

# **4.3 billion tonnes of emissions is not OK**

**Appeal against Report 1727 of the Environmental Protection Authority on Woodside's North West Shelf Project Extension Proposal**

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Discussion paper

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# Summary

The Australia Institute welcomes the opportunity to appeal Report 1727 North West Shelf Project Extension Proposal.

The role of the Western Australian Environmental Protection Authority (EPA) is to prevent, control and abate pollution and environmental harm.

In recommending the approval of a 50-year extension of Australia's most polluting fossil fuel project, the North West Shelf (NWS) LNG project, the EPA is failing its primary function and enabling serious environmental harm.

Despite the urgency of climate change and its dire impacts on Western Australia, the EPA recommends allowing the extension that will result in 4.3 billion tonnes of greenhouse gas emissions (carbon dioxide equivalent - CO<sub>2</sub>e). 91 percent of these emissions (4 billion tonnes CO<sub>2</sub>e) are from combustion of the gas (scope 3) with no proposal for abatement at all.

This should be a reason for recommending against allowing the extension. Instead, the EPA has given this as a reason to simply ignore them and recommend approving the extension anyway.

Woodside claims it will reduce Scope 1 emissions to net zero by 2050 then continue to operate until 2070. Details on how mitigation will be achieved only explain the first 30 percent in emissions reduction, with no detailed mitigation strategies to reach net zero. Even if these targets were achieved, the aspirational abatement of 138.85 Mt CO<sub>2</sub>e is just 3.1% of total emissions. With the additional imposed conditions by the EPA, the Extension Proposal's total Scope 1 emissions will still total 128 Mt CO<sub>2</sub>e, which cannot be considered compatible with the objective of reducing emissions – if the Extension Proposal was rejected, then 128 Mt CO<sub>2</sub>e in Scope 1 emissions could be avoided.

Given there is no explanation for 70 percent of the reduction of scope 1 emissions other than that the proponent will “avoid, reduce or offset” them, it appears the reductions will rely heavily on offsets.

All new major projects in Western Australia are required to contribute to the state's aspiration of Net Zero by 2050. However, offsets cannot meet state targets because there is no mechanism allowing carbon offsets to contribute to subnational climate targets in Australia. This is true of both Australian Carbon Credit Units and international carbon credits.

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For Western Australia or any Australian state or territory to count offsets towards a Net Zero target, a national accounting framework would have to be developed that allowed the import and export of emissions reductions across jurisdictions. The EPA cannot credibly allow offsetting as a legitimate mitigation strategy by big emitting while there is no way of accounting for offsets in state or federal climate targets.

Even if offsets could be used to contribute to state targets, there are serious questions as to the integrity of both Australian Carbon Credit Units (ACCUs) and international offsets.

The proposal also allows a further 50 years of acid gas emissions despite acknowledging that it “may be a threat of serious or irreversible damage” to priceless Murujuga Rock Art. This is in addition to the acid gas emissions from Woodside’s Pluto expansion which has been described as Juukan Gorge in slow motion.

The Murujuga site is of deep cultural and spiritual significance to the traditional owners but is also of profound significance to Australia and the world. It is around ten times the age of Stonehenge and four times the age of the Lascaux cave art in France. It is inconceivable that the British or French would allow such a risk to their cultural heritage, and it is hard to imagine that sites of cultural importance to white Australia would be treated in this way.

# Grounds of appeal

## SCOPE 3 EMISSIONS

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The EPA Report fails to address Scope 3 emissions which make up 91 percent of emissions resulting from the project.

Under S.15 of the Environmental Protection Act 1986 (EP Act), the EPA has the objective to use its best endeavors to protect the environment and to prevent, control and abate pollution and environmental harm.<sup>1</sup>

The EPA has identified greenhouse gas emissions from the NWS Extension Proposal as a key environmental factor under Part IV of the Act.

The EPA has identified Scope 1, 2 and 3 emissions as required under the Guidelines.<sup>2</sup> Scope 3 emissions are assessed to be 80.19 million tonnes per annum (Mtpa) CO<sub>2</sub>e, which are 91% of emissions resulting from the proposal.<sup>3</sup>

Under S.44 (2) of the EP Act, the EPA is then required to decide whether it recommends that the proposal is allowed, and if so, what conditions should apply to the implementation.

