Queensland

Environmental Protection Regulation 2008

Regulatory Impact Statement for SL 2008 No. 370

made under the

Environmental Protection Act 1994

Attachment 2

Regulatory Impact Statement
and draft Public Benefit Test

Have your say on the review of the
Environmental Protection Regulation 1998

February 2008

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1. TITLE OF PROPOSED REGULATION

Environmental Protection Regulation 2008

2. INTRODUCTION

The *Environmental Protection Regulation 1998* (the current Regulation) is due to expire on 31 August 2008. This document sets out proposals for a new *Environmental Protection Regulation 2008* (the new Regulation).

Under the *Statutory Instruments Act 1992*, Queensland subordinate legislation expires automatically after ten years, unless specifically exempted or extended. This ensures that regulations are regularly reviewed to:

- reduce the regulatory burden, without compromising law and order and essential economic, environmental, social and cultural objectives;
- ensure subordinate legislation is relevant to the economic, social and general well-being of the people of Queensland; and
- otherwise ensure subordinate legislation is of the highest standard.

The *Statutory Instruments Act 1992* also requires that if a proposed regulation is likely to impose appreciable costs on the community or part of the community, a regulatory impact statement (RIS) must be prepared before the regulation is made or remade. Preparation of a RIS requires consideration of the policy intent of the proposed legislation and how best to achieve that intent. The RIS forms the basis for public comment on the proposed regulation.

The purpose of this document is to explain the need for the new Regulation and to present an evaluation of the likely costs and benefits that would flow from its adoption in comparison with other options explored.

Under State/Commonwealth agreements on *National Competition Policy*, a Competition Principles Agreement requires proposals for new legislation that might restrict competition to be subject to a *Public Benefit Test* (PBT). Regulations should not restrict competition unless it can be demonstrated that the benefits to the community as a whole outweigh the costs, and the benefits can only be achieved by restricting competition. The matters contained in this review that have such implications are discussed further below.

A report on the results of the Public Benefit Test will be forwarded to the Treasurer for approval within three months of the close of consultation and prior to the new Regulation being considered by the Queensland Government. Further consultation may occur prior to the development of a final position by the Government.

All stakeholders, other interested parties and the broader community are invited to comment on the proposals presented in this combined RIS/PBT. You may choose to use the response form provided.

How to Respond to this Regulatory Impact Statement

The closing date for providing comment on this RIS is **28 March 2008**.
A response form has been included in the back of this RIS to assist members of the public to respond.

Written submissions should be sent to:

Mail: Review of Environmental Protection Regulation (BNE26828)
Environmental Protection Agency
PO Box 15155
City East Qld 4002

Or

Email: ep.regulation@epa.qld.gov.au

Public Access to Submissions

Submissions may be accessible under the *Freedom of Information Act 1992*. Please identify any submission, or part of a submission, that needs to be treated as "commercial-in-confidence". Similarly, if a submission contains details about a person's personal affairs (his or her experiences relevant to a matter covered in this document), and it is in the public interest to protect the person's privacy, the "personal" information in that submission would not be accessible under the *Freedom of Information Act 1992*.

Abbreviations
The following abbreviations are used in this document:

The current Regulation	*Environmental Protection Regulation 1998*
The new Regulation	*Environmental Protection Regulation 2008*
DPI&F	Department of Primary Industries and Fisheries
EPA	Environmental Protection Agency
EP Act	*Environmental Protection Act 1994*
ERAs	Environmentally relevant activities
MBIs	Market based instruments
NCP	National Competition Policy
NPI	National Pollutant Inventory
PBT	Public Benefit Test
RIS	Regulatory Impact Statement

3. BACKGROUND

The Environmental Protection Regulation is a key mechanism for achieving the objective of the *Environmental Protection Act 1994* (EP Act), which is to protect the environment while providing for ecologically sustainable development. The current Regulation:

- details the environmentally relevant activities (ERAs) which require approvals and the fees payable. ERAs include mining, petroleum, gas, industrial, commercial, intensive animal and municipal activities that could release a contaminant that can cause environmental harm;
- lists requirements for the Environmental Impact Statements process;
- outlines management of environmental nuisance matters (odour, dust, light, noise) from residential land and other non-ERA sites;
- lists regulated wastes (other waste management issues are covered by the *Environmental Protection (Waste Management) Regulation 2000*); and
- gives effect to National Environmental Protection Measures, such as National Pollutant Inventory and Quality Standards for Petrol and Diesel.

The response of businesses to environmental regulation has meant that our air, water and land are cleaner. But the nature of regulation has not kept pace with the changes in Queensland's economy and society. The Environmental Protection Agency (EPA) is further developing its approach to regulation because:

- our long-term economic success depends on a healthy environment;
- it protects the rights of citizens to live in a clean environment;
- at a company level, good environmental performance makes good business sense; and
- to support the Government's priority of protecting the environment for a sustainable future.

The new approach is evidence-based and is focused on effective regulation of activities causing point source pollution. Effective means regulating in a manner that is both effective in protecting the environment from harm and efficient in that it does so at least cost to regulators and regulated enterprises.

This paper explains the key policy proposals, including a new evidence-based system for regulating activities that have the potential to cause environmental harm by releasing contaminants into our water, air or land – that is the ERAs, in Schedules 1 and 6 of the current Regulation. Environmental Emission Profiles are to be the basis of this new regulatory system (attached as Appendix 1). Other parts of the regulation that will be explained include environmental nuisance and national agreements.

This paper also examines the likely **costs and benefits** associated with the new Regulation, options and alternatives, and the effects on businesses, competition, the community and the environment.

4. AUTHORISING LAW

The new Regulation is authorised under section 19 of the EP Act (environmentally relevant activities may be prescribed) and section 580 of the EP Act (Regulation-making power). Section 19 states that the Governor in Council may make a regulation prescribing an activity (other than a mining activity) as an environmentally relevant activity (ERA) if a contaminant may or will be released into the environment when the activity is carried out and the release of the contaminant may cause environmental harm. Section 580 provides that the Governor in Council may make regulations under the EP Act about a variety of matters, including but not limited to:

- the matters for which fees are payable (this includes fees for mining activities);
- environmental impact assessments, reports, statements or studies; and
- setting standards, controls or procedures for the manufacture, generation, transportation, sale, use, storage, treatment or disposal of a contaminant, including waste.

5. CONSISTENCY WITH THE AUTHORISING LAW

The authorising law is the *Environmental Protection Act 1994* (EP Act). The object of the EP Act is ecologically sustainable development, that is, to protect Queensland's environment while allowing for development that improves the total quality of life, both now and in the future, in a way that maintains the ecological processes on which life depends.

The EP Act further provides that the object is to be achieved by an integrated management program that is consistent with ecologically sustainable development. This includes ensuring that all reasonable and practicable measures are taken to protect environmental values from all sources of environmental harm. Identifying activities that need to be licensed to ensure they are carried out in an ecologically sustainable way is an important aspect of achieving this objective. Similarly, identifying standards, establishing offences and providing guidance for decision making also assists in achieving this objective.

6. CONSISTENCY WITH OTHER LEGISLATION

The proposed new Regulation is consistent with other legislation that covers environmental, natural resource and development matters, such as the *Integrated Planning Act 1997, State Development and Public Works Organisation Act 1971, Coastal Protection and Management Act 1995, Mineral Resources Act 1989, Petroleum and Gas (Production and Safety) Act 2004* and *Water Act 2000.* The proposed new Regulation is not inconsistent with the policy objectives of any other legislation.

7. POLICY OBJECTIVES

The new Regulation is intended to replace the current Regulation before it expires on 31 August 2008. The current Regulation is nearly ten years old and needs to be remade to keep pace with the changes in Queensland's economy and society and to comply with best practice legislative standards.

The overall objective is to make a new Regulation that best achieves the purposes of the EP Act by providing a list of regulated environmentally relevant activities (ERAs), establishing a system of administration for ERAs and environmental nuisance, recovering the costs of regulation of activities that have the potential to cause environmental harm (including serious or material harm), in an efficient and equitable manner and to give effect to national environmental protection measures.

8. LEGISLATIVE INTENT

The primary intent of making the new Regulation is to provide for effective regulation of activities causing point source pollution to help achieve ecologically sustainable development. The intent is proposed to be achieved by:

- identifying the activities that have the potential to cause environmental harm by releasing pollutants to air, land and water (that is, ERAs);
- providing decision making considerations (e.g. for conditioning development approvals) for those activities, thus minimising environmental harm while allowing ecologically sustainable development;
- charging polluters annual fees to recover the costs of regulating activities that could cause environmental harm, consistent with the principles of polluter-pays and user-pays (as in the whole-of-Government approved *Principles of Fees and Charges*);

- providing a transparent basis for the equitable distribution of fees for undertaking environmentally harmful activities, that is, ERAs with relatively higher potential for environmental harm will pay relatively higher fees;
- developing codes of environmental compliance for ERAs with minimal potential for environmental harm;
- outlining management of environmental nuisance matters (e.g. specifying hours of operation of regulated devices and penalties for unreasonable release of odour, dust, light and noise);
- listing regulated wastes (other waste management issues are covered by the *Environmental Protection (Waste Management) Regulation 2000*);
- detailing processes for Environmental Impact Statements;
- allowing operators and investors to benefit from clarity and stability in the regulatory and management effort to be applied to existing and future businesses; and
- creating greater consistency Australia-wide by giving effect to National Environmental Protection Measures such as National Pollutant Inventory and fuel quality standards.

The objective of the new Regulation is to protect Queensland's unique environment from point source pollution while allowing ecologically sustainable development, by ensuring:

- effective regulation of activities that are environmentally relevant activities under the EP Act;
- effective regulation of environmental nuisance; and
- effective implementation of national agreements.

The preferred options for achieving these objectives are explained in Chapters 8.1 to 8.3.

8.1 Effective regulation of activities that are environmentally relevant activities under the EP Act

The current Regulation lists environmentally relevant activities (ERAs). An activity is environmentally relevant if it results in the release of a contaminant or has the potential to cause harm to the environment. ERAs currently include industrial, commercial, mining, petroleum, gas, intensive animal and municipal activities. If an activity is listed as an ERA it requires approval before it can be undertake and a payment of a fee.

How can we effectively regulate ERAs?
Four options for effective regulation of activities under the EP Act are considered during this review. They include:

Alternative 1 No legislative intervention (the current Regulation expires and is not replaced)
Alternative 2 Reintroduce the current Regulation
Alternative 3 Remake the Regulation with market-based instruments
Alternative 4 Remake the Regulation on the basis of environmental emissions (the preferred option).

In the following section the Alternatives 1-3 are considered first after which the preferred option, Alternative 4, is described.

Alternative 1 – No new Regulation.
If the current Regulation expires and is not replaced, the consequences would be:

- no consistent regulation of activities that release contaminants that may cause environmental harm – possibly leading to a range of **serious, highly undesirable consequences to environmental values and public health**;
- no charges for activities that release pollutants into the environment;
- no specified process for Environmental Impact Statements;
- no list of regulated wastes; and

In short, the Government would be unlikely to achieve its objective of protecting the environment for a sustainable future and therefore Alternative 1 is not preferred.

Alternative 2 – Reintroduce the current Regulation.
This alternative maintains the status quo by reintroducing the current Regulation in 2008. The EPA's review has revealed that critical aspects of the current Regulation require substantial improvement (e.g. which activities are environmentally relevant, how fees should be charged and how to improve management of environmental nuisance).

The fee structure developed for the current Regulation does not provide for the increasing needs of clients, or the increasing costs of service provision. Fees have not increased since 1995, despite a 440% increase in the number of activities required to be regulated (3,823 to 16,832). Environmental officers are fully occupied processing approvals and associated paperwork. This has resulted in a decline in the level of service (e.g. less frequent environmental audits) and a higher potential of a major environmental incident occurring.

The cost of administering the Regulation is covered by revenue from two sources - the annual fees and from the Government's Consolidated Fund. Under the current fee system approximately one-third of the costs are paid by the regulated ERAs and two-thirds are subsidised from Consolidated Funds (i.e. 33:67 polluter-pays: community subsidy). The current Regulation of ERAs and the fee structure are not consistent with best practice regulatory standards, or the principle of polluter-pays.

Reintroduction of the current Regulation would not result in a new Regulation that reflects contemporary standards; it would not achieve the legislative intent or provide a transparent basis for annual fees and cost recovery. For these reasons Alternative 2 is not preferred.

Alternative 3 – Remake the Regulation with market-based instruments.
Market-based instruments such as load-based licenses, environmental offsets and pollutant trading schemes, aim to encourage cleaner production through financial incentives. For example, New South Wales, Victoria and Western Australia have load-based licenses where each business pays a different amount based on the load of pollution they emit. The fees in those States are considerably higher than proposed for Queensland ($240,000 to $1.3 million per year for activities with high pollution loads) and provide an economic incentive to business to reduce pollution. Fees need to be set at a level high enough to create an incentive to invest in new production processes or technology.

Previous consultations suggest that the impact of fee increases of this magnitude would be unacceptable to industry at this time. Also, it is likely to impose extra monitoring and reporting costs on industries that do not currently report to NPI. Consequently, if the current Regulation expires and is remade with market-based instruments only, it would fail the efficiency test, i.e. the benefits are unlikely to outweigh the costs for those regulated enterprises. For this reason, Alternative 3 is not a preferred option.

What is the preferred option?
Alternative 4, which is to remake the Regulation on the basis of environmental emissions, is the preferred option. Using the risk of environmental emissions for effective regulation of

activities under the EP Act will improve environmental outcomes and reduce the likelihood of environmental harm.

How can we assess environmental emissions?

To assess environmental emissions we need a new tool. As part of this review, EPA has developed a new decision support tool called Environmental Emission Profiles.

What are Environmental Emission Profiles?
The Environmental Emission Profiles are a method which uses empirical information sources and expertise knowledge to assess the relative potential of an average operation on any site to cause environmental harm.

How were the Environmental Emission Profiles developed?
It involved three steps:

The first step of the method assesses the potential environmental impact of emissions from environmentally relevant activities. This is known as the Emission Score. The Emission Scores are calculated mostly from the National Pollutant Inventory[*] (NPI) data. Each emission is given a score and ranked depending on increasing potential of causing environmental harm. For example, a score of 1 indicates a level of emissions that is likely to cause a local nuisance whereas a score of 150 indicates a level likely to cause cancers or permanent ecosystem damage.

The second step of the method assesses other environmental effects at an average ERA site. This is known as the Site Attribute Score. The Site Attribute Score is calculated on the basis of environmental factors, such as noise, odour and the presence of hazardous materials, operating times, and the relative complexity of the production processes. These site attributes are given numerical values, depending on the potential of environmental harm.

The third step involves added the two sets of numbers together get an Aggregate Environmental Score (Environmental Score). The Environmental Scores demonstrate the relative risk of environmental harm from emissions or a polluting incident.

See Appendix 1 for a summary of the Environment Emission Profiles tool. The full version of the Environmental Emission Profile is available for comment on the EPA website www.epa.qld.gov.au.

What will the Environmental Emission Profiles be used for?
Environmental Emission Profiles are to be used to provide an evidence-based tool that:

- supports the remake the Regulation on the basis of managing potential harm to the environment; and
- provides a transparent method to recover the costs of regulating activities with the potential to cause environmental harm.

The Environmental Emission Profiles are a decision support tool for determining the regulation of environmentally relevant activities under EP Act. The Environmental Score will be used to help the Environmental Protection Agency decide how to allocate resources between different ERA categories (e.g. those activities with a very high Environmental Score will have relatively more intervention and assistance). Although all operators are responsible for complying with

[*] Actual emissions averaged over three years, inclusive of all existing pollution control measures and management systems.

environmental regulations, the EPA will concentrate its resources on activities which have the highest Environmental Scores.

The Environmental Emission Profiles for each ERA category also underpins the recommendations of this review about which ERAs should continue to be regulated by the State, those that should be regulated by local governments (i.e. those with low Environmental Scores that have a local impact) and those that are no longer appropriate to be regulated (those with very low Environmental Scores are proposed to be deleted from the new Regulation).

Many of the recommended changes result in capturing less operators (e.g. where ERAs have been proposed for deletion or where thresholds have been raised). Some changes result in capturing more operators (e.g. tunnel ventilation systems and sheep feedlotting are new, and the ERA for waste transfer stations has a lower threshold). Some changes will result in activities having higher regulatory effort and fees because of the reassessment of environmental risk (e.g. water treatment plants and geological storage of carbon dioxide will move from Level 2 activities to Level 1 activities. Full details of the proposed changes to ERAs are listed in Appendix 2 (Definitions of ERAs) and the key groups affected are listed on page 13.

How are Environmental Emission Profiles linked to annual fees?
The Environmental Score from the Environmental Emission Profiles will be used as the fee unit to calculate annual fees.

The Government is **proposing setting the fee unit at an amount which recovers the full costs** of administering the Regulation, and then introducing adjustments in line with future movement in the Consumer Price Index.

To achieve cost recovery, a fee unit of amount of $200 per Environmental Score point is needed. As an example this would mean, with an Environmental Score of 10, the annual fee would be $2000. Annual fees are thus clearly related to Environmental Scores in a fully transparent way. Setting the fee unit at $200 will reduce community subsidisation of regulated ERAs by recovering the full cost of providing the regulatory service from regulated operators.

A list of ERAs, with Environmental Scores and proposed annual fee are in Appendix 3. Fees charged by local governments for ERAs they administer will be explained in the next chapter.

All Level 1 ERAs will be subject to an annual fee based on the Environmental Score for each site. The current system, which allows operators with more than one site on a Registration Certificate to pay the single highest fee of all sites, will be removed (unless it is a single integrated operation under s.73F of the EP Act). The multiple site discount is inconsistent with the principle of basing fees on the Environmental Scores of each site and is also anti-competitive.

Removing the multiple site discount would have a disproportionate effect on local governments. To overcome this issue, the multiple site discount will continue to apply for local governments, subject to some exemptions. 'Corporatised corporations' and any other commercial council business activities which compete with the private sector will have the same fee regime as the private sector.

Under sections 49 and 50 of the current Regulation, an operator may apply for a waiver of annual fees if the fee would cause financial hardship or the likelihood of environmental harm is insignificant. Fee waivers are not consistent with polluter-pays regulation, result in lost revenue and create a significant administrative burden for the EPA with no environmental benefit. It is therefore **proposed** to repeal[†] sections 49 and 50 of the Regulation and introduce specific fee

[†] That is, not include provisions for fee waivers in the new Regulation.

exemptions for municipal activities undertaken by Aboriginal Community Councils and sewage treatment plants run by charitable organisations.

All activities with a low Environmental score listed as Level 2 ERAs will have a flat administration fee of $500 a year instead of the current nil charge, in line with the assessment of Environmental Scores and required regulatory effort.

How do the proposed new fees compare with interstate fees?
Despite the proposed fee changes (in Appendix 3), Queensland will still have low annual fees compared with other States. Based on a $200 fee unit, average annual fees in Queensland would be $3,600, compared with[‡]:

New South Wales	$12,500
Victoria	$13,700
Western Australia	$ 8,400
South Australia	$ 3,800
Tasmania	$ 5,652

Victoria, New South Wales and South Australia recover the full cost of administering their environmental regulations. Western Australia and Tasmania have commenced phasing in increases to achieve full cost recovery. Chapter 9 contains further information and analysis of the fees.

Will the new Environmental Emission Profiles apply to ERAs regulated by local government?
Yes, local governments will continue to be responsible for regulating the ERAs which are currently devolved (Appendix 3 has shading to represent the ERAs that local governments have responsibility for) and they can use the Environmental Emission Profiles to help their decision-making for Level 1 ERAs.

Some devolved ERAs are proposed for deletion (for example animal housing and small quarries), based on the very low Environmental Scores in their profiles. Local governments may decide to regulate and charge fees for the activities proposed for deletion from the current Regulation, by making a Local Law under the *Local Government Act 1993*.

The State Government has decided to give local governments the power to set fees at the level they decide is necessary to recover the costs of administering those activities, from 1 July 2008. This means that the fees for devolved ERAs may go up or down, and may differ between local government areas. The fees charged by local governments are however limited to cost recovery under the *Local Government Act 1993*. Local governments will not have the ability to change the Environmental Scores, just the fee unit amount. Therefore, the possible fees in Appendix 3 are only indicative for ERAs administered by local governments. Currently about 60% of local governments charge less than the fees set by the State Government.

