on a level playing field. The draft guidelines would create inappropriate double standards for wind farms when compared with planning approval processes for other energy-related developments. As they stand, the guidelines may have the unintended effect of making investment in wind energy less viable or attractive.

The guidelines may also pose difficulties in meeting government aims and policies on renewable energy, climate change and health. For example, the executive summary to the draft guidelines states that the NSW Government has a national target of 20% renewable energy by 2020, and that wind energy is projected to be the most economical form of large scale renewable energy over the next decade. The draft guidelines may place wind farms at a competitive disadvantage and thus frustrate progress towards achieving the Government’s national renewable energy target.

The Government is currently seeking public comment on the draft guidelines. To read the draft guidelines and submissions responding to them, please click.

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National Update

Law

2. Land Court recommends Queensland Government approve Australia’s largest coal mine, saying climate change “irrelevant” – Xstrata Coal Queensland Pty Ltd & Ors v Friends of the Earth - Brisbane Co-Op Ltd & Ors, and Department of Environment and Resource Management

Queensland’s Land Court has recommended that Australia’s largest coal mine be approved by the Queensland Government. Xstrata Coal’s new thermal coal mine at Wandoan was challenged by conservation group Friends of the Earth Brisbane, who argued that as well as scope 1 and 2 emissions, the scope 3 emissions of the project must be considered when assessing its impact under the Mineral Resources Act 1989 (Qld) and the Environmental Protection Act 1994 (Qld) (EP Act). Friends of the Earth also argued that the public right and interest is prejudiced due to the contribution the mine will make to climate change and ocean acidification, and that the mine is not consistent with the principles of ecologically sustainable development as set out in the National Strategy for Ecologically Sustainable Development.

Friends of the Earth argued that the scope 1, 2, and 3 emissions of this project would have far reaching impacts on climate change, and would contribute to significant and irreversible damage to Queensland’s natural heritage, including the Great Barrier Reef. The project’s environmental impact assessment stated that the mining and burning of the coal was expected to result in 1.3 billion tonnes of carbon dioxide equivalent being released into the atmosphere over the life of the project.

mine. The project is also going to displace 11,000 hectares of agricultural land.

Xstrata did not dispute the science of climate change or that climate change will result in increased global temperatures and increased ocean acidification. It also did not dispute that the project will create greenhouse gas emissions. However, it submitted that the greenhouse gas emissions of the project are not significant in the context of Australian and global emissions, and that Friends of the Earth did not identify any precise or separate environmental harm which is causally linked to the project.⁶

Xstrata argued that stopping the project will not affect the amount of greenhouse gases in the atmosphere, and that if the project is stopped, the coal that it would have produced will be replaced by coal produced elsewhere which will produce the same or a higher amount of greenhouse gas emissions when burned. It also argued that the mining and burning of coal from the project will have negligible or no separate impact on climate change and ocean acidification and, balancing any impacts against the benefits of the project, it should be permitted to proceed.

Friends of the Earth submitted that the project's own emissions would contribute to climate change and that this should outweigh all other factors to be taken into account in the assessment of the project, pressing the Court to recommend that the environmental authority be refused.⁷

The Court did not accept this submission, finding that stopping the project would not result in any, or any substantial, difference in the levels of greenhouse gases in the atmosphere, and that climate change caused by the burning of the coal sourced from the proposed coal mine was irrelevant to its determination under the EP Act.⁸ The Court also found in favour of Xstrata's submission that the project would make significant economic contributions on a local, State and Commonwealth level, saying that this contribution is relevant to the public interest considerations in the assessment of the project.⁹

The Court found that the reference in the Ecologically Sustainable Development (ESD) principles to “the global dimensions of environmental impacts of actions and policies” appears to allow the Court to take into account the global impacts of the project, but only the global impacts of the "mining activities".¹⁰ The Court found that the definition of “environment” was limited to the Queensland environment,¹¹ and thus limited it analysis of the impacts to scope 1 and 2 emissions, finding that that the transportation and burning of the coal in other power stations (scope 3 emissions) were not required to be taken into account, as these would be reported by the party who burned the coal as their scope 1 or 2 emissions.¹²

The Court found that the climate change issue did not outweigh all other issues so as to justify a recommendation under the EP Act that Xstrata's application be refused,¹³ and recommended the approval of the project subject to the draft environmental authority being adopted, groundwater monitoring and remedial obligations, and to the exclusion of certain lands from the project.

