

# Review of the *Climate Change Act 2010*: Public Submissions

## Submission Coversheet

Submissions can also be made using the online submission form at [www.delwp.vic.gov.au/climate-change-act](http://www.delwp.vic.gov.au/climate-change-act).

Please complete this coversheet so your submission can be registered and considered by the Independent Review Committee. Send this completed coversheet and your submission to the Independent Review Committee by **11pm Sunday 2 August 2015**:

- By email to: [climatechange.act@delwp.vic.gov.au](mailto:climatechange.act@delwp.vic.gov.au)
- By post to: Climate Change Act Review Secretariat  
Department of Environment, Land, Water & Planning  
PO Box 500  
Melbourne VIC 8002

**Attach your submission to this form or answer the questions directly. See guidance on submissions on Page 4.**

Fields marked with an asterisk (\*) are mandatory.

### Contact Details

<b>Title*</b> (please specify one of the following)	Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input checked="" type="checkbox"/> Miss <input type="checkbox"/> Dr <input type="checkbox"/> Other _____
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<b>I am making this submission on behalf of *</b> (please specify one of the following) Individual <input type="checkbox"/> Non-government organisation / community organisation <input type="checkbox"/> Business <input type="checkbox"/> Local Government <input checked="" type="checkbox"/> Other government entity <input type="checkbox"/> Other: _____ <b>Name of organisation (if applicable):</b> _____	

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- This submission is being made by an **organisation** and I understand that it will be published, including the name of the organisation
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Your submission has been collected by DELWP on behalf of the Independent Review Committee for the purpose of:

- Informing the review of the *Climate Change Act 2010*
- To develop the Independent Review Committee's advice to the Minister for Environment, Climate Change and Water in accordance with the Terms of Reference.

The Independent Review Committee may do the following with your submission (your personal information will not be included):

- Provide a copy of your submission to the Department of Environment, Land, Water and Planning if needed for preparing Ministerial briefings.
- Publish a copy of your submission on the DELWP website, [www.climatechange.vic.gov.au](http://www.climatechange.vic.gov.au) or other Victorian Government website.
- Quote directly from your submission in the review report.
- Submission content could also be made available to other Victorian Government agencies.

For transparency and accountability, the contents of your submission may be published on a Victorian Government website which is accessible worldwide. Any person may view your comments. Your comments may remain on external servers, even once your comments are removed from the original website it was published on.

All submissions are public documents and may be accessed by any member of the public unless you request, and your comments are given, confidential status.

**If you are making comment as an organisation**, then your comments may be published, including the name of your organisation.

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You have the right to access and correct your personal information. Requests for access should be sent to the Manager Privacy, P.O. Box 500 East Melbourne 3002 or contact by phone on 03 9637 8697.

## Submission Guidance

In order for your submission to provide the most value to the Committee's review, you are encouraged to respond to the following questions and/or the Terms of Reference (located on Page 6). You do not have to address all of the Terms of Reference or answer all of the questions.

### Questions

You may type your response directly into this document or write a separate submission.

Note: **Do not include private information** such as names and addresses in your responses or any attachments.

#### 1. a) How effective is the current *Climate Change Act 2010* in driving climate change action by:

##### Government? (*tick one only*)

- very effective
- somewhat effective
- slightly effective
- not effective
- no opinion

##### Business? (*tick one only*)

- very effective
- somewhat effective
- slightly effective
- not effective
- no opinion

##### Community? (*tick one only*)

- very effective
- somewhat effective
- slightly effective
- not effective
- no opinion

#### a) Do you have any further comments about the effectiveness of the current *Climate Change Act 2010*?

The Climate Change Act 2010 has been effective in requiring the development of a State Level Climate Change Action Plan every four years, but communication around and collaboration on delivery of those actions could be strengthened.

Climate action requires work in both adaptation and mitigation. While we acknowledge that at the time of the Act's introduction there was a federal carbon price, some sectors were not covered by this and State Government complementary measures could have driven further emission reductions. The Action Plan also led to support for local government programs through the Victorian Adaptation and Sustainability Partnership (VASP). These have built capacity within the local government sector, and the communities we serve, and increased the resilience of the sector to respond to the projected impacts of climate change.

## 2. What role should the Act play in:

### a) Reducing greenhouse gas emissions?

City of Melbourne (CoM) is committed to transitioning towards a low carbon economy, as expressed through our [Zero Net Emissions by 2020](#) strategy.

Deep carbon reductions are required to achieve this target. The strategy outlines the actions CoM will take to contribute to a carbon neutral city, acknowledging that CoM is unable to achieve this target alone. It requires action from all sectors of the community, and in particular strong leadership and action by the State and Federal Government.