What about Level 2 ERAs?
The Environmental Emission Profiles apply to all sites with one or more Level 1 ERAs. Regulation of Level 2 ERAs will be improved by ensuring that all sites have appropriate conditions to protect the environment. When the current Regulation was made, a number of existing Level 2 ERAs had deemed approvals. This meant that they could continue to operate without an approval or environmental conditions, provided there were no changes to the operator or scale of the activity. Over the years, the number of those operators has decreased but there are still approximately 1,200 sites operating without conditions to protect the environment (although they should have a registration certificate). The majority are ERA 11(a) Crude oil or petroleum product storage and ERA 20(a) Extraction.

[‡] Figures sourced from the Tasmanian Regulatory Impact Statement for the *Draft Environmental Management and Pollution Control (General Fees) Regulations 2007*

It is proposed that all ERA sites under the new Regulation will have to comply with specific environmental conditions. This will be done by providing the relevant operators with 12 months to apply for a development approval for that site. Alternatively, some ERAs might become the subject of a code of environmental compliance, which means that only a registration certificate is required and a development approval for the ERA is not required. If a code of environmental compliance is introduced for a particular ERA, operators will have 12 months to comply with the standard environmental conditions contained in the relevant code. As mentioned, all Level 2 ERAs will have a flat fee of $500 a year.

What ERAs will have codes of environmental compliance (codes)?
Codes currently exist for certain aspects of the following ERAs where they are regulated by the EPA: Exploration and Mineral Development Projects; Mining Claims and Prospecting Permits; Mining Lease Projects; Regulated waste transport; Mobile and temporary motor vehicle workshops; Mobile and temporary abrasive blasting and Extracting rock or other material (limited to construction and maintenance of roads damaged as a direct result of flooding in some north Queensland local government areas). These codes will continue to apply in the new Regulation and may be updated from time to time.

Other ERAs currently being considered for codes are: Chemical storage; Crude oil or petroleum product storing; Sewage treatment works for 21-100 equivalent persons; Screening; Crushing, milling or grinding; Concrete batching; Boat maintaining or repairing facility; Cattle feedlotting 50-500 standard cattle units; Sheep feedlotting 350-1,000 standard sheep units; Pig keeping 21-375 standard pig units; Extracting rock or other material (to expand and replace the existing code); Dredging material; Petroleum pipeline operations and Petroleum exploration and production. Additional ERAs with low Environmental Scores may become the subject of a code over time.

Will the Environmental Emission Profiles guide the total regulatory effort under the new Regulation?
No. Because the Environmental Emission Profiles assess average impacts[§], they do not consider matters which affect the potential impact of a site but cannot be averaged, such as location of an activity and its proximity to sensitive environments. These additional factors are considered by the EPA when conditioning approvals and planning inspections, and should be considered by operators in their operational and risk management plans. A fee structure based on individual site assessment would be more complex and costly to administer. Such a scheme may form the basis of future policy work once the proposed fee structure is implemented.

The Environmental Emission Profiles will not be used for other sections of the new Regulation, for example:

- the Environmental Impact Statement process (Part 1A) had minor amendments in June 2007 and will not be influenced by the Environmental Emission Profiles or changed in the new Regulation;
- Part 2A which is about environmental nuisance (Chapter 8.2 details the proposals for effective regulation of environmental nuisance); and
- the descriptions of regulated wastes in Schedule 7, which will have minor amendments to align it with the waste tracking schedule in the *Environmental Protection (Waste Management) Regulation.*

Although the Environmental Emission Profiles will assist the EPA to plan compliance programs and to place conditions on environmental approvals, other information will also be taken into

[§] The influence of emission control technologies and management practices employed on a site are incorporated in the emission score.

consideration when making those decisions, e.g. specific site-based factors. The relevant penalties and enforcement tools in the legislation will apply when breaches are discovered.

Which key groups are likely to be subject to the change?

Key groups affected by a change in the regulatory environment include current and potential entrants, consumers, regional communities and the environment. The businesses and other enterprises that are affected by the proposed changes to the Regulation are those currently or potentially conducting environmentally relevant activities listed in Schedules 1 and 6, namely:

Aquaculture and agricultural activities
Chemical, coal and petroleum products activities
Community infrastructure and services
Electricity, fuel burning and water supply activities
Extractive industries
Fabricated metal product activities
Food processing activities
Metal products activities
Miscellaneous activities
Non-metallic mineral product manufacture
Recreational and sporting activities
Sawmilling, woodchipping and wooden product manufacturing
Transport and maritime services
Waste management
Mining, petroleum and gas activities

Other groups potentially affected by the change in the regulatory environment include:

- Consumers – The costs of some products or services may increase if the regulated enterprises pass on the costs of regulation. An initial report prepared by an independent economic consultant found that the proposed fee level is considered relatively modest in terms of the overall cost of operations of regulated activities and the majority are unlikely to pass on fee costs to consumers.
- Regional communities – A cleaner environment benefits rural and regional communities, e.g. by encouraging tourism and allowing sustainable agricultural production. No specific adverse effects on rural or regional communities have been identified.
- Local governments – will have a range of financial impacts from the new fee structure. As an administering authority, their revenue from fees will change; and as an operator of ERAs their expenses will change (fees payable to the State are mainly for landfills, sewage treatment plants and road-side quarries). Initial calculations of the financial implications indicate that the overall impact on Local Governments is cost neutral to beneficial.
- Environment – The environment will benefit from the regulation. Reduced pollution will result in cleaner air, land and water, and should help to ensure that ecosystem processes are maintained. A cleaner environment benefits other sectors of the community, e.g. increases agricultural yields, encourages eco-tourism and lessens respiratory disease.

Chapter 9 contains a full assessment of the costs and benefits for the key affected groups.

In summary, Alternative 4 (to remake the new Regulation on the basis of environmental emissions) is the preferred option because it:

- reduces the regulatory burden for small, businesses with a low Environmental Score;
- rationalises the administrative workload on activities with low Environmental Scores and refocuses efforts on matters of State significance;
- provides the most effective and efficient basis to target the regulation of point source pollution, protect the environment from contaminants and allow sustainable development;

- allows operators and investors to benefit from clarity and stability in the methodology and management effort to be applied to existing and future businesses;
- establishes an evidence-based system using the best available scientific data, mostly as reported by industry to the National Pollutant Inventory;
- provides a transparent basis for a more equitable distribution of fees for undertaking environmentally harmful activities (and to cover the costs of administering the regulation without community subsidy);
- reduces anti-competitiveness (creates a level playing field with regard to environmental practice by removing fee waivers, multiple-site discounts and deemed approvals); and
- allows for future improvements in the types and levels of emissions to be reflected in adjustments to the Environmental Emission Profiles and annual fees.

8.2 Effective regulation of environmental nuisance

Under the current Regulation the responsibility for environmental nuisance is shared between the EPA and local government, depending on various circumstances. This has created confusion about where people should go if they have a nuisance complaint. The roles and responsibilities of both the EPA and local governments in relation to environmental nuisance will be clarified when the new Regulation takes effect.

In August 2007, the then Minister for Environment and Multiculturalism announced that local governments will be responsible for environmental nuisance from 1 July 2008, except where the unlawful emission is generated from a State or local government activity, or regulated under another law (e.g. noise from most licensed premises is regulated under the *Liquor Act 1992* and public health risks from chemicals are regulated under the *Public Health Act 2005*). This recognises that councils are best placed to regulate minor environmental matters and that the State Government should lead on major environmental problems.

As local governments will have more responsibility from 1 July 2008, they will be given flexibility to make variations and regulate environmental nuisance through their local laws, if they choose to do so. For example, local governments can introduce local laws to reflect the community's preferences for different building hours to those prescribed in the Regulation, such as earlier concrete pours at some construction sites in far north Queensland. The standards in the local law will override the new Regulation.

Further changes are proposed to assist effective regulation of environmental nuisance and details are given below.

What is environmental nuisance?
Environmental nuisance, in Part 2A of the current Regulation, refers to very low risks emissions of noise, ash, dust, fumes, light, odour or smoke that cause an unreasonable interference with an environmental value, e.g. barking dogs or excessive lighting can affect a person's opportunity to have sleep.

Some environmental nuisance may be lawful, for example when it is authorised under a development approval, environmental authority or an environmental management program. People causing an *unlawful environmental nuisance* can be given a nuisance abatement notice or an on-the-spot fine.

What do the nuisance laws apply to?
The new Regulation will continue to apply to unreasonable releases of nuisance emissions (unless an exemption applies), for example:
- fumes from welding;

- smoke from wood-fired heaters;
- dust from construction;
- odour from compost heaps; and
- excessive lighting from businesses at night.

The new Regulation will also continue to place restrictions on certain activities and equipment that can generate noise at unreasonable times. The restrictions relate to hours of operation and levels of noise that can be generated. These currently apply to building work, regulated devices (e.g. lawn mowers and power tools), spa blowers and pool pumps, air conditioning equipment, refrigeration equipment, power boat sports in waterways or operating boat engines at a premises, indoor venues, open air events and certain amplifier devices (e.g. public address systems and megaphones).

What will change?
The changes proposed for environmental nuisance in the new Regulation are to:

1. *Apply only in the absence of any other law for managing the nuisance complaint*
   The nuisance laws will apply only if there are no conditions of a development approval, or no relevant local laws or any other law authorising or providing jurisdiction for managing the nuisance emission. This recognises that other laws authorise activities that may cause a nuisance and other jurisdictions are responsible. For example, the Department of Tourism, Fair Trading and Wine Industry Development is responsible for noise from most licensed premises. Complaints about these activities should be managed under the relevant legislation, rather than the new Regulation.

2. *Provide access to additional enforcement tools*
   The full range of enforcement options in the EP Act as well as the Regulation will be available to local governments to manage nuisances, e.g. environmental management programs and environmental protection orders could be used for more serious matters. The ability to issue abatement notices and on-the-spot fines for minor offences will remain.

3. *Include penalties that provide both a deterrent and better cost recovery*
   Fines for breaching the regulations have not increased since the laws were first introduced. Feedback suggests that some businesses prefer to pay the fines rather than implement measures to reduce nuisance emissions. This indicates that the current fines are insufficient to provide a deterrent to offenders or incentive to comply.

   Currently individuals and corporations that commit a noise offence receive the same penalty. The existing penalty for individuals will be raised to $300 and corporations will face a $600 fine. Penalties for failing to comply with an abatement notice issued in response to an environmental nuisance will be doubled. Fines for individuals will be $600 and corporations will be $1200. These amounts are less than fines for equivalent offences in NSW and Victoria.

   The increased fines will also allow regulators to recover more of the costs associated with running their compliance programs.

4. *Provide new default standards for common noise emissions*
   The new Regulation will continue to place restrictions on specific activities and equipment that can generate noise at unreasonable times, e.g. building work and refrigeration equipment, however, the approach taken to set the restrictions is changing. Consultation has indicated that the current maximum decibel levels (e.g. 50 dB(A)) applying to many of the restrictions is too high in some areas and too low in others. These will be replaced with a new values (e.g. background plus 5dB(A)) to better reflect the variable background levels that occur across different areas of the State.

The activities and equipment to which restrictions apply have been reviewed to determine whether they should continue. The default values are provided to protect public amenity in the absence of a local law for the matter. The only change to these will be to the restrictions on power boat sports in waterways, which have been ineffective and difficult to enforce. The noise emissions from power boat sports, other than audible noise outside permissible hours, will be regulated through the general emission and noise emission provisions as this provides more flexibility to the regulator to manage the issue.

5. *Change some of the types of emissions and how they are covered by nuisance laws*
   Previous consultation has identified that the nuisance laws do not currently apply to all types of emissions that commonly cause nuisance. Vibration and aerosols (e.g. overspray) will be added so that complaints about these emissions can be acted upon.

   Consultations have also identified that some additional sources of nuisance should be specifically exempted. Exemptions currently apply to noise from non-domestic animals, outdoor shooting ranges, blasting noise, audible traffic signals and cooking odour. Exemptions will be considered for: fireworks, reversing beepers, fire/security alarms, mowing golf courses for tournaments, maintenance and repairs to road or other essential infrastructure (bridges, sewerage and water pipes) and smoke from cigarettes or cigars.

   The current Regulation has prescribed that when a dog barks for more than 6 minutes in an hour between 7a.m. and 10p.m. or 3 minutes in any 30 minute period between 10p.m and 7a.m, it is causing an unlawful environmental nuisance. This has proved ineffective and difficult to apply. In the new Regulation, it is proposed to remove these provisions and rely on the remaining noise criteria and general emission criteria to assess nuisance from animal noise.

6. *Allow flexible complaint management*
   Under the current Regulation, a nuisance complaint must be investigated unless it is considered frivolous, vexatious, based on mistaken belief or would be more appropriately dealt with under another law. The new Regulation will not contain this compulsory requirement to investigate complaints. Councils and the EPA need the ability to manage and respond to complaints in accordance with their own service delivery standards and available resources. Local governments are required to have a complaints management process under the Local Government Act and the EPA is also required to have a complaints management process under the Public Service Act. Accordingly, it is not necessary to outline a complaints management process in the new Regulation.

What are the options and alternatives?

The main alternative to remaking the current Regulation about nuisance is not remaking it. If the current Regulation expires and is not replaced there would be no specific regulation for environmental nuisance. There were over 30,000 nuisance complaints last year, which indicates that people need and use environmental nuisance laws. Therefore there is an expectation that environmental nuisance would be regulated. If there was no new Regulation, the EPA could manage nuisance under the EP Act, or local governments could use local laws under the *Local Government Act 1993*.

The general environmental harm provisions of the EP Act are not appropriate for responding to small scale or low risks environmental nuisance issues. The penalties associated with offence provisions in the EP Act are significant and on-the-spot fines are not available. This means that the EPA would have to take an offender to court to enforce the laws. The capacity of the EPA and the Court system to deal with all nuisance complaints under these provisions would be very limited and unlikely to meet the community's expectations.

The community could put pressure on local governments to regulate environmental nuisance, which they could do through local laws. However, as there is no compulsory requirement to

make local laws, this may not achieve effective regulation of environmental nuisance. Also, the full range of compliance options in the EP Act would not be available to local governments.

The alternatives considered are not as efficient for the State and local governments, nor as effective for the level of community concern about environmental nuisance.

Effective regulation of environmental nuisance
The major benefits of the policy proposed for the new Regulation are:
1. The community has clarity about State and local government responsibilities for environmental nuisance.
2. Local governments will be provided with more flexibility and enforcement tools to protect local communities from environmental nuisance.
3. Local governments are in the best position to respond to local nuisance issues and the State's resources can be used for activities that may cause serious or material environmental harm.

Provisions for managing environmental nuisance will not form part of the assessment of costs and benefits because the changes are unlikely to impose an appreciable cost on the community or part of the community. However, you can comment on this policy proposal.

8.3 Effective implementation of national agreements

Queensland is a party to a number of national agreements designed to provide consistent national regulation of certain matters affecting the environment. The current Regulation implements the National Environmental Protection (National Pollutant Inventory) Measure. The current Regulation also contains quality standards for petrol and diesel that mirror Commonwealth legislation, the *Fuel Standard (Petrol) Determination 2001* and the *Fuel Standard (Automotive Diesel) Determination 2001* made under the *Fuel Quality Standards Act 2000* (Cwth), and ensures that the standards apply to all persons supplying petrol.

The current Regulation was amended in June 2007 to remove the provisions dealing with Ozone Depleting Substances. The Commonwealth has taken responsibility from the State and Territories by using its legislation to regulate the manufacture, import, export, distribution and use of products that contain substances that deplete ozone.

The new Regulation will continue to fulfil Queensland's obligations to provide a consistent national framework. The provisions implementing the National Environment Protection (National Pollutant Inventory) Measure will be updated to reflect the variation adopted by the Council of Australian Governments in June 2007. The list of regulated wastes in Schedule 7 will remain the same but will have minor amendments to their descriptions to align it with the waste tracking schedule in the *Environmental Protection (Waste Management) Regulation.* This list reflects a nationally agreed trackable waste list and the changes will ensure clarity and consistency for industry and regulators. The existing provisions for fuel quality standards for petrol and diesel will also be reviewed to ensure that they are consistent with the current obligations under the Commonwealth legislation.

The regulatory impact of these measures has been assessed at a national level and will not be further assessed here. (Details at www.greenhouse.gov.au and www.environment.gov.au.)

What are the options and alternatives?
If no regulation was made, Queensland would be out of step with national standards in relation to reporting to the National Pollutant Inventory and fuel quality standards. Other mechanisms

would need to be explored to meet Queensland's obligations, such as including the provisions in the EP Act, which is likely to be less effective and efficient.

The major benefit of this policy objective is that the Queensland Government would meet its obligations under Commonwealth legislation, create consistency Australia-wide and present updated provisions that reflect contemporary standards.

8.4 Other provisions proposed to be in the new Regulation

The EPA is also reviewing the Environmental Protection Policies for Air, Noise and Water (EPPs), which are due to expire on 1 September 2008. New EPPs will be made in their place following public consultation.

The current EPPs are a mix of regulatory and statutory policy provisions leading to confusion about when and how to use the EPPs in decision making. The EPA is proposing to review and transfer the current provisions in the EPPs that relate to environmental management decisions or management of sources of contamination (e.g. offences) to the new Regulation (details in Appendix 4).

As noted in Chapter 8.2, the State Government has decided that local governments will be responsible for the administration and enforcement of certain minor water pollution offences from 1 July 2008. These are currently in sections 31 and 32 of the *Environmental Protection (Water) Policy 1997*. Section 31 and Section 32 provisions were primarily intended for small-scale polluters. They have more often been used to issue on-the-spot penalty infringement notices (PINs) for industry breaches, including sediment pollution from poor building site management practices (particularly lack of erosion and drainage control).

The penalties for breaching these provisions have not increased since the laws were first introduced. The low fines for sediment release ($300 on-the-spot, or $1500 if a court offence for an individual) have not been successful in deterring poor land management practices leading to waterway pollution. Greater adoption of erosion and sediment control measures on building and construction sites is required. Recent changes to the *Integrated Planning Act 1997* will assist in this regard but local governments have indicated that they also require better enforcement tools under the EP Act to deter potential offenders. These fines and the fines for other contaminants released to waterways such as oil and insecticides ($600 on-the-spot, or $3000 if a court offence for an individual) do not reflect the significant impact these contaminants can have on the environment. These amounts are less than fines for equivalent offences in NSW.

The relevant sections in the new Regulation will continue to prohibit the deposit or release of rubbish, building waste, oil, mud and other contaminants into gutters, stormwater drains or waters, and will maintain the use of penalty infringement notices (PINs) as an alternative to prosecution.

The changes proposed are:

- increase fines for a court offence for an individual for an unlawful release – up to $22500 equivalent to the current unlawful environmental nuisance offence;
- increase penalties – up to 30 penalty units for PINs for corporate offenders; and
- introduce a more extensive and better defined list of contaminants (see below).

Other offences relating to release of substances from vessels in non-coastal waters and sale of solid fuel-burning equipment for domestic use will also be transferred to the EP Reg. The transfer of these regulatory provisions to the new Regulation will enable the EPPs to better

focus on the Government's strategic policies for identifying and protecting environmental values. The new Regulation and the new EPPs will be strategically aligned to achieve the objective of the EP Act.

Penalty provisions will not form part of the assessment of costs and benefits because they do not impose any costs – there is a choice to comply. However, your comments are invited on this policy proposal.