- (2) The assessment report must set out —
  - (a) what the Authority considers to be the key environmental factor identified in the course of the assessment; and
  - (b) the Authority's recommendations as to whether or not the proposal may be implemented and, if it recommends that implementation be allowed, as to the conditions and procedures, if any, to which implementation should be subject.

In this report, the EPA has done the opposite. It has decided that because it cannot impose conditions on 91 percent of the greenhouse gas emissions (80.19 Mtpa CO<sub>2</sub>e Scope 3 emissions) resulting from the proposal, it will ignore them, and therefore recommend the proposal is allowed.

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<sup>1</sup> Parliament of Western Australia (December 2021) Environmental Protection Act 1986, [https://www.legislation.wa.gov.au/legislation/prod/filestore.nsf/FileURL/mrdoc\\_44499.pdf/\\$FILE/Environmental%20Protection%20Act%201986%20-%20%5B09-I0-00%5D.pdf?OpenElement](https://www.legislation.wa.gov.au/legislation/prod/filestore.nsf/FileURL/mrdoc_44499.pdf/$FILE/Environmental%20Protection%20Act%201986%20-%20%5B09-I0-00%5D.pdf?OpenElement)

<sup>2</sup> EPA (2020) Environmental Factor Guideline, Greenhouse Gas Emissions, [https://www.epa.wa.gov.au/sites/default/files/Policies\\_and\\_Guidance/EFG%20-%20GHG%20Emissions%20-%202016.04.2020.pdf](https://www.epa.wa.gov.au/sites/default/files/Policies_and_Guidance/EFG%20-%20GHG%20Emissions%20-%202016.04.2020.pdf) p.1

<sup>3</sup> EPA (June 2022) North West Shelf Project Extension Proposal, [https://www.epa.wa.gov.au/sites/default/files/EPA\\_Report/EPA%20Report%201727%20-%20North%20West%20Shelf%20Extension%20Project%20-%20assessment%20report.pdf](https://www.epa.wa.gov.au/sites/default/files/EPA_Report/EPA%20Report%201727%20-%20North%20West%20Shelf%20Extension%20Project%20-%20assessment%20report.pdf) p.10

The EPA does not consider it reasonable to impose conditions on Scope 3 GHG emissions at this stage because those emissions are beyond the reasonable control of the proponent.<sup>4</sup>

If greenhouse gas emissions are a key factor, and 91 percent of those emissions cannot be mitigated because conditions cannot be imposed over those emissions, then the EPA should recommend the proposal not be allowed.

The geographic scope of the EPA's obligations is the State of Western Australia and its environment. It does not matter whether the emissions occur on the Burrup Peninsula or in a power station in Japan, they will still have the exact same impact on the environment of Western Australia, and as such should be treated with equal weight.

That Scope 3 emissions occur outside Western Australia may be a legitimate reason for the EPA not to impose "conditions and procedures" to mitigate the emissions, however it is not a reason to ignore them in the Authority's primary responsibility to recommend "whether or not the proposal may be implemented."

It cannot be argued 80.19 million tonnes CO<sub>2</sub>e (4 billion tonnes CO<sub>2</sub>e over the life of the extension) are acceptable. These are very large emissions by the standard of any fossil fuel project globally. If this level of emissions from one project is considered acceptable then any project is considered acceptable and assessing greenhouse gas emissions is pointless.

The EPA's assessment that Scope 3 emissions are "beyond the reasonable control of the proponent" is also inadequate. Scope 3 emissions are a direct result of the actions of Woodside as the proponent of the NWS Extension Project. If the project did not go ahead, then the Scope 3 emissions in question would not be emitted. Therefore, they should be considered entirely under the control and responsibility of Woodside.

In 2021, following the release of its Net Zero by 2050 report,<sup>5</sup> the International Energy Agency made it clear that there should be no new investment in oil gas projects.

