

Mitigating the contribution to climate change

Inquiry findings

The Inquiry heard public submissions which raised concerns about greenhouse gas emissions from the onshore shale gas industry, and the impacts of increased contribution to climate change.

The Inquiry estimated the emissions likely to be produced across the life-cycle of the onshore shale gas industry. This includes the extraction, processing, transmission and delivery of natural gas, as well as the use of the gas to create power.

The Inquiry made a suite of recommendations designed to manage greenhouse gas emissions from the onshore shale gas industry. This included Recommendation 9.8:

“That the NT and Australian governments seek to ensure that there is no net increase in the life cycle GHG emissions emitted in Australia from any onshore shale gas produced in the NT”.

NT Government mitigations

The NT Government has implemented many initiatives to reduce greenhouse gas emissions from the onshore gas industry. These initiatives ensure the NT Government can require onshore gas companies to avoid, reduce or offset emissions from their operations in the Territory.

- The NT Government has committed to achieving net-zero emissions by 2050. A target of 50% renewable energy from grid-connected installations by 2030 will help to achieve this commitment.
- The Strategic Regional Environmental and Baseline Assessment (SREBA) methane and greenhouse gas emissions study measured the current emissions levels in the Beetaloo Sub-basin and identified where the emissions come from. This has helped to close the information gap identified in the Inquiry and will inform ongoing evidence-based decision-making.
- The NT Government introduced the Greenhouse Gas Emissions Management for New and Expanding Large Emitters Policy (Large Emitters Policy), which requires industrial operators to submit a Greenhouse Gas Abatement Plan (GGAP) if their emissions are above certain thresholds.
- The Large Emitters Policy states the content which must be included in a Greenhouse Gas Abatement Plan.

- The NT Government has introduced the Managing Greenhouse Gas Emissions from the Onshore Gas Industry Policy Statement (GHG Policy Statement), which builds on the requirements of the Large Emitters Policy. The GHG Policy Statement requires all onshore gas producers to submit a GGAP that demonstrates they will, at a minimum, achieve net zero emissions across their Northern Territory operations by 2050. The GHG Policy Statement will be enacted in regulation, and commitments made in a GGAP will be the subject of environmental authorisation conditions.
- The NT Government introduced the Greenhouse Gas Emissions Offsets Policy to make sure offsets are only used as a last resort for emissions that cannot be avoided or reduced. The NT Government can require onshore gas companies to offset their emissions using only high-integrity offset units.
- The NT Government published the Code of Practice, which sets legally enforceable standards for the onshore gas industry. This includes regular monitoring to detect methane leaks, requirements to prevent methane leaks from decommissioned wells, and requirements to report emissions annually to the Department of Environment, Parks and Water Security (DEPWS).
- The Orphan Well Monitoring Program monitors abandoned wells and conducts remediation activities where necessary to prevent methane leaks.

Australian Government Regulations Driving Emissions Reductions

The Australian Government is taking a range of actions to reduce Australia's emissions, including emissions from onshore shale gas production in the Territory. Australian Government initiatives include:

- legislating a goal of 43% emission reduction below 2005 levels by 2030, and net-zero emissions by 2050
- reforming the Safeguard Mechanism to require all new onshore gas entrants in the Beetaloo Sub basin to have net zero scope 1 emissions from entry
- supporting the use of Australian Carbon Credit Units (ACCU) to offset emissions and identifying opportunities to produce more ACCUs

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- supporting the development of technologies and policies to avoid, mitigate or offset emissions from gas produced in the Beetaloo Sub-basin, including carbon capture and storage.

Ongoing monitoring into the future

The NT Government will use baseline information captured in the SREBA methane and greenhouse gas emissions study to monitor emissions in the Beetaloo Sub-basin. This data will assist the NT Government to design and plan future development to minimise risks from changes in emissions.

The Department of Industry, Tourism and Trade (DITT) will monitor wells that have been abandoned or 'orphaned' by previous industry operators through the Orphan Well Program. Monitoring will detect methane leaks from orphan wells, which can then be fixed to stop the leak.

DITT and DEPWS will review the Code of Practice to ensure it is up to date, including new technology and changing best practice for activities to prevent greenhouse gas emissions.

The Northern Territory Government continues to engage with the Australian Government to pursue sustainable economic development in the Territory, consistent with our shared goals of net zero emissions by 2050.

Where can I find more information?

Find out more about these reforms in Chapter 7 of the Scientific Inquiry into Hydraulic Fracturing Final Implementation Report.

Information from the SREBA study on methane and greenhouse gas emissions, including technical reports and the data catalogue, are available on the DEPWS website at depws.nt.gov.au/sreba

The Large Emitters Policy and Emissions Offsets Policy are available on the DEPWS website at depws.nt.gov.au

NT Government decisions relating to Environment Management Plans, GGAPs, and environmental approvals are also available on the DEPWS website.

Fact sheets and audio files in Aboriginal languages are available at hydraulicfracturing.nt.gov.au

The Northern Territory Climate Change Response: Towards 2050 and the Three Year Action Plan are available at climatechange.nt.gov.au