Draft List of Prescribed Water Contaminants:

- Any chemical that causes biochemical or chemical oxygen demand
- Any chemical toxicant for which guidelines are prescribed by the publication entitled "Australian and New Zealand Guidelines for Fresh and Marine Water Quality"
- Any gas excluding oxygen
- Any liquid containing suspended or dissolved solids
- Any matter that has a pH outside the range 6.5-8.5
- Any other chemical or waste containing a chemical within its meaning in this Regulation, including dangerous goods
- Any pesticides, herbicides, fungicides or other biocides
- Any radioactive substance
- Any substance listed in the Australian Safety and Compensation Council's Hazardous Substances Information System (http://hsis.ascc.gov.au)
- Animal matter including dead animals, animal parts or remains, animal excreta, and wash down water from cleaning animals or animal enclosures
- Ashes, soil, gravel, earth, mud, stones, sand, silt, clay, cement, concrete, sediment or similar organic. or inorganic matter, or liquid containing suspended or dissolved solids
- Building construction or demolition waste including: plaster, brick, bitumen, concrete cutting or building wastewater
- Fertilisers
- Hard waste including: vehicles, tyres, batteries, metal parts, piping, scrap metal, glass, junk, paper, plastic, rubbish, industrial waste, and waste of any other description
- Indoor cleaning waste, chemical waste or wastewater including (e.g. carpet or upholstery cleaning, steam cleaning)
- Medical waste (including infectious matter)
- Motor vehicle servicing or repairs waste such as oil, grease, engine coolant or lubricants
- Oil (including vegetable or cooking oils)
- Other chemicals including solvents, adhesives, thinners, degreasing agents, stains or varnishes, timber preservatives, photographic chemicals, chemicals designed for human or animal therapeutic use and pool chemicals
- Outdoor cleaning waste, chemical waste or wastewater from: roof cleaning, street cleaning, high pressure water blasting, cleaning of vehicles, plant or equipment, fuel dispensing areas, commercial or industrial premises or wharves
- Paint, paint scrapings or residues, painting washwater, paint sludges, and paint stripping waste
- Plant matter including green waste (e.g. lawn clippings, leaves, pruning waste, sawdust, shavings, chips, bark, mulch or other forest products waste)
- Putrescibles (e.g. food scraps)
- Sewage and any other matter that contains faecal coliforms or faecal streptococci
- Surface active agents (surfactants) and detergents
- Thermal waste (liquid with more than 2 degrees Celsius difference from ambient water temperature)
- Washings from mineral processing or extractive operations, dredging operations, agricultural or commercial activity
- Wastewater including: ballast water, condensate from compressors, water from air-conditioning or cooling systems, fire sprinkler test water, water from grease trap and pool backwash water

9. COST- BENEFIT ASSESSMENT

This part of the RIS includes an analysis of the costs and benefits of options, as well as an analysis of impacts on various stakeholder groups. The assessment is focussed on the direct and indirect costs and benefits of the policy objective of ensuring effective regulation of activities that are environmentally relevant activities under the EP Act as detailed in Chapter 8.1 of this RIS (that is the ERAs and fees listed in Schedule 1 and the annual fees for mining activities[5] in Schedule 6 of the current Regulation). **The main assessment is a comparison of costs and benefits based on the move from the fees in the current Regulation to the proposed fees in the new Regulation**. Although some sectors have significant costs for environmental compliance, these will remain constant, so compliance costs/benefits are not fully assessed here.

While the objectives for environmental nuisance, national measures and transfer of some EPP provisions (in 8.2, 8.3 and 8.4) do not form part of the Cost-Benefit Assessment, your comments on this section may include those matters.

The costs and benefits of the preferred option for the new Regulation are summarised in Table 1 below. The costs and benefits of the three alternatives discussed are summarised in Table 4.

[5] Mining activities are legislated under the *Environmental Protection Act 1994*. The Act provides for environmental management of the mining industry and the issuing/conditioning of environmental authorities. Therefore, unlike the ERAs in Schedule 1, provisions in the Regulation are limited to setting the fees for environmental authorities (mining activities).

Table 1: **Summary of major costs and benefits of the preferred option- Alternative 4**

Affected party	Costs	Benefits
Regulated operators	o Increase in annual fees for operators engaged in activities with high Environmental Scores.	o Improved levels of service from EPA. o Increased transparency in setting of fees. o Level playing field in setting of fees. o Specific fee exemptions for Aboriginal Community Councils and charitable organisations. o Zero fees for operators engaged in activities with very low Environmental Scores are proposed for deletion from regulation.
Community	o There are no expected costs to the community.	o Improved environmental outcomes and lower likelihood of environmental harm. o Clearer signals sent to operators engaging in activities with high Environmental Scores. o Removal of subsidy paid by community to industry for administration of environmental protection regulation. o Better informed about environmental emissions.
EPA and other State Government agencies	o Increased administration costs. o Increase in annual fees for agencies engaged in ERAs. o Loss of fee revenue from activities with low Environmental Scores that are proposed for deletion from regulation.	o Increased fee revenue and fewer resources devoted to sites with low Environmental Scores. o Ability to offer a higher level of service to operators engaged in activities with high Environmental Scores. o Better able to meet statutory obligations (i.e. EP Act).
Local government	o Increase in annual fees for local government entities engaged in ERAs. o Loss of fee revenue from activities with low Environmental Scores that are proposed for deletion from regulation.	o Potential increase in fee revenue and fewer resources devoted to sites with low Environmental Scores.

As noted in Section 8.1 above, in addition to the proposed Regulation, consideration has been given to three alternative policy solutions. These alternatives are as follows:

- Alternative 1 (no legislative intervention) – Under this alternative there would be no consistent regulation of ERAs. Likely outcomes would include: an extremely large decrease in monitoring and enforcement activity; reduced environmental compliance; an increase in average emissions; increase in likelihood of large scale pollution incident; and significant deterioration in the condition of natural assets.

  As a direct consequence, an economic cost would be imposed on industries highly dependent on maintenance of a healthy environment (e.g., tourism, fisheries, and agriculture), societal loss through a decline in condition of environmental assets and a general decline in Queenslander's quality of life.

Therefore, this option can be dismissed on an in-principle basis, and does not require further evaluation in this cost-benefit assessment.

- Alternative 2 (reintroduce the current legislation) – This alternative maintains the status quo by reintroducing the current Regulation in 2008. As noted in Section 8.1, the EPA's review has revealed that critical aspects of the current Regulation require substantial improvement / re-design. Reintroduction of the current Regulation would be inconsistent with contemporary standards for emissions protection and would not achieve the legislative intent for sustainable development. In addition, it does not represent a transparent basis for setting annual fees and results in low cost recovery. In this cost benefit assessment, outcomes under the proposed Regulation are compared to the existing Regulation. This provides industry and the community with a consistent and transparent basis to evaluate the proposed Regulation.

- Alternative 3 (remake the Regulation with market-based instruments) – Market-based instruments (MBIs) such as load-based licenses, environmental offsets and trading schemes, aim to encourage businesses to reduce emissions through the use of financial incentives. Load-based licences have been introduced in New South Wales, Victoria and Western Australia. However, to be effective, market-based instruments require far higher fees than those recommended in the proposed Regulation. In addition, costs associated with establishing/utilising MBIs are significant and include: market design, market operation, monitoring, and enforcing as well as administration costs.

  The introduction of a regulation based on the use of MBIs is not currently feasible given the pre-conditioning (e.g. monitoring and phasing-in of higher fees) that are generally required over a number of years, before MBIs can be effectively introduced. There would be high risks in introducing MBIs at this stage (see Section 9.9), and hence this alternative is not examined in detail in this cost benefit assessment.

In summary, the main focus of this cost benefit assessment is a comparison of outcomes under the current Regulation with outcomes expected under the new Regulation. This is followed by a brief discussion of a range of issues related to potential future use of MBIs.

9.1 Key changes

The key changes between the current and proposed new Regulation are:

- a shift to the use of Environmental Emission Profiles for determining annual fees;
- a move to recover the full costs of regulation from annual fees;
- the removal of multiple site discounts and other fee waivers; and
- the removal of 1,750 sites with low Environmental Scores from regulation.

The combined effect of these changes is to shift resources towards activities with high Environmental Scores. This shift in focus should lead to an improvement in environmental outcomes and lower likelihood of environmental harm. Consequently a greater level of resources will be available for intervention and assistance for activities with high Environmental Scores.

This increase in resources devoted to activities with high Environmental Scores will enable the EPA to offer a higher level of service to regulated operators of these sites than they do at present. This increased level of service is expected to lead to a significant improvement in environmental compliance (and environmental outcomes) as well as potentially reducing the cost (for example through the implementation of improved production and/or waste management processes) to regulated operators of meeting their environmental obligations.

For example, the increase in resources can also be used to improve service provisions in respect of specialist advice on environmental management systems and processes. Stakeholders have indicated support for the new fee structure if levels of service increase accordingly.

Sections 9.2 to 9.5 present detailed analysis of the costs and benefits of each of these key changes to affected parties.

9.2 Use of Environmental Emission Profiles for determining annual fees

Costs and benefits to regulated operators

The use of Environmental Emission Profiles for determining annual fees will redistribute licensing costs towards operators engaged in activities with high Environmental Scores. The use of Profiles alone, however, does not imply that total fees will necessarily rise. It is possible that Environmental Emission Profiles could be used to redistribute costs among operators, while leaving total licensing costs unchanged.

This approach provides benefits to operators engaged in activities with low Environmental Scores by redistributing the burden of cost towards activities with high Environmental Scores. Moreover, the use of Environmental Emission Profiles for determining annual fees benefits all operators by providing a more transparent mechanism for setting fees.

Costs and benefits to the wider community

There are no costs to the wider community related to the use of Environmental Emission Profiles for determining annual fees.

One benefit to the wider community is that a price signal is sent to operators engaged in activities with high Environmental Scores, the higher the potential for environmental harm, the higher the cost of obtaining an environmental approval. This ensures operators are made explicitly aware of the potential environmental impacts associated with their activity and bear the appropriate relative burden of the management costs.

It is expected that this evidence-based approach to determining annual fees will increase the EPA's focus on those activities posing the greatest potential for environmental impacts. This increased focus will deliver significant environmental benefits to the community, as discussed in more detail in section 9.3.

Costs and benefits to the EPA and other State Government agencies

The EPA will incur some additional administration costs as a result of the use of Environmental Emission Profiles for determining annual fees. This will include costs associated with the ongoing development, review and assessment of profiles for existing and new activities. While precise estimates of these costs are not currently available, initial indications are that the profiles will only be updated every five years and, therefore, these costs are not expected to be substantial. Moreover, the impact of any increase in costs will be offset by greater cost recovery.

The primary benefit to the EPA and other State Government agencies of the use of Environmental Emission Profiles is that it a tool to allow agencies to better focus resources towards activities with high Environmental Scores, thus delivering improved environmental outcomes and reduced the likelihood of environmental harm.

Costs and benefits to local government

There are no substantial costs or benefits to local government associated with the use of Environmental Emission Profiles for determining annual fees. Generally, activities with low Environmental Scores are delegated to local governments. Hence, any implicit obligation for higher service levels to accompany the increase in fees for ERAs with high Environmental Scores will fall mainly on the EPA and not local governments. Local governments will benefit from the information provided about environmental emissions. Full analysis of the impacts on local governments of all proposals is given in sections 9.3 to 9.5 below.

9.3 Recovery of full costs of regulation through annual fees

Costs and benefits to regulated operators

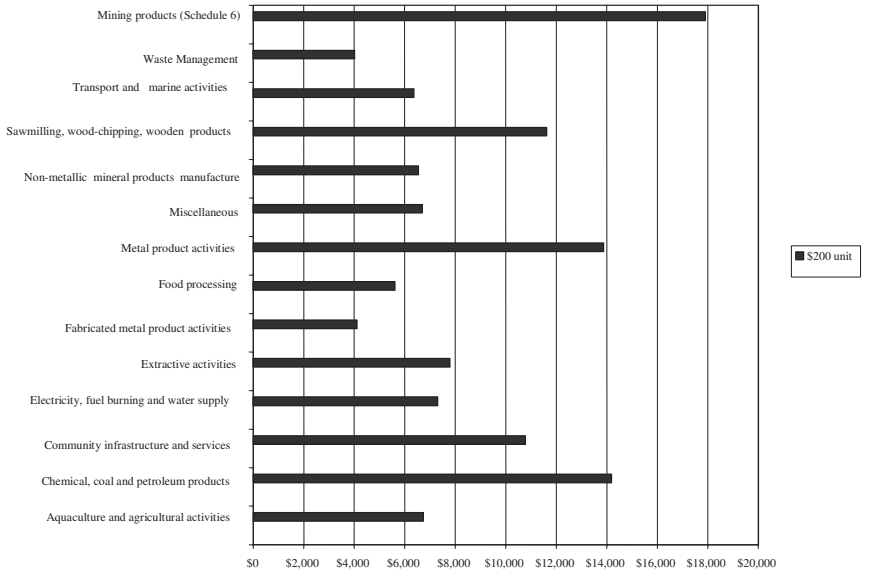
The recovery of the full cost of regulation through fees will require a substantial increase in annual fees charged to regulated operators (including local and State Government entities). For example, in the 2006/07 financial year the EPA and DPIF collected approximate $9 million in fees, compared to a combined operating cost of approximately $25 million (budgeted to increase to approximately $31 million in the 2007/08 financial year). Under the fee structure put forward in the proposed new Regulation, using a fee unit of $200, fees collected by the EPA will total $32.4 million per annum. This will ensure Government recovers the full cost of providing the regulatory service.

Assuming local governments adopt the proposed fee structure utilised by the EPA and DPI&F, a *total* of approximately $45.8 million per annum will be collected in annual fees from regulated operators.

There is considerable variation in the impact on annual fees between the 14 categories of activities (see Figure 1). Categories subject to relatively large increases include:

- mining activities;
- sawmilling, wood chipping, wooden products;
- metal product activities;
- community infrastructure and services (predominantly sewage treatment); and
- chemical, coal and petroleum products.

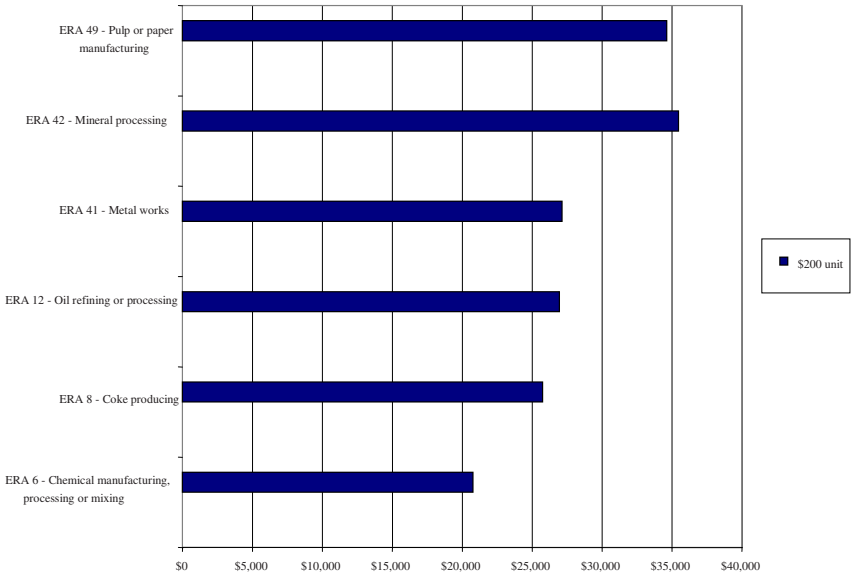
Figure 1: **Average increase in annual per-site fee for the 14 categories of ERAs**



Source: Adapted from Marsden Jacob Associates.

A focus on aggregate category-wide averages, however, can mask the impact of the proposed increase in license fees on individual ERAs. Figure 2 depicts the average change in fee for those individual ERAs incurring the largest nominal increases in license fees.

Figure 2: **Average increase in annual per-site fee for individual ERAs**



Source: Adapted from Marsden Jacob Associates.

With the exception of ERA 6 *Chemical manufacturing, processing or mixing*, which is an activity undertaken on 87 sites in Queensland, the remaining ERAs take place on relatively few sites (30 in total). Moreover, most of the operators engaged in these activities are relatively large companies. It is thus considered that these increases in annual fees will not substantively change the overall cost of compliance for these operators.

As a result of the recovery of the full cost of regulation through annual fees, the EPA will have substantially more resources to devote to the management of activities with high Environmental Scores. This in turn will lead to the EPA being able to provide a much higher level of service to regulated operators engaged in harmful environmentally relevant activities. This higher level of service from the EPA will provide a direct benefit to regulated operators through increased provision of information and expertise on appropriate emission control equipment, improvements in production processes, and appropriate management changes. It is expected that this increased level of service will benefit both the environment and, in many cases, through increased efficiency of production and reduced wastage, business profitability. This increased level of service also reduces the likelihood of environmental incident and associated remediation costs, thus reducing businesses public liability costs.

An example of the type of service offered to regulated operators by the EPA is illustrated in Box 1 below.

Box 1: **ecoBiz case study**

The EPA through its ecoBiz program, assists businesses to identify efficiencies in waste, water and energy for financial and environmental benefits.

Barramundi Blue is an aquaculture operation in far north Queensland. In partnership with the EPA, Barramundi Blue have minimised their environmental impact and improved financial performance. This high-density fish farm includes a hatchery, a nursery, fingerling, grow-out, breeding and research tanks. The entire system is contained in a 1200 square metre shed and recirculates 650,000 litres of water. The facility produces the same output as traditional methods, which require in excess of 20 hectares of land and more than 2 million litres of water exchange each day. Greenhouse gas reductions are achieved by using solar heating and gravity driven water. The process also delivers energy savings of up to 50% and fish mortality is down to 6%. This ecoBiz participant produces a very high quality fish product and exports to Hong Kong and China weekly.

Costs and benefits to the wider community

The only relevant cost to the wider community of increased annual fees is a potential increase in the prices of goods and services, if businesses seek to pass on these increased costs. A report commissioned by the EPA[6], however, concluded that there will only be a minimal impact on consumers and that in most cases any induced price effects would be very difficult to decompose from the normal 'business-as-usual' price changes within the sectors involved.

There are a number of benefits to the wider community of recovering the full costs of regulation through annual fees. One of these benefits is the removal of the subsidy paid by the community to regulated operators for environmental regulation. In the 2006/07 financial year, nearly 70% of the cost of administering the current Regulation was borne by the wider community, through government funds. This level of subsidy not only raises issues of equity but is contrary to the principles of polluter-pays and user-pays (in the Government's *Principles of Fees and Charges*).

The primary benefit to the wider community, however, is an improved environmental outcome resulting from the increased level of service provided by the EPA to regulated operators engaged in ERAs. Queensland is Australia's most naturally diverse state and one of the key attractions of Queensland as a place to reside and as a tourist destination is the aesthetic beauty of the natural environment, and the healthy state of our natural assets. These assets are many and varied and include five World Heritage Sites (including the iconic Great Barrier Reef, Fraser Island and the Wet Tropics), over 160 parks and forests, and a range of other less formally recognised assets such as the Gold and Sunshine Coast beaches and hinterland, and Moreton Bay.

Any improvement in the quality of, or reduced potential harm to, these assets, due to more effective environmental regulation or policies would have an enormous impact on the community's wellbeing. Moreover, tourism, commercial fishing, aquaculture and agriculture are among many sectors of the Queensland economy that are heavily dependent upon a healthy environment. Any improvement in, or increased protection of, the environment is likely to provide substantial benefits to these sectors.

[6] Synergies Economic Consulting, 2006, Assessment of the impacts of proposed increases in license fees, A report for the Environmental Protection Agency, October.

Costs and benefits to the EPA and other State Government agencies

Several State Government agencies undertake ERAs and will thus face higher fees if the proposed fee structure is introduced. The following table shows how the proposed fee will affect these agencies.

Table 2: **Potential increase in fees payable by State Government agencies**

Department	Current	Fee unit $200
Department of Main Roads	$93,630	$402,200
Queensland Rail	90,550	324,200
Education Queensland	8,400	120,000
Department of Corrective Services	4,980	80,800
Department of Natural Resources and Water	26,400	126,100
Department of Public Works	9,410	23,600
Department of Primary Industries	23,420	79,200
Queensland Health	9,000	19,400
Queensland Police	1,500	13,600
Total fees	$267,290	$1,189,100

The Government recognises that its departments must be subject to the same environmental rules and regulations as non-government operations (the principle of competitive neutrality).

As previously mentioned, the increase in revenue from annual fees will allow the EPA to devote more resources to the management of activities with higher potential to harm the environment. It is expected that this will deliver significantly improved environmental outcomes and thus allow the EPA to more easily meet its obligations under the EP Act.

Costs and benefits to local government

Local governments will have a range of financial impacts from the new fee structure. As an administering authority, their revenue from fees will change; and as an operator of ERAs their expenses will change (fees payable to the State are mainly for landfills, sewage treatment plants and road-side quarries).

The move to recover the full cost of regulation from annual fees could lead to a sizable increase in the level of fees payable by local government entities engaged in ERAs. However, there are several significant mitigating factors:

1. Most of the devolved ERAs (or parts thereof) that are being deleted are Level 2 with a nil fee, e.g. *ERA 43 Animal housing*. This will have a positive financial impact on local governments because they will no longer have to administer activities for no revenue.

2. An additional positive financial impact would be gained because the increase in annual fees has the potential to significantly increase local government revenues. At present local governments collect approximately $3.5 million per annum in annual fees and spend $6.9 million on administration of ERAs. If local governments were to charge annual fees based upon the proposed Environmental Emission Profiles model ($200 as the fee unit) annual fees collected would total approximately $9.8 million. This includes the fact that under the new Regulation local governments can collect $500 per annum for all level 2 ERAs (many operators engaging in Level 2 activities currently pay no fees).

3. Local governments will retain the ability to pay one annual fee for multiple sites for some ERAs (see Section 9.4 for details).

4. Local governments will have total fee autonomy and can charge less or more than the amounts indicated under the proposed model (at present 60% of local governments charge less than the scheduled fee). This fee autonomy has the benefit of allowing local government to set fees at a level that recovers costs and/or reflect the wishes of their local community.