If governments are serious about the climate crisis, there can be no new investments in oil, gas and coal, from now – from this year.<sup>6</sup>

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<sup>4</sup> Environmental Protection Authority (2022) *Report 1727 – North West Shelf Project Extension Proposal, Woodside Energy Ltd.*, [https://www.epa.wa.gov.au/sites/default/files/EPA\\_Report/EPA%20Report%201727%20-%20North%20West%20Shelf%20Extension%20Project%20-%20assessment%20report.pdf](https://www.epa.wa.gov.au/sites/default/files/EPA_Report/EPA%20Report%201727%20-%20North%20West%20Shelf%20Extension%20Project%20-%20assessment%20report.pdf) p.18

<sup>5</sup> IEA (May 2021), Net Zero by 2050, <https://www.iea.org/reports/net-zero-by-2050>

<sup>6</sup> Harvey (18 May 2021) No new oil, gas or coal development if world is to reach net zero by 2050, says world energy body, <https://www.theguardian.com/environment/2021/may/18/no-new-investment-in-fossil-fuels-demands-top-energy-economist>

## False coal displacement argument

Woodside's ERD argues that gas reduces global emissions by displacing coal for electricity generation.

Continued use of natural gas as an energy resource also plays an important role in moving towards a lower carbon future as natural gas burns cleaner than most other carbon-based fuels. As an example, the International Energy Agency (IEA) reported that coal-to-gas switching helped avert 95 Mt of CO<sub>2</sub> emissions in 2018 (IEA, 2019a).<sup>7</sup>

However, Woodside give a misleading interpretation of the IEA report they cite to support their argument. The IEA report highlights that almost all the emissions savings have been in the United States, which is entirely from US shale gas.<sup>8</sup> The US is a major LNG exporter and doesn't import any Australian gas.

90 percent of Australia's LNG are to Asia.<sup>9</sup> The IEA report also highlights that there are few opportunities for emissions savings from coal to gas savings in Asia which make up 90 percent of Australia's LNG exports largely because Asian countries, particularly China have a new and highly efficient coal fleet, and because renewable energy is a much cheaper way to generate electricity than gas:

In both countries [India and China] at the prevailing gas prices, new onshore wind and solar photovoltaic (PV) are much cheaper ways to generate electricity than new combined-cycle gas turbines (CCGTs).<sup>10</sup>

And more broadly:

Beating coal on environmental grounds sets a low bar for natural gas, given there are lower-emissions and lower cost alternatives to both fuels. The falling cost of renewable technologies in the power sector is the clearest case in point. In many power markets, wind and solar PV are already among the cheapest options for new generation, and the role of gas is coming under pressure as a result.

And warns against the risk of locking in infrastructure:

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<sup>7</sup> Woodside (2019) *NWS Project Extension – Environmental Review Document*, <https://www.epa.wa.gov.au/proposals/north-west-shelf-project-extension> p.29

<sup>8</sup> IEA (2019) *The Role of Gas in Today's Energy Transitions*, <https://iea.blob.core.windows.net/assets/cc35f20f-7a94-44dc-a750-41c117517e93/TheRoleofGas.pdf>

<sup>9</sup> OCE (June 2022) *Resources and Energy Quarterly*, <https://publications.industry.gov.au/publications/resourcesandenergyquarterlyjune2022/documents/Resources-and-Energy-Quarterly-June-2022.pdf>

<sup>10</sup> IEA (2019) *The Role of Gas in Today's Energy Transitions*, p.12

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Moreover, the increased combustion of natural gas does not provide a long-term pathway to global climate objectives, so policy makers need to be wary about locking in gas-related emissions even as they reduce emissions from coal.

Since the IEA Role of Gas report, the IEA has published its NZE 2050 plan designed to keep the world below 1.5 degrees warming. This plan sees no role for further investment in gas from 2021, let alone out to 2070.<sup>11</sup>

In this scenario LNG trade globally falls 60% by 2050 from 420 Bcm in 2020 to 160 Bcm.<sup>12</sup>

## SCOPE 1 EMISSIONS

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### Mitigation strategy

Woodside's mitigation strategy proposes to reduce emissions from a starting baseline of 7.7 Mpta CO<sub>2</sub>e in 5-yearly intervals, reaching net zero emissions in 2050. The NWS Extension would apparently continue operating with net zero emissions for another 20 years.

Woodside's Greenhouse Gas Management Plan says it has already implemented opportunities to reduce emissions for LNG Trains 4 and 5 and through changed Domgas operations. The emissions savings from these activities total 24,000 tonnes of CO<sub>2</sub>e per year – only 0.16% of NWS Extension's baseline annual emissions.

