



# Climate Change: Reducing Victoria's Greenhouse Gas Emissions

## Responses to DELWP survey on targets and priority actions

### By the Victorian Greenhouse Alliances, 21 July 2019

#### The Independent Expert Panel's recommended targets

The Independent Expert Panel recommends Victoria set greenhouse gas emissions reduction targets of:

- 32-39% below 2005 levels in 2025 and
- 45-60% below 2005 levels in 2030.

#### 1: Do you support these targets recommended by the Panel?

1a:

Yes

No

1b: Why/why not?

- Emissions reduction targets are crucial to Victoria meeting its climate and clean energy commitments with an aim to limit global temperature increase to not more than 1.5°C and prevent the worst impacts of climate change.
- In 2017, Victoria signed the Climate Leadership Declaration<sup>1</sup>, committing the state to achieve 1.5°C.
- If we are to have any chance of limiting warming to a maximum of 1.5°C above pre-industrial levels then, by the Panel's own admission, a 45-60% reduction just won't get us there.
- The Panel's report states that a target of 67% below 2005 levels in 2030 is necessary 'to secure an even chance of limiting warming' to 1.5°C.<sup>2</sup> To secure the social and economic benefits of those limits, local governments support emissions reductions and a strong reductions trajectory. This will ensure economic signals occur as early as possible to incentivise Victorian businesses and households to transition sooner rather than later.
- The 67% target below 2005 levels in 2030 is achievable through policy levers under Victoria's existing framework established by the *Climate Change Act 2017*, including sectoral and local government emissions reduction pledges.

<sup>1</sup> [https://www.climatechange.vic.gov.au/\\_\\_data/assets/pdf\\_file/0019/74107/Climate-Leadership-Declaration-2017.pdf](https://www.climatechange.vic.gov.au/__data/assets/pdf_file/0019/74107/Climate-Leadership-Declaration-2017.pdf)

<sup>2</sup> Panel report, Box ES2. Considering interim targets and trajectories for a 1.5C world, p 12

As required by the *Climate Change Act 2017*, the Independent Expert Panel considered a broad range of issues in reaching its recommended targets including:

- Scientific evidence on the significant risks that climate change poses to Victoria;
- The actions that Victoria and others (including the Commonwealth government) are already taking to reduce emissions – including the commitment of the international community, through the Paris Agreement, to limit warming to well below 2°C and to pursue efforts to limit the increase to 1.5°C above pre-industrial levels, in order to avoid the worst impacts of climate change;
- The implications of Victoria contributing its fair share to limiting global temperature increases in accordance with the Paris goal (emission budgets for Victoria);
- The availability of significant emissions reduction opportunities across the Victorian economy; and
- The potential economic, social and environmental benefits and costs of Victoria's transition to a net zero emissions economy.

**2: Are these the key issues influencing what the right targets are for Victoria? Are there other issues that should be considered?**

- There is an overwhelming volume of research demonstrating the high costs of delaying action on climate change. Taking strong and immediate action maximises the opportunity for success and reduces the risks over the long term.
- Those environmental, social and economic costs include distributive injustice or inequity, including inter-generational inequity, through cumulative climate change impacts. The principle of inter-generational justice was expressly recognised by the NSW Land and Environment Court in *Gloucester Resources Limited v Minister for Planning* (the recent Rocky Hill mine case) as providing that ‘the present generation should ensure that the health, diversity and productivity of the environment are maintained or enhanced for future generations’.<sup>3</sup>
- The Commonwealth Government’s emissions reduction targets and actions are inadequate to meet Australia’s obligations under the Paris Agreement to keep global warming below 2°C, let alone aim for below 1.5°C. (The Paris Equity Check <sup>4</sup> shows that the level of ambition demonstrated by the Commonwealth Government, if equalled by the rest of the world, would lead to a global temperature increase of 4.4°C by 2100.)
- The states must continue to show leadership on climate action in the absence of responsible federal policy. The Victorian Government has clear community support for this. (Sustainability Victoria’s 2017 research shows that more than 75 percent of Victorians believe that climate change is an urgent issue that needs action.<sup>5</sup>)
- With three coal power stations operating in the state, Victoria still relies on the most polluting source of power in the world. So we have a particular role and opportunity to show other national and sub-national economies that phasing

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<sup>3</sup> [2019] NSWLEC 7, 399

<sup>4</sup> Robiou du Pont, Y. et al. Equitable mitigation to achieve the Paris Agreement goals. *Nature Climate Change* 7, (2017), available at:<http://dx.doi.org/10.1038/nclimate3186>

<sup>5</sup> <https://www.sustainability.vic.gov.au/About-Us/Research/Victorians-perceptions-of-climate-change>

out coal is not only possible but can lead to increased prosperity, a just transition for coal communities and is popular with the community.

