

# GROWTH, SUSTAINABILITY AND THE CLIMATE CHANGE CHALLENGE

## **BACKGROUND:**

The Country Liberals want to lead Australia in the push to cut pollution from our environment. This includes reducing climate affecting carbon emissions. While our carbon footprint is having an impact, change must occur through a coordinated global effort. Carbon Dioxide should not be seen in isolation as the only pollutant released into our environment, and it is why this policy – to combat climate change and to protect our environment – will focus on our land, our water and our atmosphere. This policy outlines practical and common-sense approaches to reducing our impact on the environment through a culture shift and by providing a time frame that is measurable and achievable.

While putting in place a tough but practical action plan to reduce both our carbon emissions as well as other pollutants, we have set a clear, long term emissions reduction target. The Country Liberals want to achieve a 60% reduction in carbon emissions by 2050. Unlike our Labor opponents, we have clear plans to achieve this goal.

The Henderson Government has sat idling as the Territory's pollution levels rise, happy to let the Commonwealth drive debate while it shirks leadership on this crucial environmental and economic issue.

It's ironic that the Territory Government's Department of Natural Resources and Environment was the biggest greenhouse gas emitter in the public sector last financial year.

In addition, the PowerWater Corporation consumed tens-of-millions of litres of diesel fuel in the 2008-09 financial year(1) because of the Henderson Government's failure to roll-out the Black Tip gas pipeline on time(2).

The Country Liberals will adopt a more progressive and rigorous approach to combating all forms of environmental pollution.

Our policy will entail 6 core philosophies.

- The development of green energy and energy efficiency
- Ensuring Government introduces practical measures and sets benchmarks for changing community behaviour on reducing pollution.

- Reducing the impact of savanna burning
- Supporting green business and industry
- Developing a green workforce
- Promoting green communities

In the lead-up to the 2008 election, the Country Liberals made a series of substantive pledges to reduce Government emissions by 20% by 2020(3).

Our measures provided practical ways for Government to reduce emissions and were designed to provide a model to assist the private sector and the community in changing their behaviour when it came to reducing pollution.

The policy we're announcing today builds on those measures.

**The Country Liberals will build a series of renewable power stations with a total 100MW capacity by 2025.**

**The Country Liberals will achieve a 25% renewable energy target by 2025.**

**The Country Liberals will commit to reducing greenhouse gas emissions across the Territory by 60% from 2009 levels by 2050.**

#### **LANDSCAPE:**

In the Northern Territory, the Government's budget is \$4billion(4) and the Gross State Product is approximately \$16billion(5).

On that basis, it's apparent the Government is a significant contributor to economic activity and through its actions, a significant polluter and should lead the way in pollution reductions.

In the private sector, mining contributes about 25% to GSP, tourism about 6.4%, and construction and transport about 5% each. These industries are aware of their impact and the need to operate in a green and clean environment. More can be done however to assist them to reduce pollution.

While the Country Liberals want to foster an environment in which industry can grow, there is also a requirement now and into the future that any growth be environmentally sustainable.

#### **RENEWABLE FUTURE:**

A key plank in the Opposition's carbon emissions reduction targets will be the construction of renewable energy power facilities in the Territory by 2025.

The Territory's major renewable energy options are geothermal, solar, tidal energy and wind.

Over the next 5 years, the Country Liberals will establish a Renewables Fund that will receive \$5 million a year to attract developers committed to making geothermal energy in the Territory a reality, extend solar capacity into remote towns and communities and subsidise research into wind and tidal power sources and other ground breaking technologies.

The Country Liberals will also access Commonwealth assistance(6) – particularly directed at geothermal opportunities – to back-up the Renewable Fund.

The Country Liberals have a history of building key infrastructure in the Northern Territory – and that commitment will continue into the future.

Ideally, this would be investment in a fully utilized renewable energy source such as a geothermal power station, solar energy farm, wind farm or tidal power facility or generation from other emerging technologies.

In the short term, this may mean smaller targeted investments in renewable energy options such as generation in the 5-10MW range.

It is our commitment that by 2025, we will have renewable energy-based power generation operating in the Northern Territory that is capable of producing 100MW of electricity.

This development will require formulating a balance in planning between geothermal (with resources and locations still to be identified) or solar (with known technology) energy options.

Our preference is for the development of a renewable energy facility that could link into the Darwin to Katherine electricity network.

Additionally, we will establish renewable energy facilities to assist in servicing the energy needs of Alice Springs.

The Country Liberals will invest \$10million a year from the time we win Government in the development of alternative power generation.

The first tranche of the \$10million will be used for scoping, planning and feasibility studies across the Territory as well as the commencement of construction of the facilities – in conjunction with private investment and the Commonwealth.

This is a major financial commitment, but it is necessary if the Territory is going to move forward into a new age where renewable energies replace high polluting energies as our primary source of power generation.