Opportunities to be considered by Woodside to reduce emissions are through reduced fuel gas use and LNG Train design features. The Greenhouse Gas Management Plan (GHGMP) says that these opportunities would provide a combined emissions reductions of 2.3 Mpta. This annual reduction would reduce emissions to the level proposed by Woodside for 2030-35. If opportunities identified can reduce emissions by 2.3 Mpta, those opportunities should be implemented now, rather than waiting until 2030. This could avoid in the order of 17 Mt of CO<sub>2</sub>e before 2030.

The identified emissions reduction opportunities do little to materially reduce the largest source of Scope 1 emissions, gas compressors used to liquify natural gas, representing more than half (53%) of Scope 1 emissions.

Woodside details no further opportunities to reduce emissions, leaving the remaining 70% of baseline emissions from 2030 onwards. Figure 1 shows Woodside's claimed emissions reduction trajectory. If further opportunities cannot be identified to reduce emissions below

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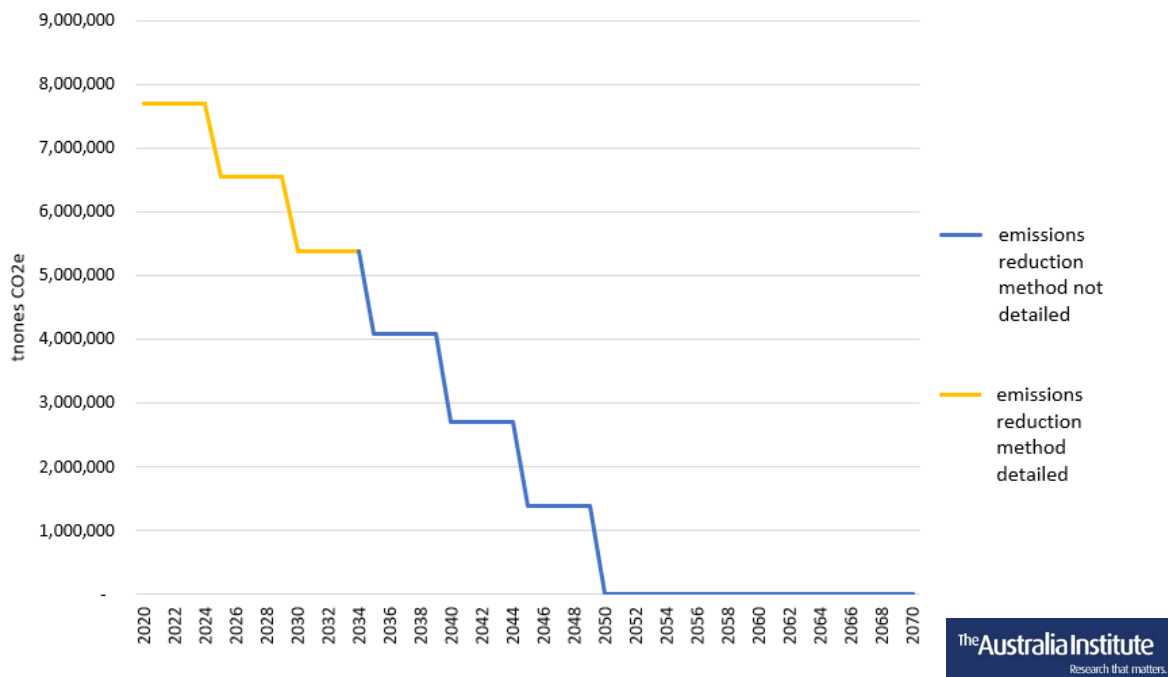
<sup>11</sup> IEA (2021) Net Zero by 2050 A Roadmap for the Global Energy Sector, [https://iea.blob.core.windows.net/assets/deebef5d-0c34-4539-9d0c-10b13d840027/NetZeroby2050-ARoadmapfortheGlobalEnergySector\\_CORR.pdf](https://iea.blob.core.windows.net/assets/deebef5d-0c34-4539-9d0c-10b13d840027/NetZeroby2050-ARoadmapfortheGlobalEnergySector_CORR.pdf)

<sup>12</sup> IEA Ibid.



this level through avoidance or minimisation, this could see an additional 153 Mt total CO<sub>2</sub>e between 2030-50. Woodside’s commitment to ‘avoid, reduce or offset’ emissions leaves the door open for remaining emissions of at least 5 Mtpa to be negated through offsetting which, as discussed later, is an inadequate mitigation strategy.

