

## **SUPPLEMENTARY EXPLANATORY STATEMENT**

Issued by the authority of the Minister for Energy and Emissions Reduction

*National Greenhouse and Energy Reporting Act 2007*

*National Greenhouse and Energy Reporting (Measurement) Amendment (2019 Update)  
Determination 2019*

### **Purpose of the supplementary explanatory statement**

This supplementary explanatory memorandum provides details on consultation undertaken prior to the making of the *National Greenhouse and Energy Reporting (Measurement) Amendment (2019 Update) Determination 2019* (the 2019 Measurement Determination Update).

### **Consultation**

Items 1 to 3 of Schedule 1 of the 2019 Measurement Determination Update make technical changes to introduce an additional, more accurate method for estimating emissions from losses of gas during distribution. Consultation on these measures was undertaken with affected reporting entities, including the entity which first raised the issue addressed by the amendments, via the industry body representing Australian gas distribution businesses (Energy Networks Australia). During that consultation, some reporting entities raised issues arising from uncertainty as to when gas market rules or procedures for the calculation of the percentage of unaccounted for gas (%UAGp) become available each year. In response, Section 3.81A(2) was drafted to provide two options: (a) for the use of such rules or procedures pertaining to the current reporting year, or (b) if a calculation is not yet able to be made in accordance with rules or procedures pertaining to the current reporting year, the use of a previously determined percentage.

Item 4 of Schedule 1 of the 2019 Measurement Determination Update updates scope 2 emissions factors, which are used to estimate emissions from consumption of electricity. This item represents a routine update of technical factors which occurs on an annual basis using a set formula and the most recent available data from the National Electricity Market, Northern Territory and South West Interconnected System in the last financial year. Consultation on these factors is not appropriate as they arise from objective quantitative data.