To read the decision, please click.

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3. Victorian Civil and Administrative Tribunal (VCAT) confirms new brown coal fired power station approval but imposes conditions – Dual Gas Pty Ltd & Ors v Environment Protection Authority

Dual Gas Pty Ltd sought to develop a new 600 MWe power station in the Latrobe Valley. The project involves the integrated drying and gasification of brown coal, which is then used in conjunction with natural gas to fire combined cycle gas turbines for power generation. The Victorian Environment Protection Authority (EPA) approved the project, issuing a works approval for a 300 MWe power station, half the capacity Dual Gas had sought. Dual Gas sought to review some of the conditions on the works approval and sought to reinstate the generating capacity to 600 MWe.

In addition, four objectors, including Environment Victoria Inc., sought to review the approval of the project, claiming that the emissions even from a 300 MWe project would be inconsistent with the State Environment Protection Policy (Air Quality Management) (SEPP(AQM)). Dual Gas initially challenged the standing of all four objectors, however VCAT found that three of the four objectors had standing to pursue limited grounds of review.

VCAT allowed Dual Gas’ application for review in part, and endorsed an increase in capacity of the Dual Gas project to 600 MWe subject to conditions. VCAT found that the objectors failed to establish that the use of the works will result in emissions that will be inconsistent with the SEPP(AQM). However, VCAT did accept the objectors’ argument that the carbon price and market alone was insufficient to manage emissions and emissions intensity, and placed a condition on this emissions intensity.

VCAT also imposed a condition that works cannot commence until the Federal Government has signed ‘Contracts for Closure’ with the most polluting power stations that result in at least 600MW of brown coal power being shut down in Victoria. This was based on a finding that unless the power station replaced or displaced dirtier existing brown coal fired power stations, its benefits were too uncertain and its environmental impacts were unacceptable.

VCAT found that the Dual Gas project complies with the requirement for ‘best practice’ having regard to the definition of that term in the SEPP(AQM) and comparable industry activity, and that the project is not inconsistent with a holistic assessment of the aims, principles or intent of the SEPP(AQM).

To read the decision, please click.

4. Clean Energy Regulator commenced 2 April 2012

The Clean Energy Regulator was established from 2 April 2012 to implement and administer the:

- carbon price;
- Carbon Farming Initiative program applications;
- Australian National Registry of Emissions Units;
- National Greenhouse and Energy Reporting scheme; and
- Renewable Energy Target.

The Clean Energy Regulator is a Canberra-based independent statutory authority that is set up by the Clean Energy Regulator Act 2011 as part of the Clean Energy Legislative Package passed by the Australian Senate on 8 November 2011. For information about how the Government is implementing the reforms contained in the Clean Energy Legislative Package, please click.

The Government has announced it will appoint Ms Chloe Munro as the Chair and Chief Executive.
Officer of the Clean Energy Regulator. Ms Munro was previously the Chair of the National Water Commission. To read more about the Clean Energy Regulator, please click.

5. EDO Case Update: Hunter Environment Lobby v Minister for Planning (No 2)

The EDO acted for the Hunter Environment Lobby in a merits appeal that challenged the Minister for Planning's approval of a proposed expansion Ulan Coal Mine’s underground mining operations and a new open cut mining operation. The Land and Environment Court overturned the Government’s approval but then granted its own approval subject to some additional conditions. Importantly, the Court indicated its intention to impose a condition requiring that the mine offset its scope 1 greenhouse gas (GHG) emissions. Scope 1 emissions are direct emissions and include the burning of fossil fuels.

Before a final decision on the GHG condition, the parties were required to make submissions to the Court on the implications of the Federal Government's Clean Energy legislation on the condition.

Hunter Environment Lobby argued that the Ulan mine should be required to offset its scope 1 GHG emissions to the extent that they are not required to pay a carbon price for those emissions under the Clean Energy Act 2011 (Cth).