**Figure 1: Woodside’s ‘aspirational’ emissions reductions for the NWS Extension Project**



The mitigation trajectory proposed by Woodside is ‘aspirational’. Research has shown that one in three fossil fuel projects emit more than estimated by the companies when the project was approved.<sup>13</sup> The EPA has recommended the proposed mitigation trajectory be imposed as GHG emissions limits instead of ‘aspirational’ targets, but it is not stated how this will be enforced or the consequences if emissions limits are exceeded.

## Remaining Scope 1 emissions

The EPA determined that Woodside’s mitigation strategy means emissions from the project are not inconsistent with the EPA’s environmental objectives. Despite this, the EPA notes the established link between greenhouse gas emissions and the risk of climate change, that the project (with unmitigated emissions) represents 8.3% of WA’s total greenhouse gas emissions and, crucially:

<sup>13</sup> ACF (2022) *Emissions expose: Australia’s biggest polluters are emitting more than approved and getting away with it*, [https://assets.nationbuilder.com/auscon/pages/19954/attachments/original/1645416337/Emissions\\_expose\\_report.pdf?1645416337](https://assets.nationbuilder.com/auscon/pages/19954/attachments/original/1645416337/Emissions_expose_report.pdf?1645416337)

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With the recommended conditions, the Extension Proposal would result in residual net Scope 1 GHG emissions of up to 128.2 Mt of CO<sub>2</sub>-e over the 50-year life of the Extension Proposal. Although this represents a significant reduction from the 385 Mt of CO<sub>2</sub>-e estimated from the Extension Proposal without mitigation, **whether this reduction in net Scope 1 GHG emissions is sufficient to minimise the risk to climate change impacts to WA’s environment depends on the state of cumulative emissions over time (such as whether any current emission sources discontinue).**<sup>14</sup>

The EPA also notes that:

*WA’s cumulative GHG emissions sources are expected to continue to increase in the short to medium term. However, in the meantime the objective of the GHG Guideline is to reduce net greenhouse gas emissions in order to minimise the risk of environmental harm associated with climate change.*<sup>15</sup>

If WA’s emissions are expected to increase and the proposed NWS Extension goes ahead, both are incompatible with an objective to reduce greenhouse gas emissions.

If mitigation strategies are ineffective, the proposed project will emit up to 385 Mt of Scope 1 emissions over the project’s lifetime. The EPA’s assessment of emissions with assumed mitigation, 128.2 Mt of CO<sub>2</sub>e over the life of the extension proposal, should not be compared to the project scenario without mitigation of 385 Mt CO<sub>2</sub>e. The project extension should be compared to a scenario without the project extension, in which case even 128.2 Mt CO<sub>2</sub>e are emissions that can be otherwise avoided. Such emissions have the potential to jeopardize emissions reduction goals at both a State and Commonwealth level, particularly considering the Labor Government’s increased emissions reduction target of 43% below 2005 levels by 2030 – this increased target is not considered in Woodside’s GHGMP.

Even if Scope 1 emissions can be reduced, they are insignificant in comparison to the Scope 3 emissions over the project lifetime – over 4 billion tonnes of CO<sub>2</sub>e – which cannot be considered compatible with the EPA’s objective of reducing greenhouse gas emissions.