A marginal abatement cost curve was developed for the reduction opportunities available using readily available technology. This analysis showed 80 per cent of the reduction opportunities would deliver a cost saving across the economy.

#### ***Greenhouse gas emissions target***

CoM recommends the Victorian Government re-introduce a greenhouse gas emissions target, commensurate with a pathway towards deep economy wide carbon reduction by 2050. The report produced by ClimateWorks and others, *Pathways to Deep Carbonisation by 2050*, written to inform the development of the Sustainable Development Goals, illustrates the opportunities and how Australia can prosper in a low carbon world.

CoM recommends the 'Act' be amended to require the Minister, in partnership with Local Government, to develop a Victorian Emissions Reduction Action Plan, to coordinate and drive deep emissions cuts across the state to meet the emission target (as proposed above). The plan should identify the resources required for implementation and that the actions are adequately resourced. The plan should also acknowledge and plan for the different challenges faced by urban and rural councils.

#### ***Decarbonising the energy supply***

Increasing the proportion of renewable energy in the electricity supply system improves energy resilience for consumers in the long term by lowering wholesale energy prices, reducing peak demand and easing demand on the network, improving the reliability of electricity supply during heatwaves, and reducing the exposure of thousands of Melbourne residents and businesses to

electricity price increases. Mechanisms to support the growth in the proportion of renewable energy could include:

- Increased power plant efficiency and retirement of inefficient plants. For example, giving EPA Victoria the power to regulate emissions, based on an intensity standard for new and existing power plants.
- Re-introducing a Victorian Renewable Energy Target, or similar mechanism, to support transition of the electricity fuel supply. CoM has a target to obtain 25 per cent of the municipality's electricity from renewable sources by 2018. A strong target plays a critical role in CoMs ability to achieve our goal.
- Utility-scale renewables can contribute to deep emission cuts by 'greening the electricity grid'. City-scale projects that diversify our energy supply (and support business and financial innovation) need to be incentivised to foster an environment that builds demand for business investment, significantly reduce city-wide emissions; and create skilled jobs.
- Public Transport should be operated using a renewable energy source. Metro Trains is the second largest energy user in the state. Combining this with Yarra Trams would give the State Government an opportunity to direct significant investment in renewable energy.

***Strengthen building energy efficiency requirements for existing buildings***

In the municipality of Melbourne, existing buildings contribute over 50 per cent of the carbon emissions. It is also the sector where there are significant cost savings available across the economy. Based on our strong engagement with the commercial and residential building sector through delivery of voluntary information and education programs, CoM recommends the following:

- Mandatory disclosure of base building energy performance of all commercial buildings.
- Development of a NABERS tool for multi-unit residential buildings, in partnership with the NSW Government.
- Strengthen Efficient Government Buildings program, including its expansion to tenanted office spaces requiring minimum NABERS tenant energy ratings.
- Increase minimum energy performance standards for commercial buildings beyond those contained in the existing building and construction code.
- Investigate the abatement opportunities of an expanded Victorian Energy Efficiency Target (VEET) to include large sites compared with the re-introduction of the Environment and Resource Efficiency Plans (EREP) Program.
- As outlined in our submission to the VEET Review, the VEET target should be set for at least a five-year period (2016-2020) at a minimum of 6.2 Mt CO<sub>2</sub>-e per annum. We recommend that the modelling team review the cost-benefit of a target of 6.6 Mt CO<sub>2</sub>-e per annum and the government adopt this target if it has greater broader benefits than lesser target. We also recommend that the Minister should review progress against the target during 5-year period, with the ability to raise it if it becomes evident that the supply of energy efficiency opportunities is substantially greater than anticipated.



### ***Infrastructure and development***

CoM is currently experiencing rapid growth, with the population over the last few decades almost tripling. The city has also changed, shifting towards smaller households, fewer children and higher incomes. Unfortunately, the environmental performance of new infrastructure and new buildings has significant room for improvement, CoM recommend the following:

- Require a greenhouse gas lifecycle assessment to be undertaken for new state infrastructure projects and evaluate against alternatives.
- While CoM has incorporated a number of climate change mitigation and adaptation policies and requirements for new developments through our Melbourne Planning Scheme, we believe planning policy could be strengthened to allow Councils to develop new policies that better prepare our urban developments for future climate change impacts.

#### **b) Adapting and preparing for the impacts of climate change?**

CoM has done substantial work on Climate Change Adaptation, including the release and ongoing implementation of the *City of Melbourne Climate Change Adaptation Strategy* (2009). CoM is now reviewing the Climate Change Adaptation Strategy.