In a judgment handed down on 13 March 2012, the Court declined to impose the GHG condition because it found that the Clean Energy Act 2011 and related legislation would cover most of the mine’s activities which result in scope 1 emissions and therefore the purpose of the condition would be met by the legislation. The Court also found that the extent to which the Clean Energy Act 2011 would not cover all of the mine’s scope 1 emissions was negligible and therefore the proposed condition was unnecessary. Finally, the Court found that there is an unsatisfactory level of uncertainty in relation to the offsets market sought to be utilised under the condition.

This was a landmark case in that the condition sought was the first of its kind to be considered by the Court. There is certainly precedent value in the Court’s original judgment in December in which it expressed an intention to impose the condition pending consideration of the implication of the Clean Energy legislation, which may prove useful in other contexts.

EDO acknowledges Philip Clay, SC for his advocacy in these proceedings.

Policy

6. ANEDO Submission on the Draft Energy White Paper


The Australian Network of Environmental Defender’s Offices (ANEDO) lodged a submission in response to this draft Energy White Paper, highlighting the need for mandatory emissions standards and regulatory and electricity network reform to encourage renewable energy investment in order to curb the negative impacts of climate change.

The Organisation for Economic Co-operation and Development (OECD) has noted that through continued global dependence on fossil fuels, carbon dioxide emissions from electricity generation are predicted to rise by 70% by 2050. In turn, this is likely to lead to global average temperature increases of 3-6ºC, above the globally-agreed maximum of 2ºC.14 Any energy policy developed by Australia must therefore have transition to a low carbon economy as a fundamental goal.

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14 OECD, Environmental Outlook to 2050: the Consequences of Inaction, 72.
energy decisions made today will reverberate over the decades to come, and early action to reduce emissions will be less costly than delayed action.15

In summary, ANEDO recommended that:

1. The externalities of non-renewable generation must be properly accounted for;
2. Mandatory emissions standards should be imposed on all new power generation in Australia;
3. The electricity transmission and distribution network must be reformed, in order to encourage renewable energy investment;
4. The mandate of the Independent Expert Scientific Committee should be expanded to consider environmental impacts beyond water;
5. The Government should take a leadership role and encourage the reduction or removal of regulatory barriers to the establishment of renewable generational sources (especially wind power), as compared to mining and CSG; and
6. The White Paper should avoid prioritising carbon capture and storage (CCS) technology at the expense of more renewable generation.

To read ANEDO’s submission, please click.

7. Victorian Government review of the Climate Change Act 2010 results in reduction in emissions target

An independent review of the Climate Change Act 2010 has recommended that the 20% target for reduction in greenhouse gas emissions be repealed, resulting in the target being lowered to 5% by the Victorian Government.

The 20% target represented a commitment to reduce Victoria’s emissions by 20 per cent by 2020 compared with 2000 levels. The review found that the target lacked enforceability and concrete measures in the legislation to achieve it, and that the State-based target would distort the national scheme. The Government stated that having both State and national emissions reduction targets would impose additional cost burdens on Victorian households and businesses.16

The review found that there is no compelling reason to maintain the Victorian target with a national scheme in place, stating that any State scheme should be consistent with the national scheme of 5%.17 The Victorian Government maintains that the 20% target was introduced when there was no national emissions scheme, and that to maintain the 20% Victorian target would be to duplicate the national scheme.18

To read the review, please click. To read the Victorian Government’s statement on the review, please click.

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8. New Expert Panel for Carbon Farming – Domestic Offsets Integrity Committee

The Australian Government has appointed a new expert panel to assess proposed methods for developing carbon credits under the Carbon Farming Initiative (CFI). The role of the Committee is to support the environmental integrity of carbon offsets generated under the Carbon Farming Initiative, and to assess methodology proposals for use under the scheme, advising the Minister for Climate Change and Energy Efficiency who decides whether to approve methodology proposals.

