

## **EPA Diesel Stakeholders Workshop**

**Barry Buffier, Chair and CEO EPA**

**Friday 13 June 2014**

**Room 6A Australian Technology Park Redfern**

### **Closing Remarks**

- On behalf of the EPA I'd like to thank you all for participating today, and for the contribution you are making and I'm sure will continue to make to managing diesel emissions.
- Special thanks to all our speakers today, for sharing your experience, knowledge and insights, and to our facilitator, Leonie Johnson, who has kept us in order and on time.
- Today is an important milestone in our journey of improving air quality in NSW.
- From my perspective, as head of NSW's independent environmental regulator, I want to emphasise that the EPA is committed to using its regulatory role to improve the management of diesel emissions and reduce their impacts on air quality and the health of NSW communities.
- We will do that in consultation with, and mindful of the interests, of our community and business stakeholders, many of whom are represented here today.
- The EPA is serious about being a leader in adopting effective and innovative approaches to environmental regulation.

- As many of you would be aware, we are currently introducing risk-based licensing in NSW. This will advantage environment protection licensees who are performing well and take a harder line with any poor performers.
- At the same time fines for the 10 most serious environmental offences are proposed to increase tenfold, to \$15,000 for corporations.
- The Land and Environment Court will acquire new powers to set restorative justice actions that benefit the environment and victims of environmental incidents, and loopholes for operators looking to evade penalties will be closed.

### **Review of the Ambient Air Quality NEPM**

- I would also like to put today's workshop into a national context.
- In 2012 National Environment Ministers, as the then, Ministerial Standing Committee on Environment and Water, agreed to prioritise national air quality work on particles.
- This included both review of Ambient Air Quality NEPM particle standards and development of national emission reduction policies.
- You have heard today about the costs imposed on the community because of poor air quality and that was certainly one of the big drivers to review the NEPM. Other factors included:
  - Overwhelming evidence about health effects of particles and the absence of a 'no-effect' threshold;

- The exceedance of PM standards in many regions, nationally; and
  - The existence of cost effective actions to reduce emissions.
- Since 2012, I have chaired this national work on the review of the Ambient Air Quality NEPM particle standards and it has been a long and at times arduous process.
  - The work program to review the particle standards has been considerable, and includes the following components:
    - A National Health Risk Assessment on particle pollution in Australia;
    - A Health Risk Assessment Summary for Policy Makers;
    - A valuing particles consultancy – to help quantify the health costs associated with particle matter that is national in scope and population weighted;
    - An analysis of a potential national exposure reduction framework – a framework to drive continual improvement in air quality;
    - A review of national and international evidence of the health impacts of air pollution;
    - An economic analysis to quantify the achievability and potential costs and benefits of different standards; and
    - Integration of all this information in a draft Impact Statement for public consultation

- NSW has been very clear in its support for the incorporation of PM2.5 standards into the Ambient Air Quality NEPM.
- The good news is that after considerable work, Environment Ministers have agreed to initiate a variation to the NEPM and release the Impact Statement for a variation to the particle standards, for public consultation.
- It is anticipated that all documentation will be released next month, for a two month public consultation period.
- Ministers have also agreed to finalise Regulation Impact Statements on emission controls for small spark ignition engines and wood heaters, by September this year.

### **National Clean Air Agreement**

- As Minister Stokes indicated when opening this workshop, even though SCEW no longer officially exists, Commonwealth, State and Territory Ministers have committed to developing a National Clean Air Agreement by 2016, and
- NSW will continue, via that avenue, to pursue national actions to reduce diesel and particle emissions from a range of sources.
- One additional area we will push to include in the National Clean Air Agreement is shipping emissions.
- Some aspects of shipping will be most effectively addressed through Commonwealth legislation and under international agreements, such as the International Convention for the Prevention of Pollution from Ships.

- But these national processes can take a long time and strong leadership is required. In parallel with the National agenda there are often things that can be done at a state and local level to push that agenda.

## **Diesel Emissions Management in NSW**

- Turning specifically to diesel emissions, I want to spell out the main directions the EPA is taking and invite your further input as we crystallise these intentions into action.
- Over the coming months, the EPA will take the large body of evidence available on non-road diesel emissions – including on their sources, on how they affect communities in different parts of NSW and on how they are best managed internationally – and shape a diesel emissions management strategy for NSW.
- We are looking for opportunities to reduce emissions from the range of sources discussed here today – namely shipping, locomotives and non-road engines and equipment.
- I have already indicated that we are seeking action at the national level diesel emissions from ships. At the same time we are examining what we can do at the state level to assist communities adversely impacted by emissions from shipping and other sectors.
- I am greatly heartened by the recent announcement by Carnival Cruises HQ that they are committing \$400m to retrofitting their cruise ships in North America.

- With national non-road engine standards still well off into the future, and evidence on the health effects of diesel emissions mounting, there is a need for NSW to lead on reducing non-road diesel emissions, as it has on many environmental improvements in the past.
- The EPA licenses the industries that generate over 90 per cent of the particles emitted by non-road diesel engines in NSW.
- We have already moved forward on an initiative focused on coal mining, which is the principal industry source of PM2.5 emissions.
- Our coal mining “Best Practice Measures for Reducing Non-Road Diesel Exhaust Emissions” project has so far included a survey of all coal mines in NSW that hold a current environment protection licence, and a detailed cost benefit analysis to evaluate options for reducing emissions from those coal mines’ non-road diesel engines.
- We will be releasing the report of that cost benefit analysis when it is completed.
- Similar to the approach we have taken to reduce dust emissions from coal mines, we propose to develop and attach legally binding pollution reduction programs to the coal mines’ environmental protection licences.
- These will require mines to adopt measures to improve their performance in managing non-road diesel exhaust emissions. This could be as simple as determining emission standards for individual items of equipment.

- Based on their contribution to overall emissions, the EPA has identified further industry sectors for possible future action under the diesel emissions strategy.
- The sectors for further discussion, investigation and development of a tailored approach to reducing their diesel emissions are likely to be: metaliferous mines; quarries; landfill and waste operations; ports; and construction and infrastructure projects.
- The EPA is also reviewing how the rail sector in NSW operates and exploring available and feasible options for reducing locomotive diesel emissions, such as through emission standards.
- Providing the merits of options are demonstrated, the EPA will negotiate with locomotive stakeholders on how to bring them into effect.
- As development of the diesel emissions management strategy progresses, the EPA will keep you informed and involved, including via our website.

## **Diesel Strategy**

- Our intention during the remainder of this year is to develop a detailed diesel management strategy which will have clear milestones for tighter regulatory controls.
- The focus of this strategy will be ports and shipping, locomotives and non-road diesel engines and equipment.

- We will be using the release of the Particles Standards Impact Statement in July to inform these consultations which will occur with industry and the community.
- Once again, thank you all for your generosity with your time and input today. The EPA looks forward to working with you all towards a lower diesel emissions future.