In addition, the Country Liberals will seek to replace remote community oil-based energy supplies with renewable energies such as solar, wind or liquid bio-fuels.

Communities will be prioritised based on their population and emissions, taking into account opportunities to link into existing infrastructure.

While in Opposition, we will pressure the Henderson Government to adopt this policy. It's not acceptable that he has already conceded his Government cannot achieve the Commonwealth's 20% renewable generation target by 2020(7).

#### **GOVERNMENT BUILDINGS:**

The development of a nationwide energy rating scheme began in 1993.

An Energy Rating is an index of a building's thermal performance (ie: heating and cooling requirements). A 6-star rating indicates that a building achieves a very high level of thermal energy performance(8).

The Country Liberals will commit to a reduction in the Government's carbon footprint by replacing existing leased office space with energy efficient space to a minimum 4.5 Star standard by July 1st, 2012.

This policy will be achieved in conjunction with building owners.

There is capacity through the upgrade of office buildings leased by Government to improve their energy efficiency by up to 50%.

This is based on the estimated average energy efficiency of leased Government office buildings being around 1.5-2.5 Stars under the National Australian Built Environment Rating System.

Energy costs to Government could decrease by as much as \$5 per square metre a year by the mandatory installation of energy efficient LED lighting. Subsidies will be

provided to business and home owners to help defray the costs of installing energy efficient LED lighting.

The Country Liberals recognise that some building owners will need to upgrade their facilities to achieve these ratings and we will work with them to deliver a reduced energy consumption outcome, resulting in lower atmospheric pollution.

About 175,000m<sup>2</sup> of office and warehouse space is leased by Government. If 10% comes up for renewal each year, expenditure on improvements of even \$50m<sup>2</sup> requires a commitment of only \$875,000 from Government and owners(9).

Funding will come from the \$6million Government Energy Efficiency program which is designed to upgrade the Government's extensive building portfolio.

By 2015, energy intensity in Territory Government owned buildings will be slashed by 20% from 2004 levels.

Upon winning office, the Country Liberals will introduce education programs designed to encourage public service and private employees to switch off lights in empty rooms and when leaving the work-place for the day.

### **RESIDENTIAL HOUSING:**

The Country Liberals will work with industry to pull back the cost of regulation of private residential housing construction so as to provide a no-cost mechanism to allow for the greening of all homes and units under construction from January 1st, 2012.

In addition to subsidies for installing energy efficient LED lighting, the Government will liaise with PowerWater for the installation of smart electricity meters.

By reducing Labor's building taxes and red tape, buyers of new buildings will be no worse off but will have better long-term energy efficiency.

A 2008 report identified that compulsory 6 and 7 Star energy ratings add \$10,000 and \$14,000 respectively to the cost of a new house(10).

All residential developments must carry at least a 6 Star rating by January 1st, 2012.

Developers will be encouraged to adopt 7 and 8 Star standards as they become available and Government will set the example with its own building initiatives.

As outlined in the Country Liberals Housing Policy, we will sponsor a Smart Home Design competition which will see a new house built on Government land based on the latest renewable energy principals in Alice Springs and Darwin every four years.

The houses will be auctioned and the money returned to consolidated revenue.

### **PUBLIC HOUSING:**

The Country Liberals will audit the energy efficiency of all public housing by 2015 and – where possible – all public housing will be equipped with solar hot water.

In addition, where possible, we will install energy efficient LED lighting, smart meters and renovate buildings to improve their energy efficiency.

From 2012, all future public housing projects will include renewable energy features, such as solar hot water and be built to a 6 Star rating.

### **GAS-BASED FUTURE:**

Natural gas-based energy power provides a global solution to reducing overall atmospheric pollution.

The Country Liberals paved the way for the Territory's development as a gas hub through its pioneering work to attract Conoco Phillips to build its multi-billion dollar LNG plant at Wickham Point (11).

The success of this crucial piece of infrastructure has paved the way for other LNG producers to set up shop in the Top End.

With its low carbon footprint – natural gas will be a key piece in the low emitting, power generation jigsaw for years to come – and the Territory is ideally placed to become a major global supplier of LNG.

The visionary decision by the Country Liberals to establish gas-based power infrastructure and delivery has been under threat with Labor last year burning \$60million of diesel fuel because of its failure to secure an alternative gas supply when the Palm Valley and Mereenie reserves were depleted.

The Country Liberals will take advantage of any future Commonwealth or international scheme that recognises the transfer of carbon credits nationally and across the globe.

### **AGRICULTURE:**

A major contributor to the Northern Territory economy is the agricultural, pastoral and land management industries.

Approximately 35% of Northern Territory carbon emissions are linked to the practices and consequences of savanna burning(12).

The Country Liberals will meld the availability of land and the Territory's human and intellectual capital into a carbon offset industry.