- An increase in renewable energy generation in Victoria illustrates that the state has a high potential to reduce emissions in this sector, which would support the reduction target in the Panel's report of 67% below 2005 levels in 2030.
- The targets will incentivise businesses to invest in processes and programs that reduce emissions, readying them for global competitiveness.

Victoria has choices about the emissions reduction pathway, or trajectory, to follow to reach net zero emissions by 2050. Different trajectories imply different costs and benefits over time. The Panel's advice includes indicative trajectories to 2050 associated with its recommended targets (see figure above and Chapter 5 of the Panel's report).

### 3: Do you agree with the Panel's indicative trajectories to 2050?

3a:

- Yes
- No

3b: Why/why not?

- Councils support the adoption of a strong trajectory to limit warming to 1.5°C.
- Trajectories should send a clear investment signal towards net zero emissions for Victorian businesses, allowing them to prepare, take advantage of early-mover opportunities and soften cost shocks well before 2050. They should also be established in the current term of government to provide certainty, especially to businesses, that future governments will not be able to renege on the commitments made now.
- In particular, there is investment and job creation potential in renewable energy, energy efficiency, electrification, efficient and public transport and improved land use.
- A strong trajectory will support economic development across Victoria; for example, in the west of Melbourne, which is particularly vulnerable since the downturn in the automotive industry. Two examples of early movers in the west of Melbourne, already improving business confidence, are Toyota's Hydrogen Centre in Altona and Vestas' plan to build a wind turbine assembly plant in Geelong.

### Reducing Greenhouse Gas Emissions in Victoria

The Independent Expert Panel's report also identifies opportunities to reduce Victoria's greenhouse gas emissions (see Chapter 6 of the Panel's report).

### 4: Are there other key greenhouse gas emissions reduction opportunities beyond those the Panel identified?

- Victoria's emissions reduction policy needs to be underpinned by a comprehensive market-based incentive in order to angle all sectors of the

economy towards achieving the targets and address the social cost of energy use and emissions. The Australian Carbon Dividend Plan is an approach which would tax emitting industries and return dividends to Australian citizens,<sup>6</sup> and should be considered by the Victorian Government. Canada has provided a precedent for a carbon price led by sub-national governments, the Canadian provinces, with the Pan-Canadian Approach to Pricing Carbon Pollution.<sup>7</sup>

- There is an immediate opportunity to place limits on emissions from coal power stations through the EPA's review of power stations' licences. Strong emissions reduction targets now would provide a necessary mandate for these limits.
- Across all the broad emissions reduction opportunities identified in the Independent Expert Panel's report, local government can play an important facilitating role and should be seen as a key partner with the Victorian Government in reducing emissions and facilitating community support and efforts. (See response to Q5b for specific local government policies and programs.)

**5a: Across the Victorian economy, which activities do you think the Victorian government should prioritise in reducing Victoria's greenhouse gas emissions?**

Your response can be for the whole Victorian economy and/or for individual sectors.

- Placing strict limits on emissions from coal power stations. This is a crucial activity, as Victoria's three coal power stations are responsible for 37.8% of the state's total emissions (Loy Yang, Yallourn and Loy Yang B, since Hazelwood was closed)<sup>8</sup>.
- Increasing large-scale and distributed renewable energy and energy efficiency, particularly in the built environment and industry.
- Reducing transport emissions.
- Reducing waste to landfill. Most of the greenhouse gas emissions from Victoria's waste and resource recovery system come from food organics decaying in landfill. The Victorian Government's *Circular Economy* issues paper<sup>9</sup> identifies a key opportunity to avoid landfill emissions through better separation and recovery of organic waste in households and businesses.
- Managing and increasing Victoria's forests, wood reserves and other tree-based resources, particularly through afforestation and reforestation, to sequester carbon in line with broader ecosystem management, biodiversity objectives and improved productivity and health of farm land. Public (local government and Crown) land and assets may be able to contribute to carbon sequestration, with increased funding, research and further investigations to stimulate land use change and increased vegetation cover.

