ENVIRONMENTAL MANAGER

Independent news and analysis on industry and the environment



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Farms still have to cut emissions

Fed climate change minister Penny Wong's weekend revelation the fed govt has agreed to permanently exclude agriculture from coverage by the carbon pollution reduction scheme (CPRS) does not mean big farming businesses are off the emissions reduction hook. Leaving Aust's second largest source of GHG emissions outside the CPRS means the govt will have to find other ways to encourage farmers to cut emissions, ANU economics Professor Stephen Howes told EM. The deal, unveiled by Wong only in very broad terms through the media, would also allow farmers to earn carbon credits from carbon sequestration activities. Giving farmers access to carbon credits may reduce the cost of the scheme to big polluters that would have a new opportunity to buy domestic carbon credits to surrender to govt under the CPRS, Howes said. But it would not have any impact on reducing Aust's overall emissions. "[T]hat action opportunity that you've grasped in agriculture substitutes for other emissions reductions opportunities that you would otherwise have had to do" in other high emission sectors, he said. "Because agriculture is such a big chunk of our emissions, we're going to have to get emission reductions in agriculture in addition to emission reductions that we get in industry or household and transport sectors," Howe said. Agriculture, mainly livestock emissions, delivered 16.3% [88.1Mt/CO₂-e] of national emissions in 2007. As well, there was no way to ensure emissions reduction actions taken by farmers were genuine. "You don't know that the farmer wouldn't have introduced that improved farming practice anyway ... it's in the interests of the people proposing the offsets to say 'if you hadn't paid me this money my emissions would've been much higher' because that maximises their gain. That's a wellrecognised problem with existing offset systems," eg the UN's Clean Development Mechanism. "It's certainly a problem we will face" he said. If agriculture was included in the CPRS scheme the

problem would have disappeared. Left outside the scheme, "there has to be some regulatory approach so you push down emissions in agriculture over and above any reduction due to the offsets". The govt and the National Farmers' Federation (NFF) would appear to agree. Wong told ABC TV the NFF had said "that exclusion of agriculture from the scheme doesn't mean that farmers can't be part of the solution. There are a range of ways that that can occur. We are interested in continuing the discussion with the Coalition about how we do that." At press time the NFF had not responded to *EM*'s request for comment.

CPRS Senate vote expected next week

With the 11 CPRS bills tabled in the Senate today for a second and final vote expected next week, Wong continues to work with Coalition negotiator lan MacFarlane to gain enough opposition Senate votes to see the upper house pass the bills before parlt rises on Nov 26. Macfarlane said the deal on agriculture "was hard fought and easily dealt with ... but there are a number of other areas where the same issue applies, or where industry is far more exposed than some of our competitors". He said this morning he remained "confident that we'll get an outcome that I can take to the party room ... I'd be optimistic that the party room would support it." Two National Senators today told a joint party room meeting at lunchtime they would not vote for the CPRS "come what may". In all, 10 Coalition members, including six National Senators and three Liberal Senators, spoke against Coalition leader Malcolm Turnbull's negotiations with the govt on the CPRS. A failure by the Senate to pass the bills would give the govt the option to call an early election.

Major banks back green loans

ANZ has joined Westpac to back the fed govt's green loans program as the \$10,000 interest-free loans began to flow (EM737). The govt's five-year scheme to provide loans to 75,000 householders to improve their energy and water efficiency was first backed by a number of credit unions. Fed environment minister Peter Garretts' spokesperson told *EM*, 204 loans have been issued. Another 793 applications are waiting for approval.