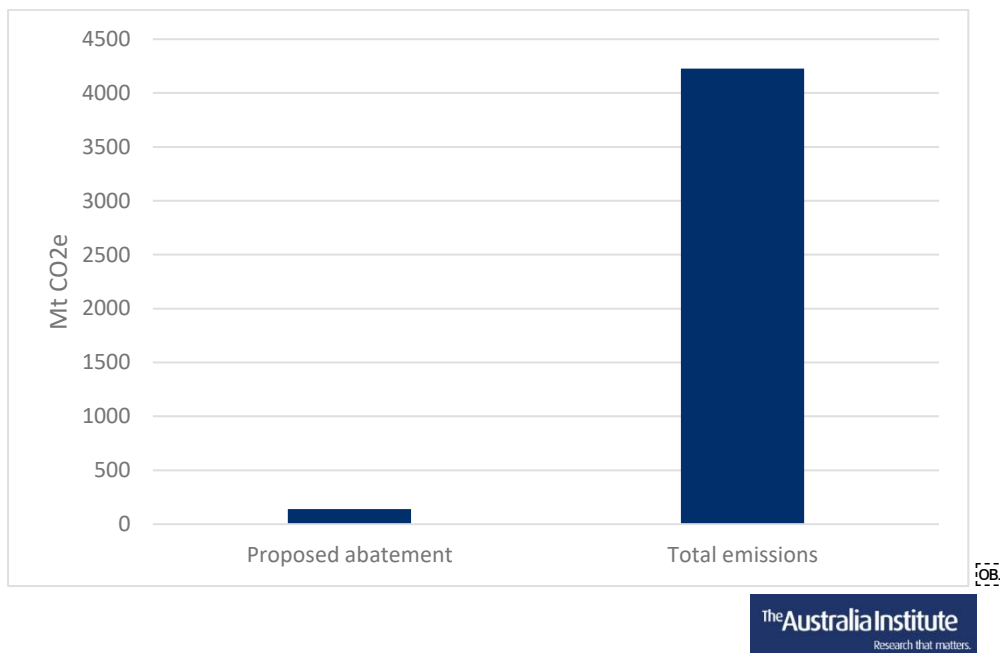
Figure 2 below compares the proposed abatement of 138.85 Mt CO<sub>2</sub>e abatement with the total 4.26 billion tonnes of residual scope 1 and scope 3 emissions.

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<sup>14</sup> Environmental Protection Authority (2022) *Report 1727 – North West Shelf Project Extension Proposal*, Woodside Energy Ltd.

<sup>15</sup> Ibid.

**Figure 2: Woodside's abatement target compared to total scope 1 and 3 emissions**



## USE OF OFFSETS

### Offsets cannot meet state targets

All new major projects in Western Australia are required to contribute to the state's aspiration of Net Zero by 2050.<sup>16</sup> However, the EPA has not placed this condition on the North West Shelf Project Extension Proposal despite it clearly being a "project expansion that emits significant emissions" meaning it does not meet the overarching criteria of all major projects.

Regardless, there is a fundamental flaw in the EPA's requirements whereby even if the Project approval was amended so that the Project *was* required to contribute to WA's Net Zero target, there is no mechanism allowing carbon offsets to contribute to subnational climate targets in Australia. This is true of both Australian Carbon Credit Units and international carbon credits.

For Western Australia or any Australian state or territory to count offsets towards a Net Zero target, a national accounting framework would have to be developed that allowed the import and export of emissions reductions across jurisdictions.

<sup>16</sup> Department of Mines, Industry Regulation and Safety (2019) *Greenhouse Gas Emissions Policy for Major Projects*

The EPA cannot credibly allow offsetting as a legitimate mitigation strategy by big emitting while there is no way of accounting for offsets in state or federal climate targets.

## **‘Avoid, reduce and offset’ is not the same as ‘avoid, reduce or offset’**

The EPA refers to the mitigation hierarchy, which is a series of proposed actions used to prioritise ways of addressing environmental impacts.<sup>17</sup> According to the WA EPA’s guidelines on greenhouse gas emissions, avoidance of emissions through best practice design (minimising emissions and energy intensity and adoption of renewable or low emissions technologies) comes first, followed by “continuous improvement to reduce emissions over the project life”, and finally using carbon offsets for “some or all residual emissions”.<sup>18</sup> The shorthand for this is “avoid, reduce and offset”. This means, where possible, avoid emissions at all; if not possible, reduce and minimise emissions; and where emissions are unable to be avoided, offset them. The EPA guidelines also states that they may request information on how the mitigation hierarchy is demonstrated through the mitigation measures of a project.

EPA’s assessment report explains the mitigation hierarchy and its importance, but throughout the rest of the report, uses the phrase “avoid, reduce and/or offset”.<sup>19</sup> This is distinct from “avoid, reduce **and** offset”, which recognises that all of the three actions should be taken (and, in the case of the hierarchy, in that order). In the mitigation hierarchy, avoidance is clearly recognised the most preferable option. “Avoid, reduce **and/or** offset” implies that the three actions are interchangeable, for example that offsetting alone could be an acceptable substitute for avoiding and reducing, rather than a last resort.