5. Specific fee exemptions will apply to municipal activities undertaken by Aboriginal Community Councils.

Initial calculations of the financial implications of *all* aspects of the new Regulation indicate that the overall impact on local governments is cost neutral to beneficial, depending on the fee structure local governments choose to adopt.

9.4 Removal of multiple-site discounts, fee waivers and deemed approvals

Costs and benefits to regulated operators

The removal of multiple-site discounts and fee waivers will increase costs of annual fees to regulated operators with many sites. For example, a company that has five quarries each of which are classified as *ERA 20(c) Extracting rock (more than 100,000 tonnes a year)* could currently pay the same annual fee as a small company that has one quarry operating under the same ERA, that is $4,880 a year. Annual fees under the new Regulation would be:

- $13,000 for a company with one quarry; and
- $65,000 for a company with five quarries.

The removal of fee waivers may also have a substantial impact on operators currently regulated by the Department of Primary Industries and Fisheries (DPI&F). Under the current Regulation, DPI&F allow a number of fee waivers and their revenue for the 2005/06 year was only $315,000 for ERA 2 (*cattle feedlotting*) and $20,000 for ERA 3 (*pig farming*). The removal of fee waivers will lead to the Department collecting annual revenue of approximately $3.5 million based on a fee unit of $200. This corresponds to an average annual fee of around $4,200 per-site.

The removal of deemed approvals may increase compliance costs for some operators because those operators will now have to reach a minimum environmental standard, either specified in a code of environmental compliance (code) or in conditions on a development approval.

There may also be costs to existing operators with development approvals if new codes are introduced for an ERA. Operators will have 12 months to comply with the conditions of the code, which may be different from those on their current development approvals. Conditions of a code will prevail over any conditions of a development approval that are relevant to the ERA.

Basing fees on the average Environmental Scores of each site means fees are more equitable; it aids competitiveness of smaller businesses and is in line with the polluter-pays principle. Moreover, the increase in fees, and subsequent increase in revenue for regulatory agencies will provide benefits in terms of an increased level of service offered to regulated operators as discussed above. A further benefit of the removal of multiple-site discounts, fee waivers and deemed approvals will be the creation of a 'level playing field' for operators engaged in ERAs and an increase in the transparency of the fee structure.

Costs and benefits to the wider community

There are no costs to the wider community of the removal of multiple-site discounts, fee waivers and deemed approvals.

Any increase in revenue for the regulatory agencies will result in an increased level of service and improved environmental outcomes and reduced likelihood of environmental harm. Another benefit is the removal of the subsidy paid by the community to regulated operators for environmental regulation. The proposal will also enhance the price signal sent to regulated operators engaged in activities with high Environmental Scores.

Costs and benefits to the EPA and other State Government agencies

Fee waivers result in lost revenue of $200,000-$400,000 a year and create a significant administrative burden for the EPA with no environmental benefit.

Some State Government agencies have benefited from multiple-site discounts and fee waivers and will face higher costs as a result of this aspect of the proposed new Regulation.

As with the move to recover the full costs of regulation, any increase in revenue from annual fees as a result of the removal of multiple-site discounts and fee waivers will allow agencies to better manage those potentially harmful environmentally relevant activities.

Costs and benefits to local government

All local governments currently take advantage of the multiple-site discount system and thus would be disproportionately impacted by its removal. To mitigate the impact of this regulatory change on local governments, it is proposed that municipal (i.e. non-business, not-for-profit) activities are excluded from the move to site-based licensing. To ensure a level playing field for private sectors this exemption would not apply to local government entities engaged in commercial activities (such as their 'corporatised corporations' under the *Local Government Act 1993*).

As with the move to recover the full costs of regulation, this aspect of the proposed new Regulation has the potential to increase local government revenues (and associated levels of service) if they choose to do so.

9.5 Removal of sites with low Environmental Scores from regulation

Costs and benefits to regulated operators

There are no costs to regulated operators of the removal of sites with low Environmental Scores from regulation.

Those operators engaged in activities with low Environmental Scores which will be removed from regulation will benefit from a reduction in administration costs and annual fees. The reduced workload for the EPA should also allow operators engaged in ERAs remaining within the new Regulation to receive a higher level of service.

Costs and benefits to the wider community

There are no costs to the wider community of the removal of sites with low Environmental Scores from the new Regulation.

The removal of these sites will allow the EPA to increase its focus on the management of sites with high Environmental Scores, thus improving environmental outcomes and/or reducing likelihood of environmental harm. Moreover, by focusing the EPA's resources on a smaller

number of activities with high Environmental Scores, the community can have increased confidence in environmental compliance of operators engaged in these activities.

Costs and benefits to the EPA and other State Government agencies

The removal of sites with low Environmental Scores from regulation will lead to a small loss of annual fee revenue for the State Government. Many of the sites proposed for removal, however, currently pay little or no fees and thus the reduction in revenue is unlikely to be significant.

The primary benefit of this aspect of the proposed Regulation for the EPA is that it reduces the EPA's work load on activities with low Environmental Scores and instead focuses resources on activities with high Environment Scores. This represents a significant enhancement of the regulatory framework as it will allow the EPA to deliver improved environmental outcomes and reduce the likelihood of environmental harm and thus more easily meet its obligations under the EP Act.

Costs and benefits to local government

The removal of sites with low Environmental Scores from regulation will lead to a small loss of annual fee revenue for local governments.

Eleven of the ERAs proposed for deletion are currently devolved to local government, meaning they are responsible for administration and retain the fee revenue. Eight of the ERAs (or parts thereof) that are proposed for deletion are Level 2 with a nil fee. This will have a positive financial impact on local governments because they will no longer have to administer these activities for no revenue.

9.6 Benchmarking of annual fees with other jurisdictions

There is a chance that the increase in annual fees will reduce the competitiveness of Queensland-based businesses relative to those in other jurisdictions. For this reason a fee benchmarking exercise was carried out to compare the proposed fees with current fees in New South Wales, Victoria, South Australia and Western Australia.

Benchmarking of annual fees by operators in other States is complicated by the different fee structures. New South Wales, Victoria and Western Australia each have a two-part fee structure, which comprises a base fee for administration and a pollution fee for emissions to the environment. The pollution fee is based on actual emissions so varies from operator to operator.

It is clear, however, that under the new Regulation, fees in Queensland would in most cases remain approximately equal to or less than other Australian jurisdictions. For example, the fee payable by an oil refinery in Queensland would be $48,200 per annum, compared to $762,000 in New South Wales and $263,000 in Victoria.

A literature search was conducted to obtain information on the significance of environmental policy and regulation for the interstate competitiveness of manufacturing industry. Particular focus was given to factors influencing industrial investment location decisions. Little evidence was found that environmental policy and regulation is a significant factor in investment location decisions[7].

[7] Sourced from the Tasmanian Regulatory Impact Statement for the *Draft Environmental Management and Pollution Control (General Fees) Regulations 2007.*

There remains a possibility, however, that Queensland businesses may be put at a marginal competitive disadvantage when compared with, for example, producers in South East Asia or China where environmental licensing systems either do not exist or impose significantly lower requirements. However, research suggests 'economies of scale' are a much more significant driver of cost competitiveness for the affected sectors. A more fundamental issue is that standards of environmental regulations should not be based on the arrangements in countries with low levels of regulatory standards and (often) poor environmental outcomes.

9.7 Other benefits of environmental protection regulations to regulated operators

There are a number of benefits to regulated operators of environmental protection regulations more generally, and these may be expected to be enhanced under the new Regulation. These benefits comprise:

1. *Provision of a social license to operate* - Industries rely on public acceptance to operate their business and sell their products. If a business has environmental issues that impact on its neighbours it may have difficulty selling its products and may experience pressure from the government and community. The ability of business to operate without concern from the community is often referred to as having a 'social licence to operate'. Unless a company earns its 'social licence to operate' and maintains that licence on the basis of good performance on the ground of community trust, there will undoubtedly be negative implications. Licensing, which requires that a business prove to the EPA that it is meeting its environmental obligations can be a cost effective and reliable means of achieving this social licence.

2. *Provision of a level playing field* - Within any industry sector there are often varying degrees of compliance with regulatory requirements. Those businesses that do comply with the EP Act and incur compliance costs in doing so can be put at a cost disadvantage relative to those businesses that do not comply. Non-compliant companies can also increase the likelihood of an environmental accident occurring, which damages the reputation of the whole sector, including that of compliant companies. Environmental regulations ensure a level playing field between businesses in the same sector and also ensure that non-compliant firms will not be able to undertake activities that jeopardise the reputation of an entire industry. The removal of fee waivers and multiple-sites under the proposed new Regulation enhances this benefit of environmental regulation.

3. *Assistance with driving internal environmental change* - Environmental managers within businesses often experience operational inertia when dealing with colleagues in trying to develop and implement positive production changes. However, when the change is supported by a statutory document, the change is often easier to effect. Environmental regulations give the environmental manager the 'authority' or empowerment to drive these changes.

4. *Reduction of downstream environmental impacts* – Environmental protection regulation helps ensure business opportunities are not limited by a polluted environment. For example, when pollution from businesses upstream lessens the quality of the water downstream, it limits the opportunities for business that need clean water.

9.8 Assessment of overall public costs and benefits

As identified in Section 3, the current Regulation has not kept pace with the changes in Queensland's economy and society. The approach under the new Regulation is evidence-based and is focused on effective regulation of activities with high Environmental Scores, while

minimising the regulatory burden on operators engaged in activities with low Environmental Scores.

The expected benefits of the proposed Regulation are very significant, primarily in terms of improved environmental outcomes as a result of devoting more resources to the regulation of activities with high Environmental Scores. These environmental improvements offer substantial benefits to the Queensland community through protecting and enhancing our quality of life, reducing health risks associated with pollution, and maintaining a healthy resource base for those sectors such as tourism, fishing and agriculture that are heavily dependent on a healthy environment for their economic well being.

All of these benefits are achieved at a comparatively low cost. Net costs of regulation are not expected to increase for the wider community, the State or local governments. There will be reduced regulatory costs for operators engaged in activities with low Environmental Scores. While annual fees for the majority of regulated operators engaging in activities with high Environmental Scores will increase, these are not expected to have a material impact on business viability. Moreover, the increased level of service from the EPA is expected to improve the cost efficiency of business compliance with environmental emission standards in many instances. Finally, the new Regulation is not expected to adversely impact on the competitiveness of Queensland businesses relative to those in other States.

9.9 Comparison with load-based fees and other market-based instruments

As noted above, New South Wales, Victoria and Western Australia have all introduced load-based licenses as part of their regulation of point source pollution activities. While such an approach, through the use of a price signal to regulated operators, can provide an incentive for individual operators to reduce emissions (thus reducing their license fees), the introduction of such a policy in Queensland at this time is not feasible and unlikely to be efficient.

Difficulties with introducing load-based or other market-based instruments include:

- the need for a substantial increase in the level of monitoring;
- impacts on the competitiveness of industries with large emissions;
- market design costs;
- insufficient current scientific knowledge; and
- lack of stakeholder acceptance of the need for / efficiency of such an approach.

Further, due to the substantial ongoing transaction costs of using market-based instruments, such an approach would only be applied to very sites with high Environmental Scores, the majority of sites would have to remain under a regulatory regime like the one detailed for the proposed new Regulation.

Therefore, while the possibility of using market-based instruments in the future should not be discounted, at this point in time such an approach is not advised.

9.10 Conclusions

Table 3 provides a summary of the costs and benefits of the preferred option for the new Regulation. Table 4 summarises the costs and benefits of the three alternatives discussed above.

Table 3: **Summary of costs and benefits of proposed new Regulation**

	Stakeholders	**Costs / disadvantages**	**Benefits / advantages**
Alternative 4 - the preferred option: Environmental Emission Profiles for ERAs, changes to nuisance laws, national agreements and transfer of ss31-32 of Water EPP	Community	o There are no expected costs / disadvantages to the community.	o Improved environmental outcomes / lower likelihood of environmental harm. o Clearer signal sent to operators engaged in activities with high Environmental Scores. o Removal of subsidy paid by community to industry for administration of Environmental Regulation.
	Industry	o Increase in annual fees for operators engaged in activities with high Environmental Scores.	o Increased levels of service from EPA. o Increased transparency in setting of fees. o Level playing field in setting of fees. o Zero fees for operators engaged in activities with low Environmental scores that are proposed for deletion from regulation. o Specific fee exemptions for Aboriginal Community Councils and charitable organisations.
	Government	o Increased administration costs. o Increase in annual fees for agencies engaged in ERAs. o Loss of fee revenue from activities with low Environmental Scores that are proposed for deletion from regulation.	o A net increase in fee revenue. o Fewer resources devoted to sites with low Environmental Scores. o Ability to offer a higher level of service to sites with high Environmental Scores. o Better able to meet statutory obligations.

Table 4: **Summary of costs and benefits of alternatives to the proposed new Regulation**

	Stakeholders	Costs / disadvantages	Benefits / advantages
Alternative 1: No new Regulation – no consistent regulation of ERAs, nuisance or national agreements	Community	o Substantially reduced environmental outcomes / increased likelihood of environmental harm.	o There are no benefits / advantages to the community.
	Industry	o Substantial cost / risks to industries dependent on the maintenance of a healthy environment. o Reduced level of service from EPA. o No social license to operate.	o Reduced regulatory cost.
	Government	o No fee revenue with which to offer services to industry. o EPA unable to meet its obligations under the EP Act.	o No administration costs.
Alternative 2: Reintroduce the current Regulation	Community	o Reduced environmental outcomes / increased likelihood of environmental harm. o Continued subsidisation of administration of Environmental Regulation.	o There are no benefits / advantages to the community.
	Industry	o Some cost / risks to industries dependent on the maintenance of a healthy environment. o No improvement in the level of service from EPA. o Less transparent / equitable basis for setting of fees.	o Lower annual fees for some operators.
	Government	o Less ability to focus on activities with high Environmental Scores. o EPA less able to meet obligations under the EPA Act.	o Some reduction in administrative costs.
Alternative 3: Remake the Regulation with MBIs	Community	o Substantially higher fees to industry which may lead to higher prices for goods and services.	o Potentially improved environmental outcomes.
	Industry	o Substantially higher annual fees than those proposed. o Increased administrative burden.	o Ability to reduce fees through reducing environmental impact.
	Government	o Substantial set-up costs. o Increased on-going costs.	o Would provide an incentive for individual entities to improve environmental performance.

Based on the analysis above:

Alternative 1 (no new Regulation) is not preferred because it is unlikely to achieve the objectives of the EP Act or the Government's priority of protecting the environment for a sustainable future.

Alternative 2 (reintroduce current Regulation) is not recommended because it would not achieve the legislative intent or recover costs of administering the Regulation from those regulated.

Alternative 3 (remake the Regulation with market-based instruments) is not recommended at this time because the requirements necessary for this system to be properly implemented cannot be met prior to the current Regulation expiring.

Alternative 4 to remake the new Regulation using environmental emissions is the recommended option at this time because it:

- is the most effective and efficient way to regulate point source pollution and to achieve the objective of the EP Act;
- does so at least cost to regulators and regulated enterprises;
- benefits to the community as a whole strongly outweigh the costs;
- is necessary to achieve the Government's priority outcome of protecting the environment for a sustainable future;
- will result in user-pays regulation, so that the current level of subsidisation from the community will be markedly reduced and services to regulated enterprises can increase;
- is certain (unambiguous), accessible (readily understandable), equitable and fair;
- is an evidence based system that uses best available science to inform contemporary environmental management; and
- ensures that businesses have both a social licence with which to operate and are subject to appropriate environmental obligations.

What happens next?

Unless information to the contrary is received during this public consultation process, it is likely that the EPA will recommend to the State Government that it approve the preferred proposals to protect Queensland's environment from point source pollution by ensuring:

- effective regulation of environmentally relevant activities under the EP Act;
- effective regulation of environmental nuisance;
- effective implementation of national agreements; and
- regulatory provisions are transferred from the EPPs to the new Regulation.

If the Government decides to recover the full cost of providing the regulatory service from regulated operators, a fee unit of $200 will be required. Changes to fees will commence on 1 January 2009.

10. FUNDAMENTAL LEGISLATIVE PRINCIPLES

The *Legislative Standards Act 1992* requires that legislation has sufficient regard to the rights and liberties of individuals; and the institutions of Parliament. The new Regulation as proposed is consistent with those and the other relevant fundamental legislative principles, including:

- natural justice;
- appropriate review and delegation of administrative power;
- clarity and precision of legislation;
- adequacy of the head of power to make subordinate legislation and consistency with its Act; and
- regard to Aboriginal tradition and Torres Strait Islander custom.

The new Regulation will impose some restrictions on business and the community through permit requirements and other obligations, which generally reflect those currently in place under the current Regulation as follows.

- Permits or other approvals will be required for specified activities that need to be managed in order to protect the environment and provide for public safety and well-being. Applicants for, and holders of, registration certificates and other approvals, will have formal avenues for appeal over permit decisions.
- Restrictions and prohibitions will apply to certain actions in order to protect the environment and to provide for public protection from environmental nuisance. These restrictions are similar to, and no more demanding than, those that apply in most residential zones. They include restricted hours for building work and for operation of regulated devices.
- Environmental Impact Statements will continue to be required for specified types of projects requiring Commonwealth or State approval. Applicants for these projects will have formal avenues for appeal over decisions relating to those licences and permits.
- Penalties will apply for non-compliance with requirements of the legislation. Existing penalty levels will be reviewed in finalising the new Regulation to take account of fundamental legislative principles.

The impositions of restrictions on people's liberties under the proposed new Regulation are strongly outweighed by a demonstrated benefit, in that they facilitate sustainable development, enhance public health and safety and protect the quality of Queensland's air, land and water. Persons likely to be most adversely affected are those who fail to comply with the legislation, and are therefore those most likely to cause detriment to the environment.

11. NATIONAL COMPETITION POLICY

Under State/Commonwealth agreements on *National Competition Policy*, the Competition Principles Agreement requires proposals for new legislation that might restrict competition to be subject to a *Public Benefit Test* (PBT). Regulations should not restrict competition unless it can be demonstrated that the benefits to the community as a whole outweigh the costs, and the benefits can only be achieved by restricting competition.

The new Regulation may impose a restriction on participants entering a market because it identifies industries that require an environmental license to operate. As a result an operator may be liable for certain costs, for example an environmental impact statement may be required, pollution control equipment may be necessary to meet acceptable environmental standards, and an annual fee will apply. The level of fees is considered relatively modest in terms of the overall cost of operations of regulated activities and it would be difficult to justify them as having any significant anti-competitive impact for the majority of businesses. The major restriction is for new entrants to the market who may have to pay costs for pollution control equipment to meet the required environmental standards.

On a literal interpretation, the Regulation may create anti-competitive conditions within an industry sector. For example, not all aquaculture facilities are regulated: those that release waste to waters are regulated, those that do not release waste are not. The facilities that are regulated have associated costs that the non-regulated sector does not incur (e.g. applying for a registration certificate, annual fees and reporting requirements). However, the impact of the new Regulation is uniform - there are no proportionately higher costs imposed on businesses that fall in the same category (e.g. all aquaculture facilities over 100ha that release waste to water have the same regulatory requirements).

Currently, there is a discount which allows businesses with more than one site to pay the single highest fee of all sites. Large businesses with multiple sites pay the same fee as small businesses with one site. This discount will be removed because it creates inequality and is anti-competitive.

Under the proposed Regulation, all businesses will have to pay an annual fee for each site. Removing the multiple site discount would have a disproportionate effect on local governments. To overcome this issue, the multiple site discount will continue to apply for local government activities. However, the multiple site discount will not apply to commercial operations of councils or non-municipal activities. These exemptions to the discount include corporatised corporations and any other council business activities which are competitive with the private sector.

Small businesses that are currently regulated as Level 2 activities pay no annual fee. Several of these Level 2 activities have been given a very low Environmental Score and no longer appropriate to be regulated by the State. The EPA proposes deleting those (e.g. flour milling, small metal foundries, animal housing) and introducing a flat fee of $500 for the Level 2 activities that have Environmental Scores appropriate for regulation (e.g. cattle feedlots <150, boiler making, incinerating waste vegetation). Some small businesses will have savings from not being regulated, and others will incur an extra expense of $500 a year to recover the costs of administration.

Some businesses may be affected by the restricted hours for operating regulated devices and carrying out building work. For example, a landscaper could lose potential income by not being able to use their mulcher, leaf-blower and lawn-mower at all times of the day. Hours of operation will be set to allow reasonable hours of business while protecting neighbours from unreasonable noise. Local governments can change these provisions, by Local Law or conditions on development approvals, if appropriate for the local area or a particular building site. This flexibility may cause restrictions in some locations, but free up restrictions in others, depending on the levels of protection from environmental nuisance desired by the local community.

