

Safeguard and Industrial Policy Section
Department of Industry, Science, Energy and Resources
GPO Box 2013
CANBERRA ACT 2601
safeguard.mechanism@environment.gov.au
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AUSTRALIAN
ALUMINIUM
COUNCIL LTD

Level 1,
18 National Circuit
Barton ACT 2600
Ph: 6267 1800
info@aluminium.org.au

Dear Minister

Re: Mine Rehabilitation – Draft Production Variables for Consultation

The Australian Aluminium Council (the Council) welcomes the opportunity to provide feedback on the working draft “Mine Rehabilitation – Draft Production Variables for Consultation” (the Draft). The Draft outlines production variables (PVs) and possible methods for calculating default emissions intensities (EIs) to represent the emissions resulting from mine rehabilitation, following initial feedback provided in late 2020 and January 2021.

The Council remains concerned that the Department is still seeking to finalise this process by mid-2021. This is in a context with the Department confirming that they are not aware of any instances of a facility requiring or intending to use this kind of production variable during the transition period, or even in the next 10-year period and the Draft identifying unresolved uncertainties around the data to be used as the basis for these PVs. Rehabilitation activities are unlikely to result in emissions of 100,000 t CO₂-e, without additional activities (e.g., electricity generation) taking place at a facility. For any existing facility, which exceeds this threshold, they are therefore highly likely to have existing PVs and default values upon which they can continue to report.

The Council believes that more time will be required, to adequately scope and define these important PVs and EIs. Given the lack of urgency, but high level of data uncertainty, the Council would support further analysis and assessment by the Department; and instead, a targeted date for these PVs of *no earlier* than mid-2022, to enable full consideration of the definitions and EIs. This would enable robust PVs to be developed, which will stand the test of time, if they are required by industry in the future. The Council’s view remains that the PVs should not be published until the default EIs are developed and consulted on.

The fundamental issues of measurement (data availability, data quality, cost and effort to measure, lack of auditability), as raised in the Council’s submission of January 2021 remain outstanding. Therefore, while the Department is requesting increasingly detailed feedback the Council believes until the draft default EIs are developed using the current definitions, this is premature. Additionally, the Council is concerned that the current draft lacks understanding of the detailed work which would be required to fully scope default EIs (e.g., activities such as water carting, should not be split between the two PVs, otherwise it will require more onerous measurement methods). The level of uncertainty in the text around EIs in the Draft supports the Council’s view.

The Council would like to continue to work with the Department to develop workable solutions for industry; while maintaining the durability and policy intent of the scheme.

Yours sincerely,



MARGHANITA JOHNSON
EXECUTIVE DIRECTOR
AUSTRALIAN ALUMINIUM COUNCIL
M +61 (0)466 224 636
marghanita.johnson@aluminium.org.au