While a seemingly minor grammatical detail, the addition of the word “or” to the phrase is significant and goes against the spirit of the mitigation hierarchy. This is language consistent with that used by Woodside, whose phrasing in their Greenhouse Gas Management Plan is “avoid, reduce or offset”.<sup>20</sup>

## **Integrity of “authorised offsets”**

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<sup>17</sup> Environmental Protection Authority (2022) *Report 1727 – North West Shelf Project Extension Proposal*, Woodside Energy Ltd.

<sup>18</sup> EPA (2020) *Environmental Factor Guideline – Greenhouse Gas Emissions*, <https://www.epa.wa.gov.au/policies-guidance/environmental-factor-guideline-%E2%80%93-greenhouse-gas-emissions-0>

<sup>19</sup> Environmental Protection Authority (2022) *Report 1727 – North West Shelf Project Extension Proposal*, Woodside Energy Ltd.

<sup>20</sup> Woodside (2019) *NWS Project Extension – Appendix B – Greenhouse Gas Management Plan*, <https://www.epa.wa.gov.au/proposals/north-west-shelf-project-extension>

The EPA report defines “Authorised Offsets” as

Units representing GHG Emissions issued under one of the following schemes and cancelled or retired in accordance with any rules applicable at the relevant time governing the cancellation or retiring of units of that kind:

- a) Australian Carbon Credit Units issued under the Carbon Credits (Carbon Farming Initiative) Act 2011 (Cth);
- b) Verified Emission Reductions issued under the Gold Standard program;
- c) Verified Carbon Units issued under the Verified Carbon Standard program; or
- d) other offset units that the Minister has notified the proponent in writing meet integrity principles and are based on clear, enforceable and accountable methods.<sup>21</sup>

If the fundamental premise of offsetting fossil fuel emissions is accepted as legitimate, the integrity of the specific crediting frameworks listed above is in question, meaning it is unclear whether emissions from the project will be legitimately offset.

Australian Carbon Credit Units (ACCU) are currently the subject of a government review after a number of significant concerns being raised in regard to the integrity of ACCUs.<sup>22 23 24 25 26 27</sup>

International offsets, including Verified Emissions Reductions and Verified Carbon Units are currently also the subject of a review by the Climate Change Authority. The Australia Institute and others have previously raised concerns about the integrity of voluntary carbon

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<sup>21</sup> Environmental Protection Authority (2022) *Report 1727 – North West Shelf Project Extension Proposal, Woodside Energy Ltd.*

<sup>22</sup> Macintosh (2022) *The Emissions Reduction Fund’s Landfill Gas Method: An Assessment of its Integrity*, <https://law.anu.edu.au/research/publications?nid=51444>

<sup>23</sup> Hemming, Merzian & Schoo (2021) *Questionable integrity: additionality in the Emissions Reduction Fund’s Avoided Deforestation Method*, <https://australiainstitute.org.au/report/questionable-integrity-non-additionality-in-the-emissions-reduction-funds-avoided-deforestation-method/>

<sup>24</sup> Macintosh et al. (2022) *The ERF’s Human-induced Regeneration (HIR): What the Beare and Chambers Report Really Found and a Critique of its Method*, <https://law.anu.edu.au/research/publications?nid=51424>

<sup>25</sup> Macintosh, Butler & Ansell (2022) *Measurement Error in the Emissions Reduction Fund’s Human-induced Regeneration (HIR) Method*, <https://law.anu.edu.au/research/publications?nid=51434>

<sup>26</sup> Baxter & Gilligan (2017) *Verification and Australia’s emissions reduction fund: integrity undermined through the landfill gas method?*, <https://research.monash.edu/en/publications/verification-and-australias-emissions-reduction-fund-integrity-un>

<sup>27</sup> Minister for Climate Change and Energy (2022) *Media release: Independent Review of ACCUs*, <https://minister.dcceew.gov.au/bowen/media-releases/independent-review-accus>

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schemes, with particular regard to the Voluntary Carbon Standard (now Verra).<sup>28 29</sup> Furthermore, the inclusion of international offsets as authorised offsets highlights the inconsistency of the EPA allowing the proponent to claim international emissions reductions, while not having to take responsibility for scope 3 emissions that occur internationally.