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Capital ideas help cut emissions

Aust's capital cities could almost halve their CO₂ emissions over the next decade, say the nation's lord mayors. The Council of Capital City Lord Mayors (CCCLM) has resolved to target GHG emission cuts of 57m tonnes a year by 2020. CCCLM chair and Syd lord mayor Clover Moore said capital cities combined were currently responsible for about 125m tonnes of CO2 emissions a year or 23% of the national total. Under a "do-nothing" scenario, total annual emissions from capital cities were expected to rise to 140m tonnes by 2020. Moore said lord mayors had agreed to work with fed and state govts and industry on a range of initiatives, eg using at least 50% of city waste streams to produce methane for power generation by 2015, converting all urban street lighting to high-efficiency LED technology by 2020, improving public transport and encouraging cycling. City councils would encourage energy-efficient developments, smaller floor areas per employee in commercial buildings and renewable energy use, eg solar hot water systems. Moore said Syd City Council's (SCC) operations had already achieved zero net GHG emissions through offsets and energy efficiency. "We use 'green power' to offset emissions associated with essential electricity used by our properties and street lighting and purchase carbon offsets for non-electricity emissions." SCC was investing \$18m to improve the energy efficiency of council-owned buildings and properties, eg using high-efficiency light fittings, sensor lighting and energy-efficient air-conditioning systems.

Recyclers get ready for e-waste

The peak body for industrial recyclers, the Waste Management Assoc of Aust (WMAA), says it does not foresee problems handling e-waste when new collection and disposal schemes start in 2011. E-waste will be the first target of a national waste policy endorsed by fed, state and territory environment ministers (<u>EM719, 717</u>, <u>712</u>). At the Nov 5 meeting of the Environment Protection & Heritage Council (EPHC), fed environment minister Peter Garrett revealed the new govt-accredited, industrybacked, e-waste collection schemes should roll out across Aust by 2011. They meant industries would "take responsibility for their goods, from cradle to grave", Garrett said after the meeting. WMAA CEO Val Southam told EM she did not expect any problems. "Our members have been calling for this type of initiative. They are pretty well geared up for it. I haven't heard any suggest there is going to be a problem dealing with it." The consumer electronics industry's recycling advocacy group Product

Stewardship Aust (PSA) agreed. PSA chair Laurie Nolan told *EM* e-waste collection systems could be inundated in 2011. "About 1m TVs are reaching their end of life each year now and that figure is increasing because people want more features on their TVs. The digital switchover process means a lot more TVs will not be functional once the analogue system ends." Nolan said 1.5m to 2m TV sets could need to be collected annually by 2011. He said the Fed Govt had started a series of stakeholder meetings to encourage e-waste recyclers to begin planning for the new scheme. Nolan said PSA's own collection scheme would be funded by a \$5 to \$10 levy on every TV imported by its members. IT industry group, the Aust Information Industry Assoc. said it would also set up a dedicated collection body for accreditation under the scheme. The Aust Mobile Telecommunications Assoc (AMTA) said the EPHC's move on e-waste meant TV and computers would no longer be dumped on poorer countries for recycling. AMTA CEO Chris Althaus said govt accreditation of industry-led e-waste schemes would ensure they would operate "to the highest environmental standards". Althaus, whose assoc runs the Mobile Muster program, said AMTA would pool its resources with the TV and computer industry to tell the community "how and where they can recycle their electronic products responsibly". He said the EPHC recorded its support for the industry's five year commitment to recycle, 80% of old mobiles by 2013.

Ministers wait for final CDS findings

The NT Govt has reaffirmed its commitment to starting its own container deposit scheme (CDS) regardless of any final decision on a national approach (<u>EM724</u>, <u>715</u>, <u>709</u>, <u>707</u>). But the beverage industry remains opposed. At a Nov 5 meeting of the Environment Protection & Heritage Council (EPHC), fed, state and territory environment ministers were briefed on the preliminary research findings on community attitudes to a CDS, commissioned at their May meeting. A statement issued after the meeting said the research revealed "a high level of community interest" in CDS but a deciding factor remained "sufficient willingness [by the community] to pay" for a scheme. An EPHC spokesperson told EM final research findings had not been available for the latest meeting but could be considered by ministers at their next meeting in June 2010 or sooner through a telephone hook-up. He said if a national approach were endorsed, the next step would be a regulatory impact statement (RIS). Australasian Bottled Water Institute CEO Geoff Walker told *EM* the beverage industry maintained a national CDS was not needed. (Continued p4)



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No dam means more desal plants