The Carbon Farming Initiative is a voluntary initiative that aims to allow farmers and land managers to earn carbon credits by storing carbon or reducing greenhouse gas emissions on the land. These credits can then be sold to people and businesses wishing to offset their emissions. The CFI aims to encourage sustainable farming and provide a source of funding for landscape restoration projects. For more information on the CFI, please click.

This Committee replaces the interim Domestic Offsets Integrity Committee set up to expedite assessment of methodologies submitted prior to commencement of the CFI.

For more information about the Committee, please click.

9. Renewable Energy (Electricity) Amendment Regulations 2011 passes without renewable energy certificates for forestry

The Renewable Energy (Electricity) Amendment Regulations 2011 which include provisions to stop logging companies claiming renewable energy subsidies by burning waste wood from native forest timber to produce electricity passed the Australian Parliament on Monday 19 March 2012.

The Regulations, which were made under the Renewable Energy (Electricity) Act 2000 were challenged by the independent MP Rob Oakeshott who supported giving forestry companies the ability to earn renewable energy certificates, which can be sold for profit, by burning native forest wood.

Mr Oakeshott’s move to disallow the Regulations was aimed at waste wood created by timber logging, however conservation groups argued it would encourage more logging of native forest, allowing the woodchip industry to increase its export market. To read more on the failed disallowance motion, please click.

International update

Law

10. Mexico – Climate change Bill heads for Chamber of Representatives

In early 2012 the Senate of Mexico agreed to the completion of a unified General Climate Change Bill. Some Mexican states have already enacted local climate change Bills, however Mexico still lacks a federal statute on the subject. The Bill is a key component in enforcing the goals and policies set out in federal programmes such as the Special Programme for Climate Change, the National Strategy on Climate Change, the National Strategy on Energy and the specific laws and regulations of the energy sector.

The Bill would create a national system for addressing climate change and regulate specific factors relating to the effects of climate change in Mexico, having regard to natural conditions and ecosystems and risks to the Mexican population. Provisions include the control and reduction of greenhouse gas emissions, the promotion of energy-efficient practices and the use of renewable energy and clean technology transfer, the development of economic and fiscal incentives to support socially and environmentally responsible companies, and the reduction of emissions from
public transportation systems.

The Bill also contains general provisions for access to federal and international funds to implement projects for greenhouse gas mitigation or reduction and carbon capture, providing guidelines on the delivery of certified emission reduction under the Kyoto Protocol's Clean Development Mechanism and similar voluntary markets for carbon offset, both national and international.

The General Climate Change Bill calls on federal, local and municipal authorities to coordinate the control, monitoring and reporting of greenhouse gas emissions from the public and private sectors, highlighting their objective as the achievement of emission reduction targets and making joint efforts to address the effects of climate change and incentivise investment in clean technology and sustainable production, as well as renewable energy.

The draft has been debated and approved by the Senate, but must still be reviewed by the Chamber of Representatives. To read more, please click.

11. Britain – Climate Change Act 2008 to remain intact

Britain’s Climate Change Act 2008 will not be revised following a 12 month Government review. The Climate Change Act is the statutory basis for all of the Government's policies on reducing carbon dioxide emissions, including support for wind farms and higher road taxes for more polluting cars.

Chancellor George Osborne of the Conservative Party called for a cut to the “expensive 'green' regulations”, however Energy Secretary Ed Davey of the Liberal Democrats has said that he would not be looking to change the Act, calling it essential legislation that should remain untouched.

Additionally, Mr Davey said the level of the Emissions Performance Standard, designed to limit the emissions from individual plants, will be enshrined in primary legislation, however this legislation looks towards transitioning to gas rather than renewables as an alternative to coal. While Mr Davey acknowledges that a transition to “low carbon alternatives” is a goal in responding to climate change, he said that gas would be required to “fill the gap” that a move away from coal-fired plants would leave. Chancellor Osborne also supports a focus on gas.

To read more, please click.

Policy

12. China will cap coal production and use in 2015, however imports are expected to increase

The Chinese Government has announced that it plans to cap coal production and use at 3.9 billion tonnes in 2015, aiming to slow yearly coal output growth to 2% over the next four years from around 10% in order to reduce fossil fuel emissions and encourage investment in renewable energy generation. The target is not binding, but is to act as guidance.