11.1 Public Benefit Test process

The Public Benefit Test is proposed to take the form of a 'minor' (reduced) assessment, in accord with Treasury PBT guidelines, taking into account that restrictions on industry's release of pollutants need to be retained to protect public health and safety, maintain opportunities for multiple use of natural resources, meet obligations under Commonwealth laws, achieve the Government's priorities for protecting the environment and to promote sustainable development.

In this NCP Review emphasis is placed on assessing regulatory risk of a reduction in the quality of Queensland's environment and public health resulting from inadequate or inappropriate management of environmentally relevant activities conducted by industry and the potential impact on industry of inequitable regulatory costs. Industry in this document is used in the broad sense and includes manufacturing, commerce, farming, mining and relevant local and State government activities.

The current Regulation has been in operation for almost ten years and board scale risks are well known, with a range of whole-of-Government and EPA risk management strategies in place. A general assessment of the proposed new Regulation was conducted. The assessment concluded that:

- the new Regulation will contain provisions as effective or more effective than the present Regulation, and will maintain a high level of consistency with related legislation, such as the *Integrated Planning Act 1997*;
- implementation of the new Regulation will result in better management of potential environmental harm than would apply if the existing Regulation continued to operate; and
- implementation of the new Regulation will result in far better management of potential environmental harm than would apply if the existing Regulation expires without replacement.

The new Regulation will contain provisions that target the areas of greatest risks, including potential harm to public safety and environmental values. When assessing an application for an

ERA, the potential impacts to the environment are balanced against the cost of complying with conditions. The new Regulation will be more competitive than the regulation it replaces as businesses that have lower Environmental Scores will have lower fees and regulatory requirements than businesses with higher Environmental Scores.

Existing and future employment opportunities will be protected through sustainable development and responsible use of Queensland's air, land and water.

Extensive consultation with industry and local governments has occurred on all aspects of the proposed changes. Submissions on the RIS/PBT are being invited from stakeholders, other interested parties and the broader community. Further consultation may be undertaken following receipt of these submissions, depending on comments received.

A National Competition Policy Review Report, including recommendations, will be prepared within three months of the close of public comments on the RIS/PBT and submitted for Government consideration.

12. RESPONSE FORM

Have your say
The purpose of this Regulatory Impact Statement/draft Public Benefit Test (RIS/PBT) paper is to encourage public engagement in the ten-year review and remaking of the *Environmental Protection Regulation 1998*.

The RIS/PBT gives details of the changes that are proposed and discusses the costs and benefits that would accrue to government, businesses, the community and the environment.

This Response Form is designed to assist you in expressing your views on the proposed changes. By completing it you will provide information that will allow the Government to decide whether the proposals should be put into place as they are, or whether they should be changed or improved in some way. It will also help to determine whether there might be any unintended consequences of the proposals that need to be dealt with.

All interested persons are encouraged to read the RIS/PBT, consider the proposed changes and make comments on them. This is your opportunity to have input to the making of the *Environmental Protection Regulation 2008*.

Details of respondent
(The completion of this section is optional.)

Name: ……..…….

Postal address: …….. Postcode: ……

Email address: ……

Nature of submission

☐ Individual ☐ Group ☐ Mining and petroleum ☐ Other industry (small medium or large)

☐ Local government ☐ State Government agency ☐ Conservation

What are your views about the objectives of the new Regulation? (Chapter 8 in the RIS/PBT)

1. Effective regulation of activities that are ERAs by using Environmental Emission Profiles
2. Effective regulation of environmental nuisance
3. Effective implementation of national agreements
4. Regulatory provisions are transferred from the EPPs to the new Regulation

Comment:
……..……..
……
……
……..……..

What are your views about the preferred option and alternatives for ERAs? (Chapter 8.1 to 8.4 in the RIS/PBT)

Preferred option - Remake the Regulation on the basis of environmental emissions
Alternative 1 No legislative intervention (the current Regulation expires and is not replaced)
Alternative 2 Reintroduce the current Regulation (status quo)
Alternative 3 Remake the Regulation with market-based instruments

Comment:
……..……..
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……
……

Do you agree that regulators should put the highest effort into the activities with the highest Environmental Score?
……

If you have a high Environmental Score, what extra services would you like EPA to provide to help you reduce pollution and move towards sustainability?
……
……
……
……

Do you think the fee changes will have a significant effect on your business? Please provide details.
……
……
……
……

Do you think the full cost of environmental regulation should be paid by those regulated? If not, why should the costs be subsidised by the community?
……
……
……
……

Do you think that fee incentives or discounts should apply to operators that have an accredited environmental management system (e.g. ISO14001, Farm Management Systems)? Please provide details.
……
……
……
……

If you have a deemed approval (not a formal Development Approval under IPA) would you prefer to have a year to apply for a DA or would you prefer to apply for a DA immediately and have a year to meet the required environmental standards?
……

What are your views about the recommended option and alternatives for environmental nuisance?
……
……
……
……

Do you support the proposals to expand the emissions covered by nuisance laws and to extend the exemptions to those items mentioned in Chapter 8.2? *If not, why not?*
……

What are your views about implementing national agreements? (Chapter 8.3) ..……...……
……

Do you support transferring regulatory provisions from the EPPs to the new Regulation? (Chapter 8.4)
……

Do you have information to add to the analysis of costs and benefits? (Chapter 9 in the RIS/PBT)
……..……..……
……..……..……
……..……..……
……

Do you need further information or assistance to assess your costs and benefits?

Further information on assessing costs is available on the Commonwealth Government's website at:
http://www.obpr.gov.au/businesscostcalculator/index.html

Do you wish to comment on competition restrictions or the Public Benefit Test? (Chapter 11 in the RIS/PBT)
……
……
……
……

Do you have any other comments?
……
……
……
……

Please remember, your comments must be received by **5.00pm** on the **28 March 2008**.

Written submissions should be sent to:

Mail: Review of Environmental Protection Regulation (BNE26828)
Environmental Protection Agency
PO Box 15155
City East Qld 4002

Or

Email: ep.regulation@epa.qld.gov.au

List of Appendices to Regulatory Impact Statement

Appendix 1: Summary of Environmental Emission Profiles*

Appendix 2: Definitions for environmentally relevant activities

Appendix 3: List of Environmentally Relevant Activities (ERAs) and Possible Fees

Appendix 4: Regulatory provisions in the current Environmental Protection Policies (EPPs) proposed to be transferred to the new Regulation

* *Please note that a longer and more detailed version of Appendix 1 can be accessed on the EPA website.*

Appendix 1

Summary of the Environmental Emission Profiles

A tool to profile the relative risk of Environmentally Relevant Activities under the Environmental Protection Regulation 2008

The Environmental Protection Agency (EPA) is responsible for managing activities that harm Queensland's environment by releasing contaminant. These activities are called environmentally relevant activities (ERAs). Environmentally relevant activities currently include a range of industrial, commercial, mining, petroleum, gas, intensive animal and municipal activities. These activities have the potential to release contaminants into the environment and cause pollution. The release of contaminants is also called an emission, which is a release of a potentially harmful substance into water, air or land. Consequently, before an environmentally relevant activity can be undertaken by an industry it requires approval and usually must comply with conditions to protection the environment. Most operations pay an annual fee that goes towards the cost of regulation.

The EPA is updating the management of emissions released by ERAs. The aim is to establish a simple and clear method for determining how fees will be charged and how resources will be allocated to provide effective management of these activities that the EPA is responsible for.

To help achieve this aim, the EPA has developed a tool to profile and assess the emissions associated with ERAs. This tool is called the Environmental Emission Profiles. The Environmental Emission Profiles give a numerical score for average ERAs. The EPA will use the Environmental Emission Profiles to set the annual fees for ERAs, by directly linking fees to the type and amount of environmental emissions released by industry.

This summary describes the key features of the Environmental Emission Profiles. In short, the Environmental Emission Profile comes from combining two sets of scores, an Emissions Score and a Site Attribute Score, to give an Environmental Score.

Emission Scores

Large activities are required to estimate and report particular emissions to the National Pollutant Inventory (NPI) every year. The NPI is a database designed to provide the community, industry and government with information on the types and amounts of certain substances being emitted to the air, land and water. The EPA used this data to help determine an average Emission Score for most types of ERAs operating in Queensland.

The Emission Scores are calculated based on the type of emission released, the potential impact of the emission and how much pollution is released. The following steps are used to develop Emission Scores.

Step 1: EPA identified contaminants.
90 substances or contaminants of interest were identified, most of which come from the National Pollutant Inventory list.

Step 2: EPA assessed the potential of contaminants to cause harm.
The containments were grouped together depending on their likelihood to cause environmental harm. In other words, the 90 substances were divided up into groups on the basis of how hazardous to land, air and water the emission was relative to other emissions.

Then, the hazard groups were placed in a hierarchy of increasing severity of environmental harm, across 4 levels or tiers.

The emissions in Tier 1 can cause degradable, local impacts, such as haze, smog and algae blooms. This group includes, for example, phosphorus and nitrogen.

Tier 2 includes a group of substances that produce acute toxicity, for example, carbon monoxide.

The contaminants grouped together in Tier 3 can result in bioaccumulation, climate change and are irreversibly toxic. This group includes metals and substances causing greenhouse effects.

The last group of contaminants are the most hazardous and are in Tier 4. This group includes substances that cause cancer, genetic damage and species loss, such as carcinogens.

Each hazard group was given a numerical value based on potential severity of emissions: Tier 1 =1, Tier 2=2, Tier 3=3, and Tier 4= 4.

Step 3: EPA worked out how much pollution is released each year, usually calculated in tonnes per annum. Most of this information was taken from the National Pollutant Inventory.

Step 4: The contaminants were grouped into four threshold levels on the basis of how many tonnes of emissions are released each year.

Example:

Level 1:	1-10	tonnes released
Level 2:	10-100	tonnes
Level 3:	100-1,000	tonnes
Level 4:	over 1000	tonnes

Each threshold level was given a numerical value based on amount of contaminant released: Level 1=1, Level 2=2, Level 3=3, Level 4= 4

Step 5: EPA calculated the Emission Scores.
Each of the 90 identified contaminants were given a score depending on how hazardous the substance is and how much of it is released.

For example, calculating the Emission Score for 90 tonnes of phosphorus looks like this:

Substance:	Phosphorus	= Tier 1	= 1
Amount:	10 tonnes	= Level 2	= 2

Emission Score for Phosphorus:
= Tier x Level
= 1 x 2
= 2

An Emission Score for each contaminant released by an ERA can then be calculated.

However, the Emission Scores only partially reflects the potential environment impacts and regulatory effort required to administer an ERA to ensure minimal environmental harm. A second set of scores, the Site Attribute Score, provides additional information needed to determine an Environmental Emission Profile of an ERA operating on an average site in Queensland.

Site Attribute Score

There are other factors that need to be considered in assessing the Environmental Emission Profile of an ERA. These additional factors are site specific. Although site specific factors can be tricky to calculate, it is important to include them. The EPA has developed a simple way to calculate the general risk attributes of an ERA site.

First, the EPA identified five key site attributes. The first three attributes were noise, odour and waste. The fourth was 'intermittent operation', which is when activities operate irregularly. For example, sugar mills operate seasonally. The fifth site attribute was 'process complexity'. Process complexity means production techniques which can potentially result in serious environmental harm if systems failed.

Second, the EPA used a panel of technical experts to give a score to these five attributes. The noise, odour, waste and intermittent operations attributes were given a numerical value ranging from 0-4, depending on the increasing severity of potential impact. For process complexity, ERA's were given a number of 1 or 2, again depending on potential harm these complex processes pose to the environment.

After these attributes were given a numerical value, the site attribute score was calculated in the following way:

Site Attribute Score = [noise + odour] + [containment + regulated waste + intermittent operation] $^{\text{process complexity}}$

For example, the Site Attribute Score for a sewage treatment plant which entails a simple operation, i.e. the process complexity score is 1, was worked out like this:

$= [1_{noise} + 2_{odour}] + [2_{containment} + 1_{regulated\ waste} + 2_{intermittent\ operation}]^{1\ process\ complexity}$

$= 3 + 5^1$

$= 8$

Environmental Scores

The final stage in working out the Environmental Emission Profiles of ERAs is to add the two sets of scores together to get an overall assessment. In other words, the Emission Score is added to the Site Attribute Score to give an Aggregate Environmental Score (Environmental Score).

The Environmental Scores can potentially range from 1 to 404 and indicate the relative potential of an average site operating an ERA to cause environmental harm through emissions to the environment or a polluting incident. The Environmental Scores for ERAs can then be ranked in order from lowest to the highest.

For example, the Environmental Score for a sewage treatment plant that discharges 90 tonnes of phosphorus a year is:

Emission Score = 2 + Site Attribute Score = 8

The Environmental Score for Sewage Treatment Plants = 2 + 8 = 10

Summary

The Environmental Scores from the Environmental Emission Profile will be used to help the Environmental Protection Agency assess which activities are most likely to cause environmental harm. Activities with high Environmental Scores will receive greater attention from the Agency and also pay higher fees. Currently, some activities with high Environmental Scores with low fees are effectively being subsidised by others with a lower Environmental Scores. This tool will support EPA to ensure an equitable distribution of fees and resources.

The full report Emissions Environmental Profiles: A tool to profile the relative risk of Environmentally Relevant Activities under the *Environmental Protection Regulation 2008* is available from EPA website www.epa.qld.gov.au.

Appendix 2

Definitions for environmentally relevant activities

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
Intensive animal industries				
1. *Aquaculture* — cultivating or holding marine estuarine or freshwater organisms (other than molluscs) in ponds or tanks or in enclosures in waters ("impoundments"). Units measured in area of impoundments in hectares - >5ha, with no wastes released to waters; 2 $0 <5ha, with wastes released to waters; 1 $500 5-10ha, with wastes released to waters; 1 $1,000 10-20ha, with wastes released to waters; 1 $2,000 >20ha, with wastes released to waters. 1 $3,300	**Aquaculture** Deletions ▪ ERA 1(a) deleted Inclusions ▪ Cultivating or holding marine, estuarine or freshwater organisms in ponds, tanks or enclosures in waters or on land. Exclusions ▪ All facilities with no releases to waters except: (i) uncontaminated stormwater; and (ii) within the approved aquaculture area. ▪ Fisheries resources that receive no augmented food supply. ▪ Cultivating or holding organisms in an aquarium. Explanatory information and definitions • Enclosures may include fences and cages. • Define *augmented food supply* to mean the addition of processed foods to the environment. • "Fisheries resources" as defined in the *Fisheries Act 1994*. • "Aquarium" means ponds, tanks or enclosures.	(a) Land-based: fish other than crustaceans 0-10ha waste released (b) Land-based: fish other than crustaceans 10-100ha waste released (c) Land-based: fish other than crustaceans >100ha waste released (d) Land-based: crustaceans 0-10ha (e) Land-based: crustaceans 10-100ha (f) Land-based: crustaceans >100ha (g) Coastal or off-shore, contained <1ha (h) Coastal or off-shore, contained >1ha	1 1 1 1 1 1 1 1	22 46 49 12 18 44 43 57
2. *Cattle feedlotting* — feeding cattle prepared or manufactured stockfeed at levels greater than necessary, in a confined area having a capacity of -	**Intensive cattle or sheep feedlotting** Deletions ▪ Nil. Inclusions	(a) 50-150 standard cattle units (SCU); (b) 150-1,000 SCU; (c) >1,000-10,000 SCU;	2 1 1	- 22 38

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
(a) 150 or less standard cattle units; 2 $0 (b) 150-500 standard cattle units; 1 $500 (c) 500-1000 standard cattle units; 1 $625 (d) >1000 cattle units. 1 $2,000	▪ Keeping cattle or sheep in a confined yard area with watering and feeding facilities, where cattle or sheep are completely hand or mechanically fed. <u>Exemptions</u> ▪ Feeding animals held for a period of time that does not exceed what is reasonably necessary to undertake: o Sale, slaughter or transport; o Weaning; o Animal husbandry; or o Milking. ▪ Feeding in a drought-declared area where the amount fed does not exceed the nutritional requirements of the animals. ▪ Feeding animals on a feedpad in a paddock. <u>Explanatory information and definitions</u> ▪ Define *cattle* to include both beef and dairy. ▪ Define *confined yard* as a non-grazing purpose built enclosure. ▪ Cattle and sheep includes animals of all ages. ▪ Define *animal husbandry* to *include* activities such as veterinary work, branding, pest treatment etc. ▪ *Standard cattle unit* has the meaning given by the 'National Guidelines for Beef Cattle Feedlots in Australia', 2nd edition, prepared by the Standing Committee on Agriculture and Resource Management. ▪ *Standard Sheep Unit* means the equivalent of a	(d) >10,000 SCU; (e) 350-1,000 standard sheep units; (f) 1,000-10,000 SSU; (g) >10,000 SSU	1 2 1 1	58 - 20 38

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	60kg sheep. ▪ ERA 53 is not required for feedlots that compost their own manure.			
3. Pig farming – farming pigs in a piggery having a capacity of – (a) <5,000 2 $0 (b) >5,000 1 $400	**Pig Keeping** Deletions ▪ Nil. Inclusions ▪ Keeping pigs. Exemptions ▪ Keeping less than 21 standard pig units. Explanatory information and definitions ▪ *Standard pig unit* means the equivalent of a grower pig of 40kg.	(a) 21-375 standard pig units ; (b) >375-5,000 SPU (c) >5,000 SPU	2 1 1	- 28 49
4. *Poultry farming* — farming poultry, including egg and fertile egg production, the rearing of hatchlings, starter pullets, layers and poultry for meat in facilities having a total holding capacity of: (a) 1,000 - 200,000 birds; 2 $0 (b) >200,000 birds. 1 $400	**Poultry farming** Deletions Nil Inclusions Farming poultry in facilities, including egg and fertile egg production, the rearing of hatchlings, starter pullets, layers and poultry for meat. Exemptions Facilities with less than 1,000 birds at any one time. Explanatory information and definitions *Poultry* includes chickens, turkeys, guineafowl, ducks and geese.	(a) >1,000-200,000 birds; (b) >200,000 birds.	2 1	- 15
Chemical, coal and petroleum industries				
5. *Alcohol distilling* — commercially distilling alcohol in works having a design production capacity of 2500 L a year. 1 $5,540	**Alcohol distilling** Deletions ▪ Threshold increased. Inclusions	>200m^3/yr	1	80

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	▪ Distilling alcohol. Exemptions ▪ Works having a design production capacity of less than 200m^3/yr.			
6. *Chemical manufacturing, processing or mixing* — manufacturing or processing an inorganic chemical, organic chemical or chemical product, or mixing inorganic chemicals, organic chemicals or chemical products (other than mixing non-combustible or non-flammable chemicals or chemical products by dilution with water), in a plant or works having a design production capacity of: (a) 200-20,000 t/year; 1 $4,420 (b) 20,000-100,000 t/year, 1 $5,200 (c) >100,000 t/year. 1 $5,820	**Chemical manufacturing** Deletions ▪ Nil Inclusions ▪ Manufacturing, processing or mixing an inorganic chemical, organic chemical or chemical product. Exclusions ▪ Mixing non-combustible or non-flammable chemicals or chemical products that are not dangerous goods by dilution with water only. ▪ Chemical manufacturing mixing or processing in a plant or works with a design production capacity of less than 200t/yr. Explanatory information and definitions Define *chemicals* as meaning: a) an agricultural chemical product or veterinary chemical product within the meaning of the *Agricultural and Veterinary Chemicals Code Act 1994* (Cwlth); or b) a dangerous good under the dangerous goods code; or c) a lead hazardous substance within the meaning of the *Workplace Health and Safety Regulation 1997*; or d) a drug or poison in the Standard for the	(a) Explosives manufacturing >200t/yr (b) Biological control and agricultural chemicals manufacturing >200t/yr (c) Fertiliser manufacturing >200t/yr (d) Pharmaceutical and medicine manufacturing >200t/yr (e) Soap, cleaning, surfactant and toiletry manufacturing >200t/yr (f) Other inorganic chemical manufacturing 200-1,000t/yr (g) Other inorganic chemical manufacturing 1,000-10,000t/yr (h) Other inorganic chemical manufacturing 10,000-100,000t/yr (i) Other inorganic chemical manufacturing >100,000t/yr (j) Other organic chemical manufacturing >200-1,000t/yr (k) Other organic chemical manufacturing >1,000-10,000t/yr (l) Other organic chemical manufacturing >10,000-100,000t/yr	1 1 1 1 1 1 1 1 1 1 1 1	138 117 147 121 48 59 117 198 259 30 69