<sup>6</sup> <https://www.grandchallenges.unsw.edu.au/article/australian-carbon-dividend-plan>

<sup>7</sup> <https://www.canada.ca/en/environment-climate-change/services/climate-change/pricing-pollution-how-it-will-work/putting-price-on-carbon-pollution.html>

<sup>8</sup> Department of Environment, Land, Water and Planning (2018) Victorian Greenhouse Gas Emissions Report, P 19

<sup>9</sup> <https://engage.vic.gov.au/circulareconomy>

- Assisting the agriculture sector to understand practical emissions reduction approaches.

#### 5b: What policies or programs are needed to drive these emissions reductions?

- Annual licence limits on greenhouse gas emissions from coal power plants, in line with the state's interim emissions reduction targets. This can be achieved through the EPA's review of licences, as guided by the Premier and Minister for Environment, Energy and Climate Change.
- Increasing the Victorian Renewable Energy Target (VRET), ideally to 100% by 2030.
- Expanding state-based energy efficiency policy levers, such as the Victorian Energy Upgrades Program, and supporting energy improvements at the national and COAG level, such as development of a national strategy to improve the energy performance of all Australian homes and improvements to the National Construction Code.
- Support for new investment in the manufacture of zero emissions vehicles, including trucks and utility vehicles as well as cars, and associated charge infrastructure.
- Supporting a national vehicle emissions strategy and immediate introduction of minimum fuel efficiency standards for light and heavy vehicles.
- Structural support for a zero emissions transport system and zero emissions vehicles, as recommended by Infrastructure Victoria<sup>10</sup>, particularly development of a state transport plan that prioritises reforms to support zero emissions vehicles and public transport.
- Coordination and support for councils to implement Food Organics and Garden Organics (FOGO) programs. Only 22 councils in Victoria have introduced kerbside food collection services in the organics stream. The financial justification for these initiatives is often marginal and their success typically depends on the scale and robustness of the supporting communications and engagement programs with the end users. An appropriately resourced and consistent approach across all waste management jurisdictions is required to assist councils to divert the estimated 1.5M tonnes/year of organics destined for landfill in 2030.<sup>11</sup>
- Support for development of FOGO processing facilities and incentives to develop and embed sustainable use of end products.
- To ensure energy network stability, the Victorian Government should continue to work closely with the energy distributors to provide them with clear direction. The state should leverage, facilitate and unblock barriers to the implementation of AEMO's Integrated System Plan and the distributors' own Electricity Network Transformation Roadmap.
- Significant engagement with the private sector. The Victorian Government can support sustainable communities of practice and knowledge-sharing models to build the understanding, capacity and motivation needed to transition businesses and achieve emissions reductions.

<sup>10</sup> Infrastructure Victoria, October 2018, Advice on Automated and Zero Emissions Vehicles Infrastructure

<sup>11</sup> <https://www.sustainability.vic.gov.au/Government/Victorian-Waste-data-portal/Interactive-waste-data-mapping/Waste-projection-model#>

- Achieving a zero carbon planning system would lead to significant emissions reductions. This would require:
  - Improving Environmentally Sustainable Design (ESD) standards to support zero carbon buildings and precincts. Recent projects working with the building industry by the South East Councils Climate Change Alliance (SECCCA) and others have demonstrated that new all-electric net zero energy homes are affordable, easily achievable and have paybacks under 10 years.
  - Minimum standards and mandatory disclosure of them. For existing homes, DELWP has successfully developed the commercially available Residential Efficiency Scorecard star rating tool, which can provide the mechanism to introduce mandatory disclosure. In time, minimum standards can set a trajectory for all residential homes to be net zero by 2030.
  - Phasing out gas in favour of electricity. The new Ginninderry development <sup>12</sup> in the ACT, a ‘gas-free’ suburb, will provide a useful model and lessons for precincts in Victoria.
  - Making the improved standards permanent in State Planning Policy
  - Supporting better compliance with the standards.
- Increasing carbon sequestration by forests and other tree-based resources. The Panel’s report outlines suitable policy areas (pp 85-86). The Panel also states (p 85) that ‘[t]here are a range of views in the Victorian community about the management of Victoria’s native forests and the need to balance different values such as employment, recreation and biodiversity’. It should be noted that there is also a widespread lack of awareness and understanding in the community about the value of trees and forests. For example, recent research by 2020Vision found that the biggest challenge for councils in greening projects is community engagement.<sup>13</sup> Promotion of the environmental, social and economic value of trees is therefore an important tool to overcome community resistance to and enlist community assistance in growing and protecting trees and forests.
- The agriculture sector faces many economic pressures, and producers understand the impacts of a variable climate. The sector needs practical region-based research and extension programs to engage producers.
- Local government policies, programs and initiatives, already underway. Examples include:
  - Corporate PPAs.
    - At least 39 councils are expected to join the Local Government renewable PPA led by Darebin City Council for new electricity contracts for council operations in 2020. This project has the potential to deliver up to 1.2M tonnes of abatement over the project period.
    - Eleven councils have committed to a PPA led by Procurement Australia.