The Act should have regard for the risks of projected climate change impacts, including the associated responsibilities for those risks carried by state and local government. The Act should also have clear definitions of the roles and responsibilities of both state and local government in responding to climate change impacts and provide clarity around liability for failure to take action.

The 'Act' should help support a mechanism where local and state government can work together to implement actions to adapt to climate change. This could be by stating that the Minister and Local Governments develop a Climate Change Adaptation Plan that work in accordance with each other.

The 'Act' should build upon the work that underpinned the development of a Memorandum of Understanding between state and local government, in 2014, to clarify roles and responsibilities of different government sectors in responding to the projected impacts of climate

This approach would also assist with the implementation of actions identified in "*Adaptation in the North*" developed by the Northern Alliance of Greenhouse Action and member councils with funding from the Victorian Government through VASP.

Melbourne was selected by the Rockefeller Foundation to be part of the 100 Resilient Cities project. The project is hosted by City of Melbourne and includes the 32 local government areas that make up metropolitan Melbourne to produce a Resilience Strategy for Melbourne. The development of this strategy is an opportunity for Melbourne to foster the long-term viability, liveability and prosperity of our interconnected communities and municipalities. We would seek the Climate Change Adaptation Plan to consider adaptation specifically in the context of supporting social, economic, as well as environmental resilience.

The Resilient Melbourne team has completed an Australian-first assessment of the challenges and opportunities facing Melbourne. The Preliminary Resilience Assessment was endorsed by City of Melbourne's Future Melbourne Committee and is [available online](#). Finally, the need to consider how to adapt to a changing climate requires the addition of the *Planning and Environment Act 1987* to the list of Acts (Schedule 1) in which decision makers are consider climate change. Without the

inclusion of this, there remains the possibility for land use development of a kind, which without regard to projected climate change impacts will increase the vulnerability of future generations.

**c) Growing a globally competitive Victorian economy? [Maximum 1000 characters]**

To remain competitive businesses need to reduce emissions, be innovative and ensure they can remain resilient through a changing climate. The 'Act' should assist businesses by introducing and supporting existing programs and incentives that help businesses transition to a low carbon economy.

Victoria is home to around 350 clean technology companies with over 100 within our municipality. The Climate Change Act should create a mechanism to support these businesses or risk losing this growing industry and innovative opportunities overseas.

The 'Act' should pick up on the enabling mechanisms and support available to businesses in reducing their impacts that contribute to climate change.

Development of utility-scale renewable energy can be incentivised by the State government, which will:

- Ease the transition of the existing energy sector to a renewable energy economy, including the transition of renewable sector jobs;
- Ensure that there are adequate new sources of electricity supply in Victoria when the existing coal fired assets are retired at their end of life (noting that the cost of developing new coal fired power plant exceeds the cost of renewable power plant on a per MWh basis).
- Provide industry capability and capacity to develop new sources of electricity generation, and thereby ensuring a cost effective transition to new energy sources and ensuring ongoing low electricity prices in the State.
- Reduce Victoria's dependence on interstate power plants after the end-of-life retirement of Victorian's coal fired assets by ensuring that there is a local renewable energy industry supply Victoria's energy needs. This is particularly important considering existing capacity constraints at the interconnectors between Victoria and both Tasmania and South Australia.

**d) Providing accessible information to the Victorian community on climate change?**

City of Melbourne has found the work of Victorian Centre Climate Change Adaptation Research invaluable in providing accessible information on Climate Change Adaptation and current research. Continuing the support of research organisations would strengthen work in climate action.

The Act currently requires the Minister to prepare a report every two years on the progress of the Victorian Government and the Climate Change Action Plan in meeting the targets set by the Act. These reports should include regular reporting to the Victorian community on progress towards these targets.

**3. Based on the Terms of Reference, is there anything else you would like the Independent Review Committee to consider when developing its report and recommendations? [Maximum 3000 characters]**

The Terms of Reference (ToR) listed below cover what is required to ensure the Government can improve the Act to deliver on its commitment for Climate Change action. One addition to these ToR should be to include a review of the relationship between Local and State Government. Local Government have strong connections with the community and are well placed to ensure strong action on climate change mitigation and adaptation. To do this effectively and consistently Local Government need support from State Government to provide a strategic overview and resources that are needed. A partnership approach is required for strong and effective action.

The Act should therefore seek to clarify the roles and responsibilities of Local and State Government in both mitigation and adaptation.