Qld Premier Anna Bligh claims her govt will need to lift water charges to fund at least two new desal plants in Qld's south-east after fed environment minister Peter Garrett rejected plans for the Traveston Crossing dam near Gympie (EM741, 739, 736). Garrett announced last Wed (Nov 11) he would not approve the dam because it would accelerate the decline of already threatened species. "The science shows this project would have serious and irreversible effects on nationally listed species, eg the Aust lungfish, Mary River turtle and Mary River cod." Garrett also published his latest independent advice critical of the Qld Govt's environmental and economic claims about the dam (see below). His decision ended a process started in April 2006 when former premier Peter Beattie announced Traveston Crossing as a dam site. Bligh said Garrett's decision "struck a serious blow to the water security of south-east Qld". The dam would have delivered up to 70,000 megalitres (ML) a year, enough for 800,000 people. "A dam at Traveston Crossing was the cheapest, most reliable way of properly planning for a growing population, for future drought and for climate change." The alternative was two more desal plants, each about the size of the 125ML-a-day Gold Coast plant that has faced operational problems (EM726). Bligh said land would be reserved to build new desal plants by 2017 at Lytton, in Bris, and Marcoola, on the Sunshine Coast. A future govt would need to decide by 2030 whether to duplicate the Gold Coast plant or build another on Bribie Island.

Experts query Qld Govt's claims

Garret said independent analysis conducted for the fed environment dept by the Canb-based Centre for International Economics (CIE) revealed "serious doubt" about the Qld Govt's claims on the dam's benefits. He released the CIE analysis along with an assessment by Griffith Uni aquatic ecosystems expert Dr Stuart Bunn. CIE found the state govt's economic analysis was done "in a piecemeal way" and did not allow "a systematic comparison of the [dam] option against the alternatives", eg desal plants. "Based on information in the [Qld Govt's] EIS documentation we believe the economic analysis is not sufficiently robust to support the finding that the [dam] is the best option to meet south-east Qld's water needs," CIE said. Bunn said proposals to accommodate threatened species,

eg fishways and turtle passages, had "not been demonstrated to work".

Partners plan to ride energy wave

Proponents of a 19 megawatt (MW) wave power project in Vic say they are looking elsewhere along the Aust coast for sites suitable for similar future projects. Vic Wave Partners Pty Ltd (VWP) has received Fed Govt support in the form of a \$66.5m grant under the renewable energy development program to build the project in waters off Portland, on Vic's south-west coast. The project was estimated to generate sufficient power for 10,000 homes.

VWP is a joint-venture company formed by Ocean Power Technologies (Aust) Pty Ltd (OPTA) and construction group Leighton Holdings Ltd (LHL) to develop wave energy projects. OPTA dir Gilbert George told EM by 2012 VWP would install about 45 patented PowerBuoys made by the firm's US-based parent Ocean Power Technologies Inc. The buoys would be sited 5km to 7km offshore and spread over 20 to 30ha with a cable link to an onshore substation. The buoys would "just bob up and down with each passing wave and the energy is passed into a power-conversion unit in each one," George said. VWP was yet to announce firm contracts for its power but the Fed Govt grant meant it could now negotiate with greater confidence. "I don't think we would be able to enter serious [contract] discussions without the grant. It's no longer problematic because we have a great vote of confidence and financial support from the govt." George said OPTA's agreement with LHL meant the joint venture could build more wave-energy power stations. "We are looking to develop projects on the southern and eastern coasts of Aust and in NZ." George would not disclose the Portland project's cost. But he said the fed grant was awarded on the basis applicants could fund about two-thirds of a proposal's cost and the guidelines had sought potential projects in the \$200m to \$300m range.

'Tas forests need Gunns': Burke

"Gunns are now carrying on the work started by the early environmentalists," Don Burke says in his endorsement of the Tas-based timber company's latest version of its forest management <u>statement</u>. The statement revealed Burke, best known for his TV program *Burke's Backyard*, is an adviser to the Gunns board. "With a sound, sustainably-driven forest industry, Tas can maintain its current forests indefinitely. Without this industry, the chances of long-term forest protection are small," Burke said. The third version of the statement document was devised with input from a range of stakeholders, Gunns CEO Gregg L'Estrange said.