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<sup>12</sup> <https://ginninderry.com/environment-and-people/sustainability/>

<sup>13</sup> <https://2020vision.com.au/help-hub/community/>

- Eight councils in the south east Melbourne region are considering a PPA that will deliver socio economic benefits in the region.
- Facilitating community energy initiatives, such as the ‘Totally Renewable’ movement underway in regional Victoria through Totally Renewable Yackandandah and other towns.
- Shifting local government fleets to electric vehicles (EVs), installing EV charging infrastructure and trialling innovative technology. For example, Hobsons Bay City Council has just completed a trial of a hydrogen-fuelled vehicle with Toyota, and City of Casey is using electric trucks for hard waste collection. The Victorian greenhouse alliances are also collaborating with the Electric Vehicle Council of Australia on a project titled ‘Charging the Regions’ to explore how to expand and coordinate EV charging infrastructure across the state.
- Improving urban design to support active transport and energy efficient development. Regional cities in Victoria are developing best practice guidelines for sustainable subdivisions that will enable efficient buildings, reduce car dependency and reduce pollution.
- Installing rooftop solar and undertaking investment in large-scale renewable energy for their corporate energy use.
- Improving the energy efficiency of their facilities and privately owned buildings through ESD policies and planning guidelines.
- Supporting businesses and residents to be sustainable through Environmental Upgrade Agreements (EUAs), advice on energy and climate impacts, and solar bulk buys. For example, in the west of Melbourne, more than \$1 million has been invested in the past three years through EUAs.
- Integrating their carbon reduction goals and actions in policy and operations, to demonstrate leadership to local communities.
- Urban forest strategies to increase canopy cover and vegetation, including, for example:
  - *Living Melbourne: our metropolitan urban forest*, a strategy to significantly increase greening across Melbourne, by Resilient Melbourne, a partnership of 32 councils
  - Individual council initiatives such as the Bass Coast Biolinks Project, which aims to increase native vegetation cover and form wildlife corridors with strong collaboration between Bass Coast Shire Council, the local community and landholders in the region.

**6: Are there any emissions reduction opportunities identified by the Panel that you would not support Victorian government action on? Why not?**

No.

**Benefits of reducing greenhouse gas emissions in Victoria**

**7: In addition to those identified by the Independent Expert Panel (see Chapter 7 of the Panel's report), are there other key benefits of reducing greenhouse gas emissions?**

Reducing emissions can lower energy bills for all Victorians, as discussed in Chapter 6 of the report, particularly if the reduction involves improvements to building energy performance. A house with net zero or nearly net zero energy (i.e. 6.-7.5 NatHERS Star rating, using no more energy than it generates on average, with minimal reliance on gas) may have power bills of less than \$500 annually, compared to an average house built prior to 2003 with an average power bill of more than \$2,500 annually.<sup>14</sup>

Low-income households stand to gain the most from energy improvements in their homes, as energy expenditure impacts their household budget up to five times more than it does for higher-income earners.<sup>15</sup> The expense involved in purchasing rooftop solar and energy efficiency equipment for low-income households (acknowledged in Chapter 7 of the report, p 103) can be offset by government support through:

- Solar Homes Program, including lowering the income threshold for eligibility to the program, to increase its reach for low-income households, and increasing support for those on very low incomes
- Coordination with and support for local government programs including Solar Savers and residential EUAs
- Mandatory energy efficiency standards for rental homes, introduced in a staged way to manage and reduce rent increases
- Continuation and expansion of programs targeting public and social housing and the most disadvantaged Victorians, including the Department of Housing's (DHSS) 'EnergySmart Public Housing Project' and Sustainability Victoria's 'Healthy Homes' project
- Applying energy standards to be assessed and advertised for homes as part of the sales and conveyancing process.