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	Uniform Scheduling of Drugs and Poisons prepared by the Australian Health Ministers' Advisory Council and published by the Commonwealth; or any substance used as, or intended for use as— i) a pesticide, insecticide, fungicide, herbicide, rodenticide, nematocide, miticide, fumigant or related product; or ii) a surface active agent, including, for example, soap and detergent; or iii) a paint solvent, pigment, dye, printing ink, industrial polish, adhesive, sealant, food additive, bleach, sanitiser, disinfectant, or biocide; or iv) a fertiliser for agricultural, horticultural or garden use (other than mushroom growing substrate or compost); or e)a substance used for, or intended to be used in— i) mineral processing; or ii) the treatment of metal, pulp and paper, textile, timber, water or wastewater; or iii) the manufacture of plastic or synthetic rubber.	(m) Other organic chemical manufacturing >100,000t/yr	1 1	145 211

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
7. *Chemical storage* — storing chemicals (other than crude oil, natural gas and petroleum products), including ozone depleting substances, gases or dangerous goods under the dangerous goods code in containers having a design storage volume of: (a) >10 m^3-1000 m^3 2 $0 (b) >1000 m^3 1 $1,740	**Chemical storage** Deletions ▪ Nil Inclusions ▪ Storing chemicals including crude oil or petroleum products. Exemptions ▪ In-transit storage of a chemical *(Sch 9)* ▪ Storing chemicals in containers with a total design storage: o For Dangerous Goods Classes 1, 2.3 and 6.1 – less than 50t; (NB: These classes are explosives, toxic gases and poisons) o For Dangerous Goods Class 3 Packaging Groups I & II – less than 10 m^3; o Any other Dangerous Goods – less than 200t (solids) or less than 200m^3 (liquids or gases) total storage mass. Explanatory information and definitions ▪ *Chemicals* definition as above. *In-transit storage* means temporary storage of goods, where no transfer of goods between containers occurs, incidental to the process of transport, including: Use of a vehicle to transport chemicals while the vehicle is on a road or in a public place; Unavoidable delays in the transport system; or Failure of consigner or another person to immediately collect goods from a transport depot; or	(a) Dangerous good class 3, total storage 10-200m^3; (b) Dangerous goods class 3, total storage >200m^3; (c) Dangerous goods classes 1, 2.3, 6.1, total storage >50t; (d) Chemical storage not being dangerous goods specified in (a), (b) or (c), >200m^3 (liquid); >200t (solid), >200m^3 (gas)	2 1 1 1	- 88 41 27

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	○ Delay due to natural disaster.			
	Options ▪ Expanding ERA to cover fuel dispensing as well as storage including non-marine over-water refuelling. ▪ Expanding ERA to ensure that covers underground pipes from storage facilities. ▪ Exempting storage of LPG.			
8. *Coke producing* – producing, quenching, cutting, crushing or grading coke. 1 $4,420	**Coke producing** Deletions ▪ Nil Inclusions Producing, quenching, cutting, crushing or grading coke.	>200t/yr	1	150

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	Exemptions ▪ Operations with a design production capacity of less than 200 t/yr.			
9. *Gas producing* — commercially producing hydrocarbon gas by any method, including the reforming of hydrocarbon gas, but not including collecting hydrocarbon gas in carrying out Sewage treatment or Waste disposal. 1 $4,420	**Gas producing** Deletions Threshold increased. Inclusions ▪ Manufacturing hydrocarbon gas by any method, including the reforming of hydrocarbon gas. Exemptions ▪ Gas collection from sewage treatment plants or from decomposition of organic waste in landfills. ▪ Gas collection from naturally occurring hydrocarbon deposits or coal seams. ▪ Manufacturing hydrocarbon gas or refining or processing fuel natural gas in works with a production design capacity of less than 1,000 t/yr.	> 1,000t/yr	1	14
10. *Paint manufacturing* — manufacturing: (a) organic solvent based paint in works having a design capacity of (L/yr) (i) 10,000-1,000,000 1 $600 (ii) 1,000,000-10,000,000 1 $1,740 (iii) >100,000,000 1 $5,200 (b) water based paint in works having a design capacity of >10,000 L/yr. 2 $0	**Paint manufacturing** Deletions • Threshold increased. Inclusions • Manufacturing paint, coating, synthetic dye, pigment, printing ink and/or adhesives. Exclusions • Works with a design production capacity of less than 200m^3/yr of paint. Explanatory information and definitions • Includes mixtures of gases such as liquefied petroleum gas.	(a) Paint, coating, synthetic dye, pigment, ink and adhesive manufacturing 200-1,000m^3/yr (b) Paint, coating, synthetic dye, pigment, ink and adhesive manufacturing 1,000-100,000m^3/yr (c) Paint, coating, synthetic dye, pigment, ink and adhesive manufacturing >100,000m^3/yr (d) Paint manufacturing (water based) >200m^3/yr	1 1 1 2	10 19 40 -

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
11. *Crude oil or petroleum product storing* — storing crude oil or a petroleum product in tanks or containers having a combined total storage capacity of: (a) 10,000-500,000 L; 2 $0 (b) 500,000 L or more. 1 $1,740	Deletions ▪ ERA 11 transferred to **Chemical storage**			
12. *Oil refining or processing* — refining or processing crude oil or shale oil in works having a design production capacity of: (a) <500,000 L/year; 1 $2,054 (b) 500,000-150,000,000 L/yr; 1 $5,200 (c) >150,000,000 L/yr 1 $20,540	**Oil refining or processing** Deletions ▪ Nil Inclusions ▪ Refining or processing crude oil or shale oil. Exemptions ▪ Nil	(a) <500m^3/yr (b) 500-150,000m^3/yr (c) >150,000m^3/yr	1 1 1	124 178 241
13. *Fuel gas refining or processing* — refining or processing fuel gas in works having a design production capacity at standard temperature and pressure of: (m3/year) (a) <200,000,000 2 $0 (b) >200,000,000 1 $20,450	**Fuel gas refining or processing** Deletions ▪ Nil Inclusions ▪ Refining or processing natural gas. Exclusions ▪ Works having a design production capacity at standard temperature and pressure of less than 200 million m^3/yr	(a) <200 million m^3/yr (b) >200 million m^3/yr	2 1	- 64
Community infrastructure and services				
14. *Crematorium* – cremating human, pet or animal remains.	Deletions • ERA 14 deleted			
15. *Sewage treatment* — operating a standard sewage treatment works having	**Sewage treatment** Deletions	(a) 21-100EP (b) >100-1,500 EP	1 1	23 52

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
a peak design capacity to treat sewage of (a) 21-100 EP 1 $500 (b) 100-1,500 EP 1 $1,500 (c) 1,500-4,000 EP 1 $1,980 (d) 4,000-10,000 EP 1 $3,960 (e) 10,000-50,000 EP 1 $7,920 (f) 50,000-100,000 EP 1 $10,140 (g) >100,000 EP 1 $15,210 (h) special sewage treatment works, peak capacity 21 or more EP 1 $500	• Composting toilets. Inclusions • Operating a sewage treatment works, alone or in combination with other sewage treatment works on the premises. • Gas collection from sewage treatment plants. Exemptions • Sewage treatment works on a premises with a combined peak design capacity of less than 21 EP. • Privately owned infrastructure and associated works discharging into the sewerage system. • Composting toilets. • Works that only involve treatment or recycling of greywater. • Off site effluent disposal or solid waste disposal, including beneficial reuse, from a sewage treatment works following transfer of legal responsibility for the effluent or solid waste to a third party. Explanatory information and definitions • Delete definition *standard sewage treatment works* • Define *no release sewage treatment works* to mean sewage treatment works that do not release solid or liquid contaminants to the environment either within or outside the boundary of the works. • Define *equivalent person* to mean sewage	(c) >1,500-4,000 EP (d) >4,000-10,000 EP (e) >10,000-50,000 EP (f) >50,000-100,000 EP (g) >100,000 EP (h) No release sewage treatment >21 EP	1 1 1 1 1 1	68 87 101 125 147 15

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	produced daily by an equivalent person has the following average characteristics: (a) a flow of 250 litres; or (b) a five-day biochemical oxygen demand of 60 grams; or (c) a daily chemical oxygen demand of 140 grams; or (d) a daily total suspended solids of 70 grams. The peak design capacity for a standard sewage treatment works is taken to be the largest number of equivalent persons calculated by dividing the maximum daily input that a sewage treatment works can treat by each relevant characteristic and taking the maximum equivalent person value.			
Electricity, fuel burning and water supply activities				
16. *Water treatment*—treating 20ML or more of water a day in a way that releases treated or untreated waste into the environment, other than by— (a) a treatment involving the disinfection of the water only; or (b) a treatment associated with an environmentally relevant activity mentioned in schedule 1, item 15, 75, 76, 81, 84 or 85; or (c) discharging trade waste into a local government's sewerage infrastructure under a trade waste approval given under the *Water Act 2000*, section 469. 2 $0	**Water treatment** Deletions ▪ Nil Inclusions ▪ Treating water using a method that releases waste or treated waste into the environment. Exemptions ▪ Facilities that process less than 20 ML/day of water. ▪ Plant that only disposes of waste by discharging trade waste into a local government's sewerage infrastructure under a trade waste approval given under s.469 of the *Water Act 2000*. ▪ Where disinfection is the sole treatment step.	(a) Raw water treatment >20ML/day (b) Advanced water treatment (e.g. of treated sewage) >20ML/day (c) Desalination water treatment	1 1 1	24 43 18

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
17. *Fuel burning* — any process involving the use of fuel burning equipment (including, for example, a standby power generator) that is capable of burning (whether alone or in total) 500 kg or more of fuel an hour. 1 $3,000	**Fuel burning** Deletions ▪ Nil Inclusions ▪ Any process involving the use of fuel burning equipment that is capable of burning (total for all such plant) 500 kg or more of fuel an hour. Exemptions ▪ Fuel burning under ERA 76 (Incineration). ▪ Standby generators operating for less than 200 hrs/yr. Explanatory information and definitions ▪ Includes boilers, ovens, engines, turbines, flares, incinerators, furnaces, smelters, dryers.		1	24
18. *Power station* — generating power by consuming fuel at a rated capacity of 10 MW electrical or more: (a) if the fuel used is natural gas; 1 $4,420 (b) for any other fuel 1 $14,940	**Electricity generation** Deletions ▪ Nil Inclusions ▪ Generating power by consuming fuel at a rated capacity of 10 MW electrical or more. Exemptions ▪ Recovery of energy through co-generation of electricity in association with another ERA. Explanatory information and definitions ▪ Define *co-generation* as meaning the simultaneous production of heat and energy using a single fuel.	(a) Gas fired (b) Any other fuel	1 1	65 157

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	▪ For multi-fuel combustion (either/or systems), if gas is used, operation is classed (a).			

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
Extractive industries				
19. *Dredging material* - dredging material from the bed of any waters (other than dredging by a port authority of material for which a royalty or similar charge is not payable) using plant or equipment having a design capacity of: (a) <5,000 t/yr 1 $700 (b) 5,000-100,000 t/yr 1 $3,960 (c) >100,000 t/yr 1 $4,880	**Extractive activities** Deletions • Bottom threshold imposed. Inclusions • Extracting rock, sand, clay, gravel, loam or other material. • Dredging material from the bed or the bed and banks of waters. • Screening, washing, crushing, grinding, milling, sizing or separating material extracted by extraction or by dredging. • Excavation of a natural bund between an existing water and artificial waterway constructed from dry land. Exemptions • Dredging operations that extract less than 1,000	(a) Dredging >1,000-10,000 t/yr (b) Dredging >10,000-100,000 t/yr (c) Dredging >100,000-1 million t/yr (d) Dredging >1 million t/yr (e) Extraction >5,000-100,000 t/yr (f) Extraction >100,000 t/yr-1 million t/yr (g) Extraction >1 million t/yr (h) Screening >5,000-100,000 t/yr (i) Screening >100,000-1million t/yr (j) Screening >1million t/yr	1 1 1 1 1 1 1 1 1 1	9 22 43 61 22 43 65 29 46 58

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	t/year. • Dry extraction operations that extract less than 5,000 t/yr. • Screening less than 5,000t/yr of materials. • Dredging from underground waters. • Extraction of materials authorised under an environmental authority (mining activities). • Extracting material in the course of cutting and filling land for constructing a road or railway. <u>Explanatory information and definitions</u> • Define '*bed*, of any waters, (a) includes an area covered, permanently or intermittently, by tidal waters; but (b) does not include an area of dry land that is occasionally covered by flood waters. • Define *dry extraction* to include extraction from dry non-tidal river bed and banks.	**Option** • Additional threshold for dry extraction from 5-50,000t/yr.		
20. *Extracting rock or other material* — extracting rock (other than rock mined in block or slab form for building purposes), sand (other than foundry sand), clay (other than clay used for its ceramic properties, kaolin or bentonite), gravel, loam or other material (other than gravel, loam or other material under a mining authority) from a pit or quarry using plant or equipment having a	<u>Deletions</u> ▪ ERA merged into new ERA **Extractive activities.**			

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
design capacity of: (a) <5000 t/year 2 $0 (b) 5,000-100,000 t/year 1 $3,960 (c) >100,000 t/year 1 $4,880				
21C. The construction of a new transmission pipeline under a pipeline licence issued under any of the petroleum legislation 1 $3,390	Deletions • Deleted. Merged into 21D			
21D. A petroleum activity otherwise prescribed under this schedule as a level 1 environmentally relevant activity 1 The amount provided under schedule 6, part 1A, item 9A, vis- ("the higher or highest amount stated in schedule 1 opposite any relevant petroleum activity for the authority")	**Level 1 Petroleum activity** Deletions • Nil Inclusions • A petroleum activity that includes another Level 1 environmentally relevant activity. • A petroleum activity authorised under the *Petroleum (Submerged Lands) Act 1982*. • A petroleum activity that is likely to have a significant impact on a Category A or B environmentally sensitive area. • Geological storage of carbon dioxide. • Constructing and operating a new pipeline authorised under a petroleum authority under the petroleum legislation. • Extending an existing pipeline by more than 150km that is authorised under a petroleum authority under the petroleum legislation. Exemptions (a) None	(a) Construction and operation of a pipeline (b) Geological storage of carbon dioxide (c) Any other Level 1 petroleum activity	1 1 1	167 50 135

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	Explanatory information and definitions • *Category A and B environmentally sensitive areas* are currently defined in Schedule 1A of the current regulation. • *Petroleum authority* and *petroleum legislation* is defined in s.76 of the EP Act. • *Petroleum activity* is defined in s.77(1) of the EP Act. (b) NB: This ERA will appear in a new Schedule under the new Regulation.			
21E. A petroleum activity not otherwise prescribed under this schedule as a level 1 environmentally relevant activity 2 nil	**Level 2 Petroleum activity** Deletions • Nil Inclusions • Any other petroleum activity not otherwise prescribed as a Level 1 environmentally relevant activity. Explanatory information and definitions • NB: This ERA will appear in a new Schedule under the new Regulation.	Level 2 petroleum activity	2	-
22. *Screening etc. materials* — screening, washing, crushing, grinding, milling, sizing or separating material extracted from the earth (other than under a mining authority) or by dredging using plant or equipment having a design capacity of: (a) 50-5,000 t/year 2 $0	Deletions • ERA merged into new ERA **Extractive activities.**			

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
(b) 5,000-100,000 t/year 1 $3,960 (c) >100,000 t/year 1 $4,880				

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
Fabricated metal products industries				
23. *Abrasive blasting* — commercially cleaning equipment or structures using a stream of abrasives - (a) if the activity is carried out at permanent location 1 $400 (b) if the activity is an itinerant activity 1 $650 (c) if the activity is carried out at a permanent location and includes an itinerant activity 1 $650	**Abrasive blasting** Deletions • Nil Inclusions • Commercially cleaning equipment or structures using a stream of abrasives in either a wet or dry pressure stream. • Mobile and temporary and fixed site activities. • Applying protective coating by spraying to blasted equipment or structures. Exemptions • High pressure water, steam, dry ice, soluble powders or air unless abrasive material is included in the pressure stream. Explanatory information and definitions • *Mobile and temporary environmentally relevant activity* is defined in the EP Act as: a chapter 4 activity, other than a activity that is dredging material, extracting rock or other material, or the incinerating of waste— a) carried out at various premises using transportable plant or equipment, including a vehicle; and b) that does not result in the building of any permanent structures or any physical change of the landform at the premises (other than minor alterations solely necessary for access and setup including, for example, access ways, footings and	(a) Permanent location (b) Mobile and temporary, or permanent location with mobile and temporary	1 1	21 23

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	temporary storage areas); and c) carried out at 1 location and— (i) for less than 28 days in a calendar year; or (ii) the activity is necessarily associated with, and is exclusively used in the construction or demolition phase of a project.			
24. *Boiler making or engineering* — commercial boiler making, electrical machine manufacturing or building or assembly of agricultural equipment, motor vehicles, trains, trams or heavy machinery. 2 $0	**Boiler making or engineering** Deletions ▪ Threshold increased. ▪ Inclusions ▪ Boiler making, electrical machine manufacturing or building or assembly of agricultural equipment, motor vehicles, trains, trams or heavy machinery. ▪ Exemptions ▪ Operations with an annual throughput of less than 200 t/yr. Explanatory information and definitions ▪ Nil	(a) 200-10,000 t/yr (b) >10,000 t/yr	2 1	- 77
25. *Metal surface coating* — commercial spray painting (other than spray painting motor vehicles), powder coating, enamelling, electroplating, anodising or galvanising in works having an annual throughput of metal products: (a) <2000t 1 $450	**Metal surface coating** Deletions ▪ Imposed bottom threshold. Inclusions ▪ Spray painting, powder coating, enamelling, electroplating, anodising or galvanising in works. ▪ Mobile and temporary metal surface coating. Exemptions	(a) Electroplating or galvanizing using <100t/yr surface coating materials; powder coating or painting using <5t/yr surface coating materials (b) Electroplating or galvanizing using 100-1,000t/yr surface coating materials; powder coating	1 1	10 19

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
(b) 2000-10,000t 1 $600 (c) 10,000-30,000t 1 $1,200 (d) >30,000t 1 $2,800	▪ Surface coating by paintbrush. ▪ Surface coating undertaken as part of a motor vehicle workshop, drum reconditioning or abrasive blasting. **Options** • Expand ERA to cover surface coating of non-metal objects, such as pre-fabricated kitchens. Alternatively, wooden product manufacture could include surface coating.	or painting using >5-<50t/yr surface coating materials (c) Electroplating or galvanising using 1,000-<10,000 t/yr surface coating materials; powder coating or painting using >50t/yr surface coating materials (d) Electroplating or galvanizing using >10,000 t/yr surface coating materials	1 1	37 62
26. *Metal forming* – pressing, forging, extending, extruding or rolling metal, forming metal into plate, wire or rods or fabricating sheet metal. 2 $0	**Metal forming** Deletions ▪ Impose lower threshold. Inclusions ▪ Pressing, forging, extending, extruding or rolling metal, forming metal into plate, wire or rods or fabricating sheet metal. Exemptions ▪ Works with a throughput of less than 10,000t/yr	>10,000t/yr	2	-
27. *Metal recovery* – commercially operating a scrap metal yard or dismantling automotive or mechanical equipment, including debonding brake or clutch components. 1 $500	**Metal recovery** Deletions ▪ Nil Inclusions ▪ Operating a scrap metal yard or dismantling automotive or mechanical equipment, including debonding brake or clutch components.	>100 t/yr or 10,000 t/yr	1	18

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	Exemptions ▪ Operations with a throughput of less than 100 t/day or less than 10,000 t/yr.			
28. *Motor vehicle workshop* — operating a workshop or mobile workshop in the course of which motor vehicle mechanical or panel repairs are carried out in a commercial or municipal enterprise (other than on a farm or under a mining tenement) or on a commercial basis. 1 $500	**Motor vehicle workshop** Deletions ▪ Nil Inclusions ▪ Operating a workshop on a commercial basis or in a commercial or municipal enterprise to maintain, service, tune, recondition or repair: o Mechanical components of motor vehicles; o Motor vehicle engine cooling radiators; o Motor vehicle body panels including spray painting; or o Motor vehicles by way of car detailing or washing. ▪ Permanent and mobile and temporary workshops. Exemptions ▪ Operating a workshop on a farm, under a mining tenement or petroleum licence or as part of a not for profit enterprise. ▪ Operating a workshop to maintain, service, tune, recondition or repair: o Motor vehicle fleets of less than 20 passenger cars or less than 5 mining or earth moving equipment or trucks; o auto electrical, exhaust, suspension or air conditioning components of a motor vehicle;	All operations	1	9

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	or o wheels or tyres of a motor vehicle or another component necessary for maintaining the vehicle's wheel alignment; o motor vehicle detailing or washing if all washdown water is lawfully discharged to a sewer; o by way of minor scratch, chip or dent repairs using a brush, air brush or paintless method. Explanatory information and definitions • Fleet vehicle include rental cars, taxis, taxi trucks, mining and earth moving equipment. • Define *motor vehicle* as meaning: (a) a vehicle, that is propelled by a motor that forms part of the vehicle and moves on wheels, other than a train or tram; or (b) a hovercraft or helicopter. ▪ Define *mechanical component* as including brakes, clutch, differential, gearbox, transmission and other drive-train equipment, combustion engine and hydraulic equipment of the vehicle. ▪ Definitions of *motor vehicle mechanical or panel repairs* deleted.			
Food processing				
29. *Beverage production* — commercially producing: (a) any non-alcoholic beverage in works having a production output of -	**Beverage production** Deletions ▪ Delete part of (a)(i) (up to 1 million L/yr) Inclusions	(a)(i) Non-alcoholic beverages 1 million-10 million L/yr (a)(ii) Non-alcoholic beverages >10 million L/yr	1 1	23 39

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
(i) 200,000-2,000,000 L/yr 1 $715 (ii) 2,000,000-14,500,000 L/yr 1 $1,430 (iii) >14,500,000 L/yr 1 $2,860 (b) any beer or other alcoholic beverage in works having a design production capacity of more than 400,000 L/year. 1 $4,740	▪ Manufacturing alcoholic and non-alcoholic beverages. Exemptions ▪ Distilling alcohol under ERA 5 (Alcohol distilling). ▪ Beer operations that have a design production capacity of less than 400,000 L/yr. ▪ Non-alcoholic beverage production of less than 1,000,000 L/yr. ▪ Soft drink or cordial manufacturers with no discharge to waters. ▪ Bottling water. Explanatory information and definitions o *Alcoholic beverages* includes beer, wine, distilled spirits, liqueurs, fortified wines and pre-mixed drinks.	(b) Alcoholic beverages >1 million L/yr	1	57
30. *Edible oil processing* — commercial vegetable oil or oilseed processing in works having a design production capacity of 1000 t/ year or more. 1 $3,740	**Edible oil processing** Deletions ▪ Nil Inclusions ▪ Processing vegetable oil or oilseed. Exemptions ▪ Operations with design production capacity of less than 1,000 t/yr.	>1,000 t/yr	1	47
31. *Flour milling* — commercial processing of grain crops by crushing, grinding, milling, separating or sizing in works having a design production capacity of 1000 t/year or more. 2 $0	Deletions ▪ ERA 31 deleted.			