China’s coal imports are expected to continue to increase, up 10.6% in 2011 to 182.4 million tonnes. Australia is a major exporter of coal to China, and has about $14 billion worth of new projects and expansions under construction or committed through 2014, which will eventually produce an additional 80 million tonnes of thermal and coking coal.

13. United States Environmental Protection Agency proposes Carbon Pollution Standard for new power plants

The US EPA has proposed steps to limit greenhouse gas emissions from new power plants under the Clean Air Act. Power plants are the largest individual sources of carbon pollution in the United
States and currently there are no uniform national limits on the carbon pollution emissions of future power plants.

The proposal does not apply to existing plants or plants that have gained development approval to commence construction in the next 12 months. The EPA has stated that “natural gas” combined cycle technology is expected to dominate fossil fuel fired generation.

To read the proposed standard, please click.

14. Beijing drafts China’s toughest emission standards

Stricter emission standards on the auto industry are likely to be adopted by Beijing this year as pollution continues to cause concern. The Beijing Environmental Protection Bureau’s draft plan was under public review until 9 April. It calls for the city to impose higher emission standards.

Specifically, the plan calls for lower nitrogen oxide, carbon monoxide and hydrocarbon emissions. Nitrogen oxide emissions would be limited to 0.06 grams, down from the 0.08 grams in the national IV standard, while particulate matter emissions are limited to less than 0.0045 grams per km.

The plan also calls for cleaner emissions as vehicles age, increasing the compliance limit to vehicles with 160,000 km on the odometer.

Despite Beijing’s place as the pacesetter in implementing increasing emission standards over the past decade, total emissions from vehicles in the city have continued to rise by more than 10% each year.

Chinese media reported that the country’s fuel suppliers have already developed gasoline and diesel fuel that meets engine requirements in the Beijing V standard. To read more, please click.

Media, reports and other news


Australia has been ranked at the bottom of all advanced economies in the 2012 carbon competitiveness index from the US World Resources Institute. To listen to the story, please click.

16. ABC Landline: Carbon cattle (25 March 2012)

One of the Northern Territory’s oldest cattle stations is undergoing a facelift. Cattle are making way for carbon farming on Henbury Station after the property was purchased last year by RM Williams Agricultural Holdings, with the intention of being incorporated into the Carbon Farming Initiative. To watch the story, please click.

17. World’s largest offshore wind farm opens

A new 367 megawatt offshore wind farm opened off the Cumbrian coast in Britain on 10 February 2012. The wind farm will supply up to 320,000 households a year with renewable power, the companies behind the project said. The 1 billion pound ($A1.5 billion) Walney wind farm is a joint venture between utilities DONG Energy, SSE and OPW, a consortium of the Dutch pension fund service provider PGGM and Ampere Equity Fund.
The companies claim Walney is the world's biggest offshore wind farm, with 102 wind turbines, each with a capacity of 3.6 MW. To read more, please click.

18. Invitation to Join the EDO’s Scientific Expert Register

The EDO is seeking scientific and technical experts with 10 or more years’ experience in a range of fields to join our Expert Register. PhD students are also encouraged to apply.

The Expert Register is a list of scientific experts who are willing to assist the EDO with public interest environmental matters on a pro bono basis. A key aim of the service is to increase the public's capacity to participate effectively in the environmental planning and development assessment process.

The EDO is also seeking to develop relationships with research organisations and environmental consultancies interested in doing pro bono work.

If you would like more information on how to be involved in the scientific work of the EDO, and have expertise in climate science or a relevant environmental field, please contact the EDO on (02) 9262 6989.

19. EDO’s Coastal Law and Climate Change project

The EDO has been funded by the Federal Government through its Caring for Our Country program to produce a guide to coastal law and climate change. To order a free copy of Caring for the Coast: A guide to environmental law for coastal communities in NSW, please email education@edo.org.au with your details and we’ll send you a copy.

If you would like the EDO to come to your area to present a workshop on coastal law and climate change, please contact our Legal Outreach Director at education@edo.org.au, or call 9262 6989.

Requests from rural and regional groups in NSW will be given priority.