Businesses too can realise improved profits by incorporating energy efficiency (which leads indirectly to emissions reductions) in their operations. For a business with a profit margin of 10%, a \$10,000 reduction in energy costs is equivalent to a \$100,000 increase in sales.

Programs which reduce emissions on farm land can maintain agricultural productivity, which underpins the economy and community health of rural areas.

Another key benefit is the protection of biodiversity, acknowledged by Victoria's Biodiversity Plan, *Protecting Victoria's Environment – Biodiversity 2037*. Emissions reduction targets which contribute to limiting global temperature increases to below 2°C will limit the worst impacts of climate change on Victoria's natural environment and unique ecosystems.

#### **8: Of all the benefits of reducing emissions, which are the most important and why?**

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<sup>14</sup> South East Councils Climate Change Alliance (SECCCA) (2019) *SECCCA Zero Energy Homes Policy Position*, pp2-3

<sup>15</sup> Australian Competition and Consumer Commission (ACCC) (2017). *Retail Electricity Pricing Inquiry – Preliminary Report*, pp 12-20; as referenced in Australian Sustainable Built Environment Council (ASBEC) and ClimateWorks Australia (CWA) (2018) *Built to Perform: An industry led pathway to a zero-carbon ready building code*, p 11. July 2018, <https://www.asbec.asn.au/research-items/built-perform/>

The social, economic and environmental benefits of reducing emissions should be seen as complementary and reinforcing.

**9: From your experience, are there any barriers to reducing Victoria's greenhouse gas emissions that the Independent Expert Panel didn't identify?**

- Systemic impediments to using current land use planning and building regulation and policy to improve the efficiency and climate resilience of Victoria's built environment. Solutions, such as including the *Planning and Environment Act 1987* in Schedule 1 of the *Climate Change Act 2017* to ensure that planning decisions have regard to climate change, could provide a significant catalyst for emissions reductions. Impediments and gaps have been considered in a review conducted by DELWP, through consultation with local government and the building industry, commenced in 2017. DELWP has yet to release a final report on the review.
- The 'How Well Are We Adapting' project is currently researching a vision, actions and barriers to action to address climate change in the planning and building systems. A major barrier identified by local government planning officers is widespread lack of compliance with council planning guidelines and even the NatHERS star rating requirements by developers. This problem is compounded by a lack of resources within local government to enforce compliance. ('How Well Are We Adapting'<sup>16</sup> is a tool developed for Victorian councils to monitor, evaluate and report on climate impacts and responses across their assets and operations. Indicators to monitor action and impacts in land use planning, assets and infrastructure are currently being developed through co-design with local government officers.)
- People's personal consumption remains a significant barrier to emissions reduction. Evidence from a recent study by the CRC for Low Carbon Living<sup>17</sup> shows that carbon mitigation due to densification of the urban form (e.g. in inner suburbs) can largely be offset by the increased carbon footprint of residents who earn and spend more. As Dr Deo Prasad, the CRC's CEO, states, 'It makes sense – if you earn more money you tend to consume more.'<sup>18</sup>
- Currently, electricity network planning and land use planning occur in isolation, meaning long term, sustainable energy opportunities are missed. Whilst both land use planning schemes and the national energy market objectives intend to serve the long term interest of the community, they cannot do so whilst operating in isolation. Despite the implications of land use planning for local energy use and demand patterns, existing regulatory requirements do not require either sector to synchronise their respective planning processes. By contrast, considerations of water in the planning

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<sup>16</sup> <http://adapt.waga.com.au/>

<sup>17</sup> Guangwu Chen, Michalis Hadjikakou, Thomas Wiedmann, Lei Shi, 'Global warming impact of suburbanization: The case of Sydney', *Journal of Cleaner Production*, 172, 20 January 2018, pp 287-301. <https://www.sciencedirect.com/science/article/pii/S095965261732468X?via%3Dihub>

<sup>18</sup> Deo Prasad, 'Sustainable density must use evidence and regulated design', *The Fifth Estate*, 24 June 2019. <https://www.thefifthestate.com.au/urbanism/planning/the-link-between-carbon-footprint-and-density-is-not-clear-cut-and-more-evidence-is-needed/>

process are much more advanced, with good cross-sectoral collaboration, early engagement on new developments and considerations of up and downstream impacts. Ongoing and effective collaboration is therefore required between the sectors to ensure that opportunities for well-planned integrated energy solutions are captured.