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
32. *Meat processing* — slaughtering animals for commercially producing meat or meat products for human consumption, or processing (other than smoking covered by Smoking, drying or curing works), or packaging of meat or meat products for human consumption — (a) if an integral part of the activity involves the operation of a rendering plant with a design production capacity of - (i) 1000-3000 t/yr 1 $1,000 (ii) 3000-6000 t/yr 1 $3,000 (iii) >6000 t/year t/yr 1 $6,020 (b) if paragraph (a) does not apply — in works (other than a retail butcher shop) having a design production capacity of - (i) 1000-3000 t/yr 1 $875 (ii) 3000-6000 t/yr 1 $2,600 (iii) >6000 t/yr 1 $5,200	**Meat processing** Deletions ▪ Nil Inclusions ▪ Slaughtering animals to produce meat or meat products. ▪ Processing meat or meat products. ▪ Rendering by processing or extracting substances, including fat, tallow, derivatives of fat or tallow or proteinaceous matter, from animal wastes or by-products. Exemptions ▪ Works that only carry out rendering with a design production capacity of <100 t/yr. ▪ Works (other than works that only carry out rendering) with a design production capacity of <1,000 t/yr. ▪ Processing meat that only involves smoking, drying, curing, chilling, freezing and/or consequential packaging activities. ▪ Processing meat within retail premises such as butcher shops or supermarkets.	(a) (i) Meat processing (involving rendering) >1,000-3,000 t/yr (a) (ii) Meat processing (involving rendering) >3,000-6,000 t/yr (a) (iii) Meat processing (involving rendering) >6,000 t/yr (b) (i) Meat processing (no rendering) >1,000-3,000 t/yr (b) (ii) Meat processing (no rendering) >3,000-6,000 t/yr (b) (iii) Meat processing (no rendering) >6,000 t/yr Rendering (no meat processing) >100-300 t/yr Rendering (no meat processing) >300 t/yr	1 1 1 1 1 1 2 1	40 56 69 20 35 46 low 32
33. *Milk processing* — separating, evaporating or processing milk (other than on a farm), or manufacturing evaporated or condensed milk, cheese, butter, ice cream or other dairy products in works having a design production capacity of 200 t or more a	**Milk processing** Deletions ▪ Nil Inclusions ▪ Separating, evaporating or processing milk. ▪ Manufacturing evaporated or condensed milk, cheese, butter, ice cream or other dairy products.	>200 t/yr	1	44

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
year. 1 $4,100	Exemptions ▪ Operations with a design production capacity of less than 200t p/yr. ▪ Separating, evaporating or processing milk on a farm.			
34. *Seafood processing* — commercially processing seafood, including removing the scales, gills, intestines or shells, filleting, chilling, freezing or packaging seafood in works having a design production capacity of more than 100 t/year. 1 $2,840	**Seafood processing** Deletions ▪ Nil Inclusions ▪ Processing seafood for any purpose. Exemptions ▪ Operations with a design production capacity of less than 500 t/yr. ▪ Processing seafood that only involves smoking, drying, curing, chilling, freezing and/or consequential packaging activities. ▪ Cooking animals whole. ▪ Processing seafood within retail premises such as fish shops or supermarkets. ▪ Seafood processing activities undertaken on a vessel in State waters.	>500 t/yr	1	21
	Options • Exclude operations that lawfully discharge to sewer.			
35. *Smoking, drying or curing works* — smoking, drying or curing meat, fish or other edible products by applying	Deletions ▪ ERA 35 deleted			

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
heat, smoke or other dehydration method in works (other than a retail butcher shop or chicken outlet) having a design production capacity of 200 t/year or more. 2 $0				
36. *Sugar milling or refining* — crushing sugar cane or manufacturing sugar or sugar cane products from sugar cane (other than on a farm). 1 $10,160	**Sugar milling or refining** Deletions ▪ Nil Inclusions ▪ Crushing sugar cane or manufacturing sugar or sugar cane products from sugar cane Exemptions ▪ Operations that have a design production capacity of less than 200 t/yr; ▪ Crushing sugar cane or manufacturing sugar or sugar cane products on a farm.	>200 t/yr	1	96
37. *Bottling or canning* — bottling or canning food (other than covered in items 29-36) in works having a design production capacity of 200 t/year or more. $4,440	**Bottling and canning** Deletions ▪ Nil. Inclusions ▪ Bottling or canning food. Exclusions ▪ Bottling or canning covered by another ERA. ▪ Works having a design production capacity of less than 200 t/yr.	>200 t/yr	1	54
Metal products activities				
40. *Metal foundry* — commercially producing metal castings -	**Metal foundry** Deletions	Using ferrous metals:		

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
(a) using ferrous metals in works having an average annual metal tonnage output of: (i) <20t 2 $0 (ii) 20-100t 1 $300 (iii) 100-300t 1 $500 (iv) 300-1000t 1 $1,350 (v) 1000-5000t 1 $2,600 (vi) 5000-10000t 1 $3,600 (vii) >10000t 1 $5,400 (b) using non-permanent moulds and non-ferrous metals in works having an average annual metal tonnage output of: (i) <20t 2 $0 (ii) 20-100t 1 $300 (iii) 100-200t 1 $500 (iv) 200-1000t 1 $1,200 (v) 1000-5000t 1 $1,800 (vi) >5000t 1 $2,400 (c) using permanent moulds and nonferrous metals in works. 2 $0	▪ (a)(i) and (b)(i). Threshold for (a)(ii) and (b)(ii) increased. Inclusions ▪ Producing metal castings. Exemptions ▪ Works using non-ferrous metals having an annual metal tonnage output of less than 50t/yr. ▪ Facilities using ferrous metals having an average annual metal tonnage output of less than 100 t/yr.	(a) 100-300 t/yr (b) 300-1,000 t/yr (c) 1,000-5,000 t/yr (d) 5,000-1,0000 t/yr (e) >10, 000 t/yr Using non-permanent moulds and nonferrous metals (f) 50-100 t/yr (g) 100-200 t/yr (h) 200-1,000 t/yr (i) 1, 000- 5,000 t/yr (j) >5,000 t/yr (k) Using permanent moulds (non-ferrous) in works	1 1 1 1 1 1 1 1 1 1 1	22 31 41 51 67 18 24 29 41 47 15
41. *Metal works* — commercially smelting or processing ores or ore concentrates to produce metal in works having a design production capacity of - (a) 10-100 t/year 1 $9,860 (b) 100-10,000 t/year 1 $12,380 (c) >10,000 t year 1 $16,340	**Metal works** Deletions ▪ Nil Inclusions ▪ Smelting or processing ores or ore concentrates to produce metals or metalloids. Exemptions ▪ Works that process less than 1 t/yr of gold.	(a) 1-100t/yr (gold), 10-100 t/yr (others) (b) 100-10,000 t/yr (c) >10,000 t/yr	1 1 1	102 194 304

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	▪ Works that process less than 10 t/yr of other metals. Explanatory information and definitions ▪ Define *metalloids* as meaning an element which is both metallic and non-metallic, such as arsenic, silicon, or bismuth.			
42. *Mineral processing* — commercially processing, classification, mixing or concentration of mineral ores to produce mineral concentrates in works having a design production capacity of: (a) 1,000-100,000 t/year 1 $3,140 (b) >100,000 t/year. 1 $16,340	**Mineral processing** Deletions ▪ Nil Inclusions ▪ Processing, classifying, mixing or concentrating mineral ores to produce mineral concentrates Exemptions ▪ Works that produce less than 1,000 t/yr.	(a) 1,000-100,000 t/yr (b) >100,000 t/yr	1 1	173 279
Miscellaneous activities				
43. *Animal housing* — commercially operating a boarding or breeding kennel, dog pound, greyhound training facility or veterinary clinic in which animals are boarded, other than overnight for treatment. 2 $0	Deletions ▪ ERA 43 deleted **Option** • Retain ERA due to noise impacts but exclude small breeding kennels and charities. • Many local governments already regulate by local law.			
44. *Battery manufacturing* – manufacturing batteries of any kind. 1 $1,880	**Battery manufacturing** Deletions ▪ Nil	>200 t/yr	1	33

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	Inclusions ▪ Manufacturing batteries of any kind. Exemptions ▪ Manufacturing less than 200 t/yr of batteries.			
45. *Crushing, milling or grinding* — processing products (other than agricultural products and materials covered by Screening etc. materials), including, for example, uncured rubber and chemicals, by crushing or grinding or milling in works having a design production capacity of 5000 t/year or more. 2 $0	**Crushing, milling or grinding** Deletions ▪ Nil Inclusions ▪ Processing materials by crushing or grinding or milling Exemptions ▪ Works that have a design production capacity of less than 5,000t/yr. ▪ Agricultural products. ▪ Products covered by ERA 22 (Screening etc materials).	>5,000 t/yr	2	-
46. *Mushroom growing substrate manufacturing* — commercially manufacturing substrate for mushroom growing. 1 $400	**Mushroom growing substrate** Deletions ▪ Threshold increased. ▪ Inclusions ▪ Manufacturing substrate for mushroom growing ▪ Exemptions ▪ Works with a design production capacity of less than 200 t/yr.	>200 t/yr	1	15
47. *Pet, stock or aquaculture food manufacturing* — commercially	Deletions ▪ ERA 47 deleted			

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
manufacturing or processing pet, stock or aquaculture food (other than an abattoir, slaughter house, rendering works, or animal glue or gelatine works). 1 $500	▪ Transfer to **Meat processing** and **Seafood processing** for relevant pet food manufacturing that includes meat or meat products or seafood or seafood products respectively.			
48. *Plaster manufacturing* — manufacturing or processing plaster in works having a design production capacity of 200 t/year or more. 1 $3,000	**Plaster manufacturing** Deletions ▪ Nil Inclusions ▪ Manufacturing or processing plaster. Exemptions ▪ Works with a design production capacity of less than 5,000 t/year. Explanatory information and definitions ▪ Includes manufacturing plaster wall and ceiling panels and ornamental plaster castings.	>5,000 t/yr	1	54
49. *Pulp or paper manufacturing* — manufacturing pulp or paper in works having a design production capacity of more than 100 t/year. 1 $6,180	**Pulp or paper manufacturing** Deletions ▪ Nil Inclusions ▪ Manufacturing pulp, paper, cardboard, moulded paper pulp or similar products Exemptions ▪ Operations having a design production capacity of less than 100t/yr. Explanatory information and definitions ▪ Includes virgin organic fibre, recycled fibre or synthetic fibre materials.	>100t/yr	1	204

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
50. *Rendering operation* — commercially processing or extracting substances, including, for example, fat, tallow, derivatives of fat or tallow or proteinaceous matter, from animal wastes or by-products (other than an operation using wastes solely derived from Meat processing or Pet, stock or aquaculture food manufacturing) in works having a design production capacity of: (a) 10 - 300 t/year 2 $0 (b) > 300 t/year 1 $6,020	▪ ERA 50 transferred to **Meat Processing**			
51. *Plastic manufacturing* — commercially manufacturing plastic or plastic products in works having a design production capacity of: (a) 1-5 t/year 1 $300 (b) >5 t/year 1 $450	**Plastic manufacturing** Deletions ▪ Threshold increased. Inclusions ▪ Commercially manufacturing plastic or plastic products. Exclusions ▪ Works having a design production capacity of less than 50 t/yr for extrusion and injection moulding ▪ Works having a design production capacity of less than 5 t/yr for blow moulding and foam Explanatory information and definitions ▪ Define *plastic* as including blown plastic foam and fibre reinforced plastic.	(a) Extrusion, injection moulding, blow moulding, bag and film, >50 t/yr (b) Foam, composites and rigid fibre-reinforced >5 t/yr	1 1	34 63

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	Option ▪ Concerns have been raised that the proposed threshold is too high due to styrene plumes. ▪ Consider lower threshold.			
52. *Printing* — commercially screen printing or printing (other than photocopying and photographic printing), including advertising material, magazines, newspapers, packaging and stationery. 2 $0	**Printing** Deletions ▪ Nil Inclusions ▪ Printing, including screen printing, advertising material, magazines, newspapers, packaging and stationery Exemptions ▪ Operations with a design production capacity of less than 200 t/yr of printed materials. ▪ Photocopying and photographic printing. ▪ Plateless printing. Explanatory information and definitions ▪ Define *plateless printing* to include laser printing, electrostatic, magnetic, thermal and ink-jet technologies.	(a) 200- 1,000 t/yr (b) >1,000 t/yr	2 1	- 28
53. *Soil conditioner manufacturing* — commercially manufacturing soil conditioners (other than spent mushroom growing substrate by a mushroom grower) by receiving and blending, storing, processing, drying or composting organic material or organic waste, including, for example, animal manures, sewage, septic sludges and domestic waste, in works having a	**Soil conditioner manufacturing** Deletions ▪ Nil Inclusions ▪ Manufacturing soil conditioners or conditioned soils by receiving and blending, storing, processing, drying or composting organic material or organic waste. Exemptions ▪ Works with a design production capacity of	>200t/yr	1	21

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
design production capacity of 200 t/year or more. 1 $400	less than 200 t/yr. ▪ Spent mushroom growing substrate by a mushroom grower. ▪ Composting manure as part of ERA 2, 3 or 4 (cattle or sheep feedlotting, pig keeping or poultry farming). Explanatory information and definitions ▪ Define *organic material or organic waste* to include animal manures, sewage, septic sludge and domestic waste.			
54. *Tanning* – commercially operating a tannery or works for curing animal skins or hides, or commercially finishing leather. 1 $4,740	**Tanning** Deletions ▪ Nil Inclusions ▪ Operating a tannery or works for curing animal skins or hides, or finishing leather. Exemptions ▪ Operations with a design production capacity of less than 100 t/yr. Explanatory information and definitions ▪ Includes tanning fish, reptiles and hides of mammals.	>100 t/yr	1	62
55. *Textile manufacturing* — commercial carpet manufacturing, wool scouring or carbonising, cotton milling, or textile bleaching, dyeing or finishing. 1 $4,740	**Textile manufacturing** Deletions ▪ Nil Inclusions ▪ Carpet manufacturing, wool scouring or carbonising, cotton milling, or bleaching, dyeing or finishing natural fibre or synthetic textiles Exemptions	>100 t/yr	1	48

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	▪ Operations with a design production capacity of less than 100t/yr. Explanatory information and definitions ▪ Includes preparatory processes such as washing and cleaning plant fibre, dyeing and spinning in mills.			
56. *Tobacco processing* — processing tobacco (other than drying tobacco on a tobacco farm) or manufacturing products from tobacco or a tobacco derivative. 1 $3,340	Deletions ▪ ERA 56 deleted.			
57. *Tyre manufacturing or retreading*: (a) tyre manufacturing 1 $1,800 (b) tyre retreading 1 $ 500	**Tyre manufacturing or retreading** Deletions ▪ Nil Inclusions ▪ Tyre manufacturing and retreading Exclusions ▪ Nil	(a) Manufacturing (b) Retreading	1 1	42 25
Non-metallic mineral product manufacture				
58. *Asbestos products manufacturing* —manufacturing an asbestos product. 1 $800	Deletions and exemptions ▪ ERA 58 deleted ▪ Manufacture of asbestos products is banned in Australia.			
59. *Asphalt manufacturing* — manufacturing asphalt. 2 $0	**Asphalt manufacturing** Deletions ▪ Nil Inclusions	(a) <1,000 t/yr (b)>1,000 t/yr	2 1	- 21

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	▪ Manufacturing asphalt, bitumen, tar or carbon. Exemptions ▪ Nil			
60. *Cement manufacturing* — manufacturing cement 1 $7,620	**Cement manufacturing** Deletions ▪ Nil Inclusions ▪ Manufacturing cement or calcining limestone Exemptions ▪ Operations with a design production capacity of less than 200 t/yr.	>200 t/yr	1	101
61. *Clay or ceramic products manufacturing* — manufacturing a clay or ceramic product, including bricks, tiles, pipes, pottery goods and refractories, in works having a design production capacity of more than 200 t/year. 1 $4,740	**Clay or ceramic products manufacturing** Deletions ▪ Nil Inclusions ▪ Manufacturing a clay or ceramic product, including bricks, tiles, pipes, pottery goods and refractories. Exemptions ▪ Works with a design production capacity of less than 200 t/year.	(a) 200-5,000 t/yr (b) >5,000 t/yr	1 1	45 75
62. *Concrete batching* — producing concrete or a concrete product by mixing cement, sand, rock, aggregate or other similar materials in works (including mobile works) having a design production capacity of more	**Concrete batching** Deletions ▪ Nil Inclusions ▪ Producing concrete or a concrete product by	>200 t/yr	1	33

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
than 100 t/ year. 1 $650	mixing cement, sand, rock, aggregate or other similar materials. ▪ Mobile and temporary works. Exemptions ▪ Works with a design production capacity of less than 200 t/year. Explanatory information and definitions ▪ Includes manufacture of pipes, pavers, concrete building panels and products and ferro-cement boats.			
63. *Glass or glass fibre manufacturing* — manufacturing glass or glass fibre in works having a design capacity of more than 200 t/ year. 1 $4,740	**Glass or glass fibre manufacturing** Deletions ▪ Nil Inclusions ▪ Manufacturing glass and glass fibre. Exemptions ▪ Works having a design capacity of less than 200t/yr.	>200 t/yr	1	73
64. *Mineral wool or ceramic fibre manufacturing* — manufacturing mineral wool or ceramic fibre. 1 $2,680	**Mineral wool or ceramic fibre manufacturing** Deletions ▪ Nil Inclusions ▪ Manufacturing mineral wool or ceramic fibre. Exemptions ▪ Nil	All operations	1	27
Recreational and sporting activities				
65. Motor racing	Deletions	▪ Definition *motor race* deleted		

