



Australian Alliance to Save Energy (A2SE) Newsletter – Emissions Reduction Fund *Special*

Greenhouse gas emissions, energy productivity and the Emissions Reduction Fund

- **Reminder: Emissions Reduction Fund** > The second ERF auction is scheduled for early November. The **deadline for project registration is Friday 18 September**. More information [here](#)
- **Facilities: a new ERF method is now available** for abatement from facilities that report under the National Greenhouse and Energy Reporting (NGER) scheme. See below for a summary and link to more detail.
- **Industrial electricity and fuel efficiency** projects: Guidance is now available to assist applicants [here](#)

Modelling for the 2xEP program suggests that doubling energy productivity by 2030 would reduce greenhouse gas emissions by 25% against business as usual. That is equivalent to reducing Australia's emissions in 2030 by 10% relative to 2010 or an annual reduction of 0.5% per annum over the 20 year period. That 0.5% per annum over the period from 2010 to 2030 is equivalent to 44% of the commitment under the Commonwealth Government's 26% reduction target (or 39% of the higher 28%).

The Commonwealth Government is contributing to the energy productivity effort through the Emissions Reduction Fund (ERF). The ERF is supporting Australian businesses and households to take practical, direct action to reduce emissions and improve the environment. Its objective is to help achieve Australia's 2020 emissions reduction target of five per cent below 2000 levels by 2020.

For more information about the Fund, click [here](#)

For more information about sector-specific methods, please click [here](#)

The Clean Energy Regulator (CER) is responsible for a range of administrative tasks in support of the ERF and has announced that it will hold the second ERF auction for carbon abatement contracts in early November of this year. The auction guidelines were published on Friday 21 August. For more information about the role of the CER and the forthcoming auction, click [here](#)

New ERF Method: Facilities

Under the facilities method project proponents will be able to measure emissions reductions from facilities that already report their emissions under the National Greenhouse and Energy Reporting Scheme (NGERS).

The method has the potential to unlock abatement from some of Australia's largest companies, such as aluminium smelters, petrochemical refineries and power stations.

The method works by using a facility's production data and previously reported emissions data to establish a baseline using the emissions intensity of production. Credits are issued when the facility reduces the emissions intensity of its production to be below the baseline level.

Projects registered under the facilities method will be able to receive credits for emissions reductions from eligible NGER facilities for a seven year crediting period. The method has been designed to help project developers to design more innovative projects and ensure that emissions reductions are real and additional to business as usual. More information is available [here](#)



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