CoM is aligned with Northern Alliance for Greenhouse Actions (NAGA) submission which highlights the need for a collaborative response by recognising the different capacities of each level of government. See extract from NAGA submission below:

**From NAGA Submission**

*Specifically, amending the Act to give greater weight to current purpose 1 (c) – “to promote collaboration, cooperation and innovation in the Victorian response to climate change by strengthening the role of communities and other measures” – could help to create a governance framework to more effectively develop and deliver programs and policies to meet this purpose.*

*To support this the Act could include an additional principle, a principle of collaborative decision-making. This could include the:*

- *the establishment of shared goals and priorities between state and local governments;*
- *the development of long term strategic resource allocation and funding to meet delivery expectations and acknowledge resource capacity amongst local governments;*
- *alignment and cooperation in service delivery to ensure the effective delivery of climate action programs, particularly for outcomes relevant to both spheres of government; and*
- *the creation of procedures for regular, effective evaluation and review to ensure progress towards climate goals, increase understanding of climate change and incorporate feedback into future action.*

*Part 3 of the Act should be revised to establish an appropriate architecture for the partnership and set out its broad objectives, including (but not limited to):*

- *Support the development and delivery of both metropolitan and regional scale mitigation and adaptation measures*
- *Work through regional alliances of local governments, or similar mechanisms in order to gain commitment and support action from all 79 councils in Victoria*
- *Increase the level of engagement on climate action within and across local governments and build an understanding of the local environmental, social and economic benefits of local climate action*

# Climate Change Act 2010 Independent Review Committee

## Terms of Reference

### 1. Introduction

The Victorian Government recognises that climate change is one of the most critical issues facing Victoria. The Government is committed to positioning Victoria as a leader in responding to climate change; by mitigating risks and adapting to its impacts.

The Minister for Environment, Climate Change and Water is driving action to achieve this by reviewing climate change legislation, policies and programs. The independent review of the *Climate Change Act 2010* ('Act') is one of the first steps in this process. Legislation can provide a strong framework for climate change action.

It is important that the Act is robust and effective, and contains the right powers and tools to tackle climate change now and into the future. Climate change policy continues to evolve globally and nationally. By the end of 2015 there will be progress in international agreements under the United Nations Framework Convention on Climate Change. The Australian Government's climate change policies will also continue to be refined in the lead up to the Paris Climate Change Conference in November 2015. Developments in technology; climate science; and the changing structure of the Victorian economy and its energy systems are also factors that will continue to influence Victoria's response to climate change.

The Minister for Environment, Climate Change and Water is required under Section 18 of the Act to ensure that an independent review of the Act is completed before 31 December 2015.

### 2. Scope of Review

2.1 Pursuant to Section 18 of the Act, the Independent Review Committee will review and produce a written report containing recommendations and options to the Government before 31 December 2015 that:

- a) Examines the effectiveness of the current operation of the Act in achieving its stated purposes.
- b) Examines whether the Act provides a sound foundation for action (by Government, business and community) on both climate change mitigation and adaptation.
- c) Examines whether the Act is sufficiently robust to deal with changes over time in the range of factors that impact on Victorian Government climate change policy.
- d) Identifies options to improve the Act to achieve the Government's commitment to action on climate change mitigation and adaptation.
- e) Examines whether legislation is the most appropriate mechanism for an emissions reduction target.
- f) Identifies the most appropriate mechanism to monitor and report on progress in accordance with the Act.

2.2 Pursuant to Section 18(3) of the Act, in developing the options for improving the Act and its operation, the Independent Review Committee may have regard to:

- a) Other Victorian law relating to climate change and any other law or policy relating to climate change.
- b) Developments in climate change technologies and best practice in response to climate change.
- c) Any plan prepared under Section 16 (the Victorian Climate Change Adaptation Plan).
- d) Whether the Act needs to be amended to include new purposes, policy objectives or programs.

2.3 In undertaking the Review, the Independent Review Committee should:

- a) Consider climate change legislation and policies in sub-national jurisdictions in Australia and overseas.
- b) Consider any relevant state or national inquiries that review the efficacy and efficiency of climate change legislation.
- c) Consider the known costs and benefits to businesses, households and government where relevant.

The Independent Review Committee may directly seek the views of the community, business, and non-government sector representatives in conducting the review. The Review will also include a public submissions process.

The Independent Review Committee must provide the Minister a written report in accordance with these Terms of Reference and Section 18(4) of the Act before Thursday 31 December 2015.

In accordance with Section 18(5) of the Act, a copy of the report must be tabled in both Houses of Parliament within 10 sitting days after the completion of the Review.