**10: Of all the barriers, which are the most important to address and why?**

Although the Victorian community supports action on climate change, there remains a widely held concern that reducing emissions is overall disadvantageous from a socio-economic perspective. Ultimately, this is a cultural barrier, deeply embedded and reinforced by the existing fossil-fuel economy.

**11: How can the key barriers you identified in Question 10 be overcome?**

Significant engagement with the community and private sector is needed to explain the real opportunities that transitioning to a zero carbon economy present. That engagement needs to be matched by consistent government policy and a whole-economy approach, providing economic incentives or rewards for emissions-reducing activities and behaviour and disincentives for polluting activities and behaviour. (Also, see response to Q13 below.)

**Impacts of reducing greenhouse gas emissions in Victoria**

The impact of greenhouse gas emissions reduction policies will vary across sectors and communities in Victoria.

**12: In addition to those identified by the Independent Expert Panel (see Chapter 7 of the Panel's report), are there other impacts of reducing greenhouse gas emissions?**

See benefits identified in response to Question 7.

There are also impacts of emissions reduction on local government. Most Victorian councils have emissions reduction targets and objectives for their own operations (corporate emissions), to be achieved through energy efficiency, onsite solar and other initiatives such as those listed under responses to Question 5b. Many councils also directly support initiatives in their communities. Analysis shows that Victorian councils are well above the national average for local government in undertaking and supporting these initiatives.<sup>19</sup>

Some of the direct local government impacts are as follows:

- Victorian councils currently generate about 2.4% of their annual electricity needs with onsite solar. Covering all suitable roof space with solar could increase this to 25% and save councils a total of \$11.7 million per year in avoided electricity costs. (See results of a recent local government survey conducted by the Victorian greenhouse alliances.<sup>20</sup>)

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<sup>19</sup> ICLEI, Beyond Zero Emissions, Ironbark Sustainability (2018) *Australian Local Government: Climate Review 2018*, p 21.

[https://www.ironbarksustainability.com.au/fileadmin/public/downloads/IRO\\_GEN\\_001\\_Local\\_Government\\_Review\\_Report\\_FINAL.pdf](https://www.ironbarksustainability.com.au/fileadmin/public/downloads/IRO_GEN_001_Local_Government_Review_Report_FINAL.pdf)

<sup>20</sup> Victorian Greenhouse Alliances, January 2018, *Survey Report: Electricity Procurement and Management in the Victorian Local Government Sector* [needs web link]

- On average, Victorian councils have annual budgets of \$334,696 for reducing corporate emissions and \$230,297 for reducing community emissions,<sup>21</sup> although budgets are higher in metropolitan councils.
- Rural and regional councils do not have core resources needed to develop robust policy and action to contribute proportionally to Victoria's emissions reduction targets and show strong leadership in their communities.

Other indirect impacts to local government and their communities flow from large-scale renewables investments (e.g. solar and wind farms). Some of these are as follows:

- In its latest Victorian Annual Planning Report, AEMO acknowledged an 'unprecedented change'<sup>22</sup> underway in how electricity is used and a corresponding shift from coal power generated in the Latrobe Valley towards rooftop solar and large-scale renewables generation in the state's west. This will involve a shift of impacts of power generation generally – and renewable energy generation in particular – to western Victoria.
- Large-scale renewable energy installations (solar, wind farms and battery installations) have economic development benefits for local communities in which they are situated. The jobs potential is acknowledged by the Panel (Chapter 7, p 104). These and other benefits for local communities of supporting renewables investment are outlined by Gannawarra Shire Council, in relation to the seven large-scale solar projects which the Shire has approved:
  - 'Adds diversity to our economy creating new jobs and business potential
  - 'Employment during construction (between 80 and 200 construction jobs per project) and also ongoing positions estimated at 30 permanent jobs
  - 'Increases the Shire's Investment Profile and brings new development to the area
  - 'Substantial rates revenue will be generated through the development of these projects
  - 'Also business leverage will be a great benefit to all the businesses throughout the shire. The ability to supply goods and services to the large scale solar projects will allow other businesses to grow and flourish in the area.'<sup>23</sup>
- The AEMO report confirms the impact to Latrobe Valley communities, as detailed by the Panel. The Panel's report sets out multiple approaches to mitigate these impacts, and long term support is essential to make the just transition to other high value industries in the Latrobe region, but it must be

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<sup>21</sup> ICLEI, Beyond Zero Emissions, Ironbark Sustainability, *op. cit.* p 24

<sup>22</sup> Australian Energy Market Operator, *Victorian Annual Planning Report*, June 2019, p. 3.