Enhanced management of forestry and farming will be a carbon sink as a combination of reduced emissions and increased rates of carbon removal.

Activities that can be undertaken by pastoralists and land managers to achieve emission reductions include: increasing carbon sequestration through re-forestation; enhanced soil carbon levels through managed farming and reforming fire management practices.

Education holds the key to an agricultural based carbon change future.

The Country Liberals propose providing additional resources to land users for education purposes and educators for research.

Education is premised on the need to build on research and understanding of the carbon capture processes.

This incorporates new techniques and processes of land management and instruction in outcomes, benefits and consequences.

Funding of \$500,000 a year over 5 years will be available to pastoralists and Indigenous land owners to develop pollution management programs.

In co-operation with research, education and public awareness institutions such as CSIRO, Charles Darwin University, the Northern Territory Environment Centre (\$50,000) and Arid Lands Environment Centre (\$50,000), funds will be available for leveraging research programs, providing industry education and public awareness programs.

This is in addition to our 2008 election commitment of provide grants totalling \$185,000 a year to the Northern Territory Environment Centre.

Funding of \$1M a year over 5 years will be available under this program.

It will be necessary to ensure that the benefits of improved pollution management in the Northern Territory translate into increased employment and career pathways.

This will be achieved by targeting education programs to deliver skilled workers to industry and foster improved land management techniques.

Liaison with CDU will see excellence in environmental skills training introduced.

Relevant Certificate level courses will open the way for study in best practice environmental sustainability in land management. This will be complemented by the availability of additional environmental courses in the technical fields.

This action is estimated to require a commitment of funding by Government – with Commonwealth support – for 8 hours training per student.

2000 students per year are budgeted for a total of \$1M per year recurrent.

## **TRANSPORT:**

The vast distances in the Territory mean there is a natural reliance on liquid hydrocarbon fuels, both for transport of goods and people and for energy production 'off the grid'.

In conjunction with investments to create sustainable renewable power sources, the opportunity exists to further investigate technology and developments along this path.

Technology such as Gas to Liquids may be an attractive option to proponents of additional gas production capacity in the Territory.

The Country Liberals, through our commitment to research programs, will examine the feasibility of using LNG for the transport industry, including public transport.

Additional investment may, in the right conditions, also underwrite a resurgence in bio-fuels.

The Alice Springs to Darwin Railway, the gas pipeline network and potential linkages interstate provide the building blocks of energy and material delivery systems.

The Country Liberals will lobby the Commonwealth to deliver on a national rail network connecting through to Mt Isa and engage private industry for future investment in transport, electricity and energy networks and gas pipelines.

Another significant contributor to Government-sourced pollution comes from moving people to and from remote locations.

We will review the need for road and air travel by public servants, focusing instead on smart technologies such as video-conferencing, computer networking and satellite services, based around planned upgrades and implementation of the National Broadband Network.

The Country Liberals will reduce NT Fleet emissions by 20% in the first three years and by 50% within six years.

This will be achieved through LPG and if feasible, LNG conversions, inter-departmental car share arrangements, the roll-out of more energy efficient cars and departmental car-pooling.

This strategy alone could remove by 2020, 20,000 tonnes of atmospheric pollution from the public sector's total emissions.

The Country Liberals will also introduce a \$1000 rebate for converting the family car to LPG and target a 50% increase in public transport use by 2020.

The LPG conversion rebate will complement the Federal Government's conversion subsidy, making the cost of conversion virtually neutral for the consumer.

This is estimated to cost \$10million over 4 years.

## **REGULATION:**

It is a key role of Government to implement legislative and regulatory changes along with developing new guidelines and performance criteria supported by education and information.

The Country Liberals will:

Implement energy efficient design through the construction industry by adopting the 6 Star level for residential building by 2012, and extending that to the higher levels as soon as practicable

Initiate a review of the Environmental Assessment Act.

Re-assess current licences for waste water disposal by relevant authorities

- Close the Larrakeyah harbour outfall
- Re-assess penalties for the operators of water craft that:
  - Allow for fuel leakage or the release of other hazardous material
  - Litter, including abandoning nets, illegal dumping or polluting waterways.
- Re- assess general penalties for:
  - Littering,
  - Dumping,
  - Polluting land or waterways,
  - Unsecured loads.

## **EDUCATION:**

The Country Liberals will provide resources to schools, Charles Darwin University and community groups to help us better understand the complexities of the Territory's natural and urban environments and the impact of pollution.

The Country Liberals will expand on education opportunities at the higher levels – Certificate 3, Certificate 4 and above – through Charles Darwin University to embed environmental knowledge and principles into everyday business and employment activities.

We will also work with Charles Darwin University to examine possible green energy research opportunities.

The Country Liberals will commit an additional \$100,000 per year to environmental education through CoolMob.