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Ministers wait for final CDS findings

(From p2) Walker said the vast majority of bottled beverages, eg water, soft drinks and juices, were sold in "100% recyclable" plastic bottles already collected by existing kerbside schemes operated by municipal councils. A national CDS would threaten the viability of kerbside schemes. NT environment minister Karl Hampton said he would press ahead with a previously announced CDS regardless of the EPHC's final decision, (EM717). Fed environment minister Peter Garrett said: "If states want to take up the cudgels on [CDS] and bring a scheme in, they're entitled to do so." SA environment minister Jay Weatherall said there had been a jump in container returns in SA since a 5c deposit was lifted to 10c under its CDS started in 1977 (EM688). SA's scheme saw the number of containers it handled rise to 592.5m in the 12 months from Sept 2008 to Aug 2009, 76.8m more than in the previous 12 months.

Final EPBC report in Garrett's hands

No date has been set for the public release of, or fed govt response to, the final report of the independent review of national environment laws. Dr Allan Hawke, chair of the review committee, handed to fed environment minister Peter Garrett on Oct 30 the report of the 10 year review of the Environment Protection and Biodiversity Conservation Act. The Act gives Garrett 15 parliamentary sittings days to tabled the report, which means it will be made public in Feb during the first sittings of 2010.

EV charge points for cities next year

Syd, Melb and Perth will see electric vehicles (EV) recharging points installed next year as part of a pilot scheme. Syd-based ChargePoint Pty Ltd (CP) has struck a distribution and licensing agreement with US-based Coulomb Technologies Inc (CTI) to begin building a network of recharging points in Aust and NZ. CP CEO Luke Grana told *EM* the deal would see the US company's recharging infrastructure installed in the three major cities in 2010. Grana said car makers had indicated their first EVs would hit the Aust market in volume by 2012. "It's a 'chicken and egg' situation. People will want EVs, but automakers will not feel comfortable selling [EVs] in Aust without [recharging infrastructure] being available. We have to be 'plug-in ready' by 2012." Grana said the first

mass-produced EVs would be used for urban transport so his firm's initial focus was on major cities. Expansion to non-metropolitan areas would follow as the EV market grew. CP had plans for a public recharging network, eg in shopping centres and workplaces, and private networks in EV owners' homes. Grana said he was not worried about competition from another EV infrastructure company, the Aust arm of UK-based Better Place Group.. EV recharging equipment would be standardised for the Aust market so CT and BPG customers could use each other's recharging facilities but pay through separate billing systems.

World's wetlands celebrated

The Ramsar Wetlands Convention secretariat has nominated "Caring for wetlands – an answer to climate change" as the theme for its 2010 World Wetlands Day (WWD) celebrated on 2 February.

DIARY

5th international global slag conference - slag and sustainability. Syd,Nov 16-17. Email info@asa-inc.org.au or see www.asa-inc.org.au

1 million women - women in climate change national forum series.(Syd, Nov 20), (Bris, Nov 24) (Melb, Dec 3). Registrations via Green Capital.

Symposium on sustainable energy and environmental Protection 2009. Yogyakarta, Indonesia, Nov 24-25. See www.isseep.com

Climate change - what's all the fuss about? AICD directors' briefing. Bris, Nov 25. Ph (07) 3222 5500 or email noswell@companydirectors.com.au

Waste diversion - organic solutions for the CPRS. Syd, Nov 25-26. Waste Management Association of Aust. Ph 1300 651 026 or email kylie@wmaa.asn.au

Zero waste summit 2009, Syd, Nov 30-Dec 1. Ph (02) 8908 8555. See www.acevents.com.au/zerowaste09

Australia green - 4th Aust international green build, design and technology show. Syd, Jan 29-30, 2010. See www.australiagreen.com.au

5th global conference on oceans, coasts, and Islands: ensuring survival, preserving life, improving governance. Paris, France. May 3-7, 2010. UNESCO. See: http://globaloceans.org/planning/pdf/GOC5_Leaflet_English.pdf

Climate adaptation futures: preparing for the unavoidable impacts of climate change conference. Gold Coast, Qld, June 31-July 1, 2010. National Climate Change Adaptation Research Facility and CSIRO. See www.nccarf.edu.au/conference2010

www.thomsonreuters.com.au