[https://www.aemo.com.au/-/media/Files/Electricity/NEM/Planning\\_and\\_Forecasting/VAPR/2019/Victorian-Annual-Planning-Report-2019.pdf](https://www.aemo.com.au/-/media/Files/Electricity/NEM/Planning_and_Forecasting/VAPR/2019/Victorian-Annual-Planning-Report-2019.pdf)

<sup>23</sup> Gannawarra Shire Council, Large Scale Solar Development in Gannawarra.

<https://www.gannawarra.vic.gov.au/Business-and-Events/Business-Development/Large-Scale-Solar-Development>

recognised that the impacts will be felt across Victoria and a just transition is necessary for all regions .

**13: Of all the impacts, which are the most important to address and why?**

Addressing economic impacts, with robust programs and associated resources to enable transition of all affected regions and sectors including low income and disadvantaged communities, is crucial. This will build necessary support for the targets across businesses and the wider community. It is essential that the narratives around emissions reduction be de-politicised in order to create consensus about their urgency and importance and to acknowledge the transition needed to build resilient communities across Victoria. A genuine and committed attempt by the Victorian Government at a just transition will significantly address this need.

**14: How can these impacts be addressed?**

The *Climate Change Act 2017* already includes the structure to address impacts through the emissions reduction pledges. The Government should encourage and applaud strong pledges, which address social as well as economic and environmental concerns, across the economy.

Regions should be empowered to understand and plan the local transition necessary to build low carbon resilient communities, with access to partnerships and resources to implement the transition.

**15: Do you have other comments about action on climate change in Victoria?**

The Victorian Government is to be commended for its current leadership in emissions reduction in Australia. Clearly this needs to be continued and, indeed, increased in order to achieve 1.5°C or better. In the journey ahead to zero emissions by 2050, local government will be a reliable partner, not least because climate action at the local level is not an overtly political issue. Victoria's councils can reduce their own substantial emissions and, most importantly, give huge encouragement to Victoria's ratepayers and communities to do so.

Around the world, national and sub-national governments, including many local governments across Australia, are declaring a climate emergency. To continue its leadership, the Victorian Government could consider making its own climate emergency declaration, becoming the first Australian state government to do so. This would clearly signal the critical and existential threat that climate change poses. Declaring a climate emergency would also suggest new avenues for the Victorian Government to respond more effectively to climate change, including developing a carbon drawdown strategy, complementing existing investigative work undertaken in this area by local governments.

This submission was prepared by the Victorian greenhouse alliances, partnerships of councils working to address climate change in their regions:

- *Central Victorian Greenhouse Alliance (CVGA)* – Ararat, Ballarat, Buloke, Central Goldfields, Gannawarra, Greater Bendigo, Hepburn, Loddon, Macedon Ranges, Mildura, Mount Alexander, Pyrenees, Swan Hill

- *Eastern Alliance for Greenhouse Action (EAGA)* – Boroondara, Glen Eira, Knox, Maroondah, Monash, Stonnington, Whitehorse, Yarra Ranges
- *Northern Alliance for Greenhouse Action (NAGA)* – Banyule, Darebin, Hume, Manningham, Melbourne, Nillumbik, Moreland, Whittlesea, Yarra and the Australian Energy Foundation
- *South East Councils Climate Change Alliance (SECCCA)* – Bass Coast, Bayside, Cardinia, Casey, Greater Dandenong, Kingston, Mornington Peninsula, Port Phillip
- *Western Alliance for Greenhouse Action (WAGA)* – Brimbank, Greater Geelong, Hobsons Bay, Maribyrnong, Melton, Moonee Valley, Moorabool, Wyndham
- *Goulburn Broken Greenhouse Alliance (GBGA)* – The GBGA has contributed to this submission and endorses it. However, the timeframe for consultation has not allowed member councils and agencies to formally consider the response. The endorsement of the GBGA is provided at regional level and not by individual members.

The submission has been approved through the greenhouse alliances' formal governance structures but has not been formally considered by individual members. The submission does not necessarily represent the views of all councils. In the event that individual councils have positions that go beyond this submission, they may provide additional feedback.