This is on top of the \$300,000 grant committed to CoolMob at the last election.

The Country Liberals will re-invigorate pride in our communities by supporting the Keep Australia Beautiful Tidy Towns program with a \$100,000 a year contribution.

## **SCHOOLS:**

All Territory Government and non-Government schools will have a solar capacity by 2015, utilising the \$50,000 Commonwealth Government National Solar Schools Program(13).

This will reduce energy consumption in all Territory schools by 20% from 2004 levels by 2015 – an estimated saving of 7000 tonnes of atmospheric pollution per annum.

The Country Liberals will invest in a Tidy Schools and community program and the wider community by awarding a monthly shield to the Territory's cleanest school.

### **ATMOSPHERIC POLLUTION REDUCTIONS:**

The Country Liberals anticipate its policies will flow-down to organisations and individuals doing business with the Territory Government.

Procurement processes will no longer end with the completion of a project or delivery of a service.

In future, procurement will also factor in the use of energy-efficient equipment or resources in Government projects and an examination of whole-of-life costs – including disposal and impacts on land-fill.

A procurement weighting will be given to organisations and individuals that demonstrate the use of environmentally friendly operating philosophies.

Preferred businesses will show a capacity to deliver on Government's commitment of a 25% reduction on atmospheric emissions by 2025.

We will also:

- Reduce energy consumption losses in the electricity distribution network and promote replacement of high consumption devices with low energy devices such as LED or compact fluorescent lights and smart appliances
- Increase renewable energy as a proportion of community facilities such as schools, public spaces, recreational facilities through grants and subsidies for solar collection and/or other energy conservation actions
- Use the Government's purchasing power to influence wider community buying decisions on environmentally friendly goods and services. For example – Government leased buildings.
- Introduce a policy that will see 70% of street lighting energy efficient by 2020
- Introduce energy efficient LED traffic lights across the Territory by 2012.
- Levy non-bio-degradable bags in super-markets.
- Introduce container deposit legislation
- Set a 50% reduction target of waste to dumps
- Educate tourist operators and support environmentally sustainable tourism projects
- Reduce Government paper usage by 25% by 2012

## REPORTING

The independent EPA will report on the progress of Government in achieving its targets and policy initiatives every two years. These reports will be made public.

## POLICY TIME LINE

Year 1:

- First \$5 million payment to Renewables Fund – ongoing for 5 years
- First \$10 million payment to renewable power generation – ongoing
- Launch of inaugural Smart Home Design competition
- Begin lobbying Commonwealth for Tennant Creek to Mt Isa railway
- Begin NT Fleet emissions reductions
- Commence climate change science tertiary education programs
- Commence research into carbon capture techniques
- Commence LPG conversion roll-out
- Roll-out of money for education initiatives
- Initiate a review of the Environmental Assessment Act

2012:

- Upgrade existing Government leased offices to 4.5 Star energy efficiency standard
- Minimum 6 Star energy efficiency rating for all new leased Government buildings
- Minimum 6 Star energy efficiency rating for all new building construction
- Improve energy efficiency in Government leased buildings by 50%
- Introduce renewable energy features in all new public housing
- All Territory traffic lights LED
- First \$5 million payment to Renewables Fund – ongoing for 5 years
- Reduce Government paper usage by 25%
- First report of the independent Environment Protection Authority (every 2 years)

2013:

- 20% reduction in NT Fleet emissions

2014:

- Launch of second smart home design competition

2015:

- Slash energy intensity in all Territory Government owned buildings by 20% on 2004 levels
- Energy efficiency audit of all public housing
- Provide all Territory schools with solar capacity

2016:

- 50% reduction in NT Fleet emissions

2017:

- Minimum 8 Star energy efficiency rating for all new leased Government buildings

2018:

- Launch of third smart home design competition

2020:

- Reduce Government emissions by 20%
- 50% increase in public transport use
- 70% of street lighting energy efficient

2025:

- Establish a 25% renewable energy target by

2025

- Meet a target of 100MW renewable power generation capacity

2050:

- Reduce greenhouse gas emissions across the Territory by 60%

## **POLICY COSTINGS**

- \$25 million over 5 years for Renewables Fund
- \$150 million for renewable power generation – in conjunction with private and Commonwealth investment
- \$6 million for Energy Efficiency program for Government buildings
- \$2.5 million over 5 years for Carbon Management programs for land managers
- \$1 million a year over 5 years for research and education
- \$100,000 a year ongoing for public awareness and education on climate change. Money distributed between Northern Territory Environment Centre and Arid Lands Environment Centre
- \$1 million for tertiary level training in climate change sciences
- \$10 million over 4 years for LPG conversion rebate
- \$585,000 per year for CoolMob and Northern Territory Environment Centre
- \$100,000 for Keep Australia Beautiful
- \$1.2 million for Smart House Design – offset by sale

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