The EPA's authorised offsets also allows the Proponent to use "other offset units that the Minister has notified the proponent in writing meet integrity principles and are based on clear, enforceable and accountable methods." This category of undefined offset is concerningly vague and provides little assurance that emissions will be credibly offset. It raises the risk of the WA Government defining a new category of offset unit entirely in the same way that the Northern Territory Government attempted to create 'indirect offsets' as part of its Draft Greenhouse Gas Emissions Offsets Policy and Technical Guidelines.<sup>30</sup>

Without providing clear evidence that the authorised offsets represent real, permanent and additional emissions reductions, it is unclear how the EPA can provide assurance that any emissions from the project will be mitigated.

The Environmental Protection Act principles include the precautionary principle,<sup>31</sup> but using offsets with questionable integrity can result in an overestimation of emissions reductions – which is a contradictory approach to the precautionary principle. The executive summary of the Environmental Review Document submitted by Woodside claims that the proposal "may result in a net reduction in global emissions" (p. 15).<sup>32</sup> Not only is there is no evidence that this is the case, if the proposed offsets do not represent real emissions reductions, the project will result in a significant net increase in emissions.

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<sup>28</sup> Hemming (April 2022) Hot Air Wont Stop Global Warming, <https://www.climatechangeauthority.gov.au/sites/default/files/2022-04/22.%20The%20Australia%20Institute.pdf>

<sup>29</sup> Hemming & Babon (2022) *Carbon Cowboys and Cattle Ranches*, <https://australiainstitute.org.au/report/carbon-cowboys-and-cattle-ranches/>

<sup>30</sup> Campbell, Hemming & Ogge (2021) *Offsetting us up for failure: Submission on the Northern Territory draft Greenhouse Gas Emissions Offsets Policy and Technical Guidelines*, <https://australiainstitute.org.au/report/offsetting-us-up-for-failure/>

<sup>31</sup> Environmental Protection Authority (2022) *Report 1727 – North West Shelf Project Extension Proposal, Woodside Energy Ltd.*

<sup>32</sup> Woodside (2019) *NWS Project Extension – Environmental Review Document*, <https://www.epa.wa.gov.au/proposals/north-west-shelf-project-extension>

# Murujuga heritage site

The proposal also allows up to a further 50 years of acid gas emissions despite acknowledging that it may cause serious or irreversible damage to priceless Murujuga Rock Art.

The EPA considers there may be a threat of serious or irreversible damage to that rock art from industrial air emissions (in particular NO<sub>x</sub> and SO<sub>x</sub> from the Extension Proposal) accelerating the natural weathering. Furthermore, the EPA acknowledges that there is contested science and a lack of consensus on the science about whether such emissions are adversely affecting rock art within Murujuga.<sup>33</sup>

The emissions from the NWS extension will be in addition to the acid gas emissions from Woodside's Pluto expansion which has been described as Juukan Gorge in slow motion.<sup>34</sup>

The Murujuga site is of deep cultural and spiritual significance to the traditional owners but is also of profound significance to Australia and the world. It is undoubtedly one of the most ancient and significant heritage sites in the world. It is around ten times the age of Stonehenge and four times the age of the Lascaux cave art in France. It is inconceivable that the British or French would allow such a risk to their cultural heritage, and it is hard to imagine that sites of cultural importance to white Australia would be treated in this way.

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<sup>33</sup> EPA (2022) Report 1727, P.73

<sup>34</sup> Liveris (October 2021) Fears pollution will destroy world's biggest collection of rock art 'within 100 years'  
<https://www.abc.net.au/news/2021-10-29/fears-murujuga-pilbara-rock-art-at-risk-from-industry-pollution/100572050>

# Conclusion

The EPA has failed to fulfill its primary responsibility to protect the environment.

It recommends allowing a proposal that would add over 4 billion tonnes of emissions to the atmosphere from new gas fields that would feed the KGP, beginning ten years after the IEA has said there should be no new investment in new gas fields.

It ignores 4 billion tonnes (91 percent) of those emissions on the basis that they are not under control of the proponent when this should be a clear reason to apply the first principle of the mitigation hierarchy and avoid them by disallowing the project.

The reduction of scope 1 emissions appears to rely largely on offsets despite the serious questions over the legitimacy of offsetting fossil fuel emissions with predominantly biological sequestration, and the integrity of those offsets.

It also allows 50 years of additional acid gas emissions despite acknowledging that these emissions may cause serious or irreversible damage to priceless Murujuga Rock Art.

The proposal should not be implemented because it is clearly unacceptable in its impact on the climate, environment, and cultural heritage. As such the Appeals Convenor should reject the EPA report.