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
(a) not international, 2 nil (b) international 2 nil	▪ ERA 65 deleted	from Sch 9.		
Sawmilling, woodchipping and wooden product manufacture				
66. *Chemically treating timber* — commercially treating timber for preservation using chemicals, including, for example, copper, chromium, arsenic, borax and creosote. 1 $2,860	**Chemically treating timber** Deletions ▪ Nil Inclusions ▪ Commercially treating timber for preservation using chemicals. ▪ Mobile and temporary operations. Exemptions ▪ Nil	All operations	1	51
67. *Sawmilling or woodchipping* — sawing, cutting, chipping, compressing, milling or machining logs, drying logs in a kiln or manufacturing secondary wooden products, in a mill or works having a design production capacity of (a) 500-5,000 t/year 1 $300 (b) 5,000-10,000 t/year 1 $500 (c) 10,000-20,000 t/year 1 $700 (d) 20,000 t/year or more 1 $800	**Timber manufacturing and woodchipping** Deletions ▪ 67(a) deleted. ▪ Manufacturing secondary wooden products transferred to ERA 68 (Wooden product manufacturing). Inclusions ▪ Sawing, cutting, chipping, compressing, milling or machining logs. Exemptions ▪ Mill or works have a design production capacity of less than 5,000 m^3/yr input of logs.	(a) 5,000- 10,000 m3 logs/yr (b) >10,000 m3 logs/yr	1 1	48 67
68. *Wooden product manufacturing* — commercially manufacturing or fabricating (other than items 66 and 67) a wooden product, including, for example, a product made by a cabinet-	**Wooden product manufacturing** Deletions ▪ Raise threshold. Inclusions ▪ Manufacturing or fabricating a wooden product,	(a) Wooden products >100t/yr Reconstituted timber products and kiln drying:	1	77

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
maker, joiner or other woodworker, in a facility having a design production capacity of more than 1 t/year. 2 $0	including spray painting. ▪ Kiln drying Exemptions ▪ Facilities having a design production capacity of less than 100 t/year. ▪ Items manufactured under ERAs 66 or 67 (Chemical treatment of timber, Saw milling). Explanatory information and definitions ▪ Includes a product made by a cabinet maker, joiner or other woodworker ▪ Includes manufacture of cabinets, furniture, coffins, house frame, timber trusses and timber boats. ▪ Includes manufacturing plywood, chipboard, veneer and laminated timber (currently defined as *secondary wooden products*).	(b) 5,000-10,000 m3 logs/yr (c)>10,000 m3 logs/yr	1 1	49 79
Transport and maritime services				
69. *Boat maintaining or repairing facility* — operating a commercial facility for maintaining or repairing any type of boat, or inboard or outboard marine engine. 1 $650	**Boat maintenance or repairing facility** Deletions ▪ Nil Inclusions ▪ Operating a commercial facility for maintaining or repairing the hull, superstructure or mechanical components of any type of boat or seaplane. ▪ Undertaking in-water hull cleaning and propeller cleaning/polishing Exemptions ▪ Sail making. Explanatory information and definitions ▪ A facility includes cradles, dry docks and	(a) Within 500m of highest astronomical tide (HAT) or Watercourse (b) Not within 500m of HAT or watercourse	1 1	21 13

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	hardstand areas used for repairs, on land, or on or near waters.			
70. *Heliport* — operating a facility for landing helicopters (other than a facility forming part of an aerodrome used for general aviation or for sole use in emergency circumstances). 2 $0	Deletions ▪ ERA 70 deleted			
71. *Port* — operating a port (other than an airport) under the *Transport Infrastructure Act 1994*. 2 $0	Deletions and exemptions ▪ ERA 71 deleted ▪ Chemical storage, Boat maintenance or repairing facility and Regulated waste storage ERAs may apply			
72. *Railway facility* — operating any railway facility for refuelling and maintaining or repairing rolling stock. 1 $5,040	**Railway facility** Deletions ▪ Nil. Inclusions ▪ Operating any railway facility where both refuelling and maintaining or repairing rolling stock is undertaken. Exclusions ▪ Nil.	All operations	1	35
NEW: *Road Tunnel Ventilation Stacks*	**Road tunnel ventilation stacks** Inclusion ▪ Operating a road tunnel ventilation stack. Exclusions • Busway tunnels. Explanatory information and definitions ▪ Ventilation stacks do not include ventilation through entrance.	All operations	1	36
73. *Marina or seaplane mooring* —	Deletions			

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
operating a commercial marina or facility for mooring seaplanes, including any land-based buildings or works used in association with the marina or mooring - (a) for <20 berths or moorings; 2 $0 (b) 20-100 berths or moorings; 1 $300 (c) 100 or more berths or moorings. 1 $500	▪ ERA 73 is deleted ▪ Chemical storage, Boat maintenance or repairing facility and Regulated waste storage ERAs may apply			
74. *Stockpiling, loading or unloading goods in bulk* — commercially loading, unloading or stockpiling materials or goods, in association with a port, using a crane, conveyor, pump or other similar way at a rate of more than 100 t/ day. 1 $3,000	**Stockpiling, loading or unloading goods in bulk** Deletions ▪ Nil Inclusions ▪ Loading, unloading or stockpiling materials or goods, in association with a port. ▪ Loading or unloading, stockpiling coal or minerals at a place other than a port. ▪ Loading or unloading or stockpiling extraction materials at a place other than a port. ▪ NB: removal of 'commercial' to capture activity undertaken as part of another commercial enterprise. Exemptions ▪ Loading, unloading materials or goods at a rate of less than 100t/day. ▪ Stockpiling less than 50,000 tonnes of coal, minerals or extracted materials at a place other than a port. ▪ Loading, unloading or stockpiling on a mining	(a) >100t/day (within 5km of HAT or 1km of watercourse) (b) >100t/day and 50,000t (capacity not within 5km of HAT or 1km of watercourse)	1 1	74 49

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	lease. Explanatory information and definitions ▪ Define *goods in bulk* to refer to unpackaged and loose goods.			

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
Waste management				
75. *Waste disposal* - operating a facility for: (a) disposing of only general waste or limited regulated waste, if the facility is designed to receive waste at the rate of - (i) 50-2,000 t/yr 1 $500 (ii) 2,000-5,000 t/yr 1 $750 (iii) 5,000-10,000 t/yr 1 $1,000 (iv) 10,000-20,000 t/yr 1 $1,500 (v) 20,000-50,000 t/yr 1 $2,000 (vi) 50,000-75,000 t/yr 1 $2,500 (vii) 75,000-100,000 t/yr 1 $5,000 (viii) 100,000-200,000 t/yr 1 $7,500 (ix) >200,000 t/yr 1 $10,000 (b) disposing of regulated waste (other than limited regulated waste) whether alone or in combination with any waste mentioned in paragraph (a), if the facility is designed to receive waste at the rate of (i) <50,000 t/yr 1 $3,000 (ii) 50,000-100,000 t/yr 1 $5,220 (iii) 100,000-200,000 t/yr 1 $7,500 (iv) >200,000 t/yr 1 $10,000 (c) disposing of not more than 5 t untreated clinical waste per year, whether alone or in combination with any waste mentioned in paragraph (a),	**Waste disposal** Deletions ▪ Nil Inclusions ▪ Operating a facility for - (a) disposing of only general waste or limited regulated waste; (b) disposing of regulated waste (other than limited regulated waste whether alone or in combination with any waste mentioned in paragraph (a) (c) disposing of less than 5 t untreated clinical waste per year, whether alone or in combination with any waste mentioned in paragraph (a), if the facility is in a scheduled area. Exemptions ▪ Disposing of less than 20t/yr of organic regulated wastes by use as stockfeed or as a soil conditioner or fertiliser applied to land at or below the beneficial reuse rate. ▪ Disposing of more than 20t/yr of organic regulated wastes by use as stockfeed or as a soil conditioner or fertiliser applied to land at or below the beneficial reuse rate where an EMP has been approved by the administering authority. ▪ Using *inert construction and demolition waste* as clean fill. Explanatory information and definitions ▪ Define *inert construction and demolition waste* to include:	(a) 50-2,000 t/yr (b) 2,000-5,000 t/yr (c) 5,000-10,000 t/yr (d) 10,000- 20,000 t/yr (e) 20,000-50,000 t/yr (f) 50,000-75,000 t/yr (g) 75,000-100,000 t/yr (h) 100,000-200,000 t/yr (i) >200,000 t/yr Regulated wastes: (a) <50,000 t/yr (b) 50,000-100,000 t/yr (c)>100,000-200,000 t/yr (d) >200,000 t/yr	1 1 1 1 1 1 1 1 1 1 1 1 1	10 15 21 27 40 53 62 73 95 50 82 100 110

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
if the facility is in a scheduled area and designed to receive waste at the rate of (i) to (ix) same levels and fees as 75(a)	(a) Bricks, pavers, ceramics; (b) Concrete (incl. embedded steel reinforcing rods), pulverised to a max. 300mm size; or (c) Clean earthen fill. ▪ Define *limited regulated waste* as meaning any of the following regulated wastes, asbestos, clinical waste or quarantine waste that has been rendered non-infectious, fish processing waste, food processing waste, poultry processing waste, tyres or treatment tank sludge or residue produced in the carrying out of an activity under ERA 15 (Sewage treatment) or 16 (Water treatment). ▪ Define *beneficial reuse rate* as the use of nutrients and other characteristics of biosolids at or below the agronomic loading rate or use of the soil conditioning properties of the biosolids. ▪ Define *organic regulated wastes* to include food, fish and poultry processing wastes, abattoir effluent, sewage tank sludges and residues. **Option** ▪ Expand definition of *limited regulated waste* to include small amounts of batteries and waste oils disposed of at small rural landfills.			
76. *Incinerating waste* — operating a waste incineration facility for incinerating: (a) vegetation 2 $0 (b) clean paper or cardboard 2 $0 (c) general waste whether alone or in	**Incinerating and thermal treatment of waste** Deletions ▪ Nil Inclusions ▪ Operating a waste incineration facility. ▪ Operating a thermal treatment facility which	(a) Waste vegetation (b) Clean paper or cardboard (c) General waste <5,000 t/yr (d) General waste >5,000 t/yr (e) Clinical waste or quarantine waste	2 2 1 1 1	- - 18 30 51

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
combination with vegetation or clean paper or cardboard (i) <5000t/year 1 $2,280 (ii) 5,000t/year or more 1 $5,000 (d) clinical or quarantine waste 1 $4,750 (e) regulated waste (other than in (d) above) 1 $6,000	involves the application of heat to any waste, or solid fuel manufactured from waste, to produce either a saleable or non-saleable product and/or to render the waste less hazardous for disposal. Exemptions ▪ Nil	(f) Regulated waste	1	41
77. *Battery recycling* — operating a facility for receiving and recycling or reprocessing any kind of battery. 2 $0	**Battery recycling** Deletions ▪ Nil. Inclusions ▪ Operating a facility for receiving and recycling or reprocessing any kind of battery. Exemptions ▪ Nil. Explanatory information and definitions ▪ Included construction of a pit and associated equipment for pit burning.	All operations	2	-
78. *Chemical or oil recycling* — operating a facility for receiving and commercially recycling or reprocessing used chemicals, oils or solvents to produce saleable products. 1 $3,820	Deletions ▪ ERA 78 transferred to ERA 81 – *Recycling or reprocessing regulated waste*	All operations	1	74
79. *Drum reconditioning* - operating a facility for receiving and commercially reconditioning metal or plastic drums. 2 $0	**Drum reconditioning** Deletions ▪ Nil Inclusions ▪ Operating a facility for receiving and commercially reconditioning metal or plastic	All operations	2	-

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	drums or containers. ▪ Applying protective coating by spraying cleaned drums or containers. Exemptions ▪ Nil Explanatory information and definitions ▪ Includes cleaning by physical or chemical processes, removal of dents and painting.			
80. *Tyre recycling* – operating a facility for receiving and commercially recycling or reprocessing tyres (other than retreading tyres). 2 $0	**Tyre recycling** Deletions ▪ Nil. Inclusions ▪ Operating a facility for receiving and commercially recycling or reprocessing tyres. Exemptions ▪ Recycling less than 1,000 passenger units of tyres/yr. ▪ Retreading tyres.	All operations	2	-
81. *Recycling or reprocessing regulated waste* — operating a facility for receiving and recycling or reprocessing regulated waste (other than waste recycled or reprocessed under item 32(a), 46, 47, 50, 53 or 77 to 80) to produce saleable products. 1 $2,280	**Recycling or reprocessing regulated waste** Deletions ▪ Nil Inclusions ▪ Operating a facility for receiving and commercially recycling or reprocessing regulated waste to produce saleable products. ▪ Operating a facility for receiving and commercially recycling or reprocessing used chemicals, oils or solvents to produce saleable products. Exemptions	All operations	1	85

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	▪ Recycling less than 1,000 equivalent passenger units of tyres per year. ▪ Waste recycled or reprocessed under items 32 (Meat processing), 46 (Mushroom growing substrate), 53 (Soil conditioner manufacturing), 77 (Battery recycling), 78 (Chemical or oil recycling), 79 (Drum reconditioning), 80 (Tyre recycling). Explanatory information and definitions ▪ Includes physical and chemical processes.			
82. *Waste transfer station* — operating a waste transfer station designed to receive waste at the rate of 20,000 t/year or more. 1 $900	**Waste transfer station** Deletions ▪ Nil Inclusions ▪ Operating a waste transfer station. Exemptions ▪ Operating a waste transfer station designed to receive waste a rate of less than 10,000 t/year (NB: lower threshold). ▪ Operating a waste transfer station on a site in conjunction with an approved waste disposal facility. Explanatory information and definitions ▪ Includes a facility for sorting wastes for recycling or disposal.	>10,000 t/yr	1	31
83. *Regulated waste transport* — transporting regulated waste commercially or in quantities of more than 250 kg in a load:	**Regulated waste transport** Deletions • Nil Inclusions	(a) For tyres (b) For 1-36 vehicles	2 1	- 7 plus 1 unit per vehicle

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
(a) for tyres; 2 $0 (b) for other regulated waste - (i) 1-36 licensed vehicles 1 $400 + $100 per vehicle (ii) >36 licensed vehicles. 1 $4,000	• Transporting regulated waste in a vehicle. Exemptions • Non-commercial transport of loads of less than 250kg. • Transporting organic regulated waste undertaken by the generator or the farmer for beneficial reuse on a farm as a soil conditioner, fertiliser or stockfeed. Explanatory information and definitions • Define *vehicle*, in relation to regulated waste transport as including a truck, tanker, trailer, semi-trailer, train, vessel or aircraft, but does not include a vehicle that is towing another vehicle.	(c) For >36 vehicles	1	43
84. *Regulated waste storage* — operating a facility for receiving and storing: (a) more than 500 tyres in whole or equivalent parts (other than tyres stored for recycling or reprocessing covered by Tyre recycling) 1 $1,400 (b) other regulated waste, other than waste stored – (i) on a farm for use as a soil conditioner or fertiliser in carrying out an agricultural activity, (ii) for use in manufacturing a saleable product under another activity in this list, (iii) for incineration under item 76; (iv) recycling, reprocessing or	**Regulated waste storage** Deletions • Nil Inclusions • Operating a facility for receiving and storing regulated waste. Exemptions ▪ In-transit storage. ▪ Storing less than 500 equivalent passenger units of tyres or equivalent parts. ▪ Storing for a period of not more than 28 days, any of the following: o clinical waste consisting only of sharps in sharps containers which comply with AS/NZ4261-1994 or AS4031-1992; or o batteries, tyres or waste oil pending collection or delivery for recycling or	(a) >500 tyres (b) Regulated waste	1 1	9 21

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
reconditioning under items 77 to 79 or 81 1 $2,000	reprocessing. ▪ Storage at a landfill (ERA 75) or waste transfer station (ERA 82) pending collection for recycling or reprocessing, the following: o <500 batteries; o <5,000 L waste oil; o <500 tyres. ▪ Regulated waste stored: o for use in ERAs 53 (Soil conditioner manufacturing), 32 (Meat processing) and 34 (Seafood processing) or 81 (Recycling/reprocessing regulated waste) o Storage of organic regulated wastes for use as stock feed or a soil conditioner or fertiliser in carrying out an agricultural activity. o for incineration under item 76. <u>Explanatory information and definitions</u> • *In-transit storage* defined (see ERA 7). • Define *equivalent passenger units* by using the following conversions passenger tyre 1 EPU 9.5kg light and medium commercials 2 EPU 19kg truck and bus tyres 5 EPU 47.5kg earthmoving and agricultural 50 EPU 475kg large earthmoving 100 EPU 950kg • Define *organic regulated wastes* (see ERA 75). • Define *regulated waste* to mean non-domestic waste mentioned in Schedule 7 (whether or not it has been treated or immobilised), and includes:			

Existing ERA	New ERA inclusions and exemptions	Thresholds	Level 1 or 2	Environmental Score
	(a) for an element – any chemical compound containing the element; and (b) anything that has contained the waste; but does not include substances that have a resource for beneficial use approval under Part 6A of the *Environmental Protection (Waste) Regulation 2000*.			
85. *Regulated waste treatment* — operating a facility for receiving and treating regulated waste to render it less or non-hazardous, other than by – (a) manufacturing a saleable product under another item of this schedule, (b) incineration under item 76; or, (c) recycling, reprocessing or reconditioning under items 77 to 79 or 81. 1 $4,750	**Regulated waste treatment** Deletions ▪ Nil Inclusions ▪ Operating a facility for receiving and treating regulated waste to render it less or non-hazardous. Exemptions ▪ For use in ERAs 53 (Soil conditioner manufacturing), 32 (Meat processing) and 34 (Seafood processing), 77 (Battery recycling), 78 (Chemical or oil recycling), 79 (Drum reconditioning), 80 (Tyre recycling) or 81 (Recycling/reprocessing regulated waste); or ▪ Incineration or thermal treatment under item 76; or ▪ Using organic regulated waste as stock feed or soil conditioner or fertiliser at or below the beneficial reuse rate in carrying out an agricultural activity.	All operations	1	90

Appendix 3

List of ERAs and possible fees

Environmentally Relevant Activity	Level*	Current fee	Environmental Score	Proposed fee ($200 fee unit)
Aquaculture and agricultural activities				
1(a) Aquaculture >5ha no waste released	2	$0	delete	
1(b) Aquaculture land based: fish other than crustaceans 0-10ha waste released	1	$500 or $1,000	**22**	$4,400
1(c) Aquaculture land based: fish other than crustaceans 10-100ha waste released	1	$2,000 or $3,300	**46**	$9,200
1(d) Aquaculture land based: fish other than crustaceans >100ha waste released	1	$3,300	**49**	$9,800
1(e) Aquaculture land based: crustaceans 0-10ha	1	$500 or $1,000	**12**	$2,400
1(f) Aquaculture land based crustaceans >10-100ha	1	$2,000 or $3,300	**18**	$3,600
1(g) Aquaculture land based: crustaceans >100ha	1	$3,300	**44**	$8,800
1(h) Aquaculture coastal or off-shore, contained <1ha	1	$500	**43**	$8,600
1(i) Aquaculture coastal or off-shore, contained >1ha	1	$500 to $3,300	**57**	$11,400
2(a) Cattle feedlotting 50-150 standard cattle units	2	$0	**low**	$500
2(b) Cattle feedlotting 150-1,000 SCU	1	$500 or $625	**22**	$4,400
2(c) Cattle feedlotting >1,000-10,000 SCU	1	$625 to $2,000	**38**	$7,600
2(d) Cattle feedlotting >10,000 SCU	1	$2,000	**58**	$11,600
2(e) Sheep feedlotting 350-1,000 standard sheep units	2	$0	**low**	$500
2(f) Sheep feedlotting 1,000-10,000 SSU	1	$0	**20**	$4,000

2(g) Sheep feedlotting >10,000 SSU	1	$0	**38**	$7,600
3(a) Pig keeping 21-375 standard pig units	2	$0	**low**	$500
3(b) Pig keeping >375-5,000 SPU	2	$0	**28**	$5,600
3(c) Pig keeping >5,000 SPU	1	$500	**49**	$9,800
4(a) Poultry farming >1,000-200,000 birds	2	$0	**low**	$500
4(b) Poultry farming >200,000 birds	1	$400	**15**	$3,000
Chemical, coal and petroleum products				
5 Alcohol distilling >200 m^3/yr	1	$5,540	**80**	$16,000
6 Chemical manufacturing 6(a) Explosives manufacturing (incl. Security Sensitive Ammonium Nitrate) >200 t/yr	1	$4,420 to $5,820	**138**	$27,600
6(b) Biological control and agricultural chemicals manufacturing >200 t/yr	1	$4,420 to $5,820	**117**	$23,400
6(c) Fertilizer manufacturing >200 t/yr	1	$4,420 to $5,820	**147**	$29,400
6(d) Pharmaceutical and medicine manufacturing >200 t/yr	1	$4,420 to $5,820	**121**	$24,200
6(e) Soap, cleaning compound, surfactant and toiletry manufacturing >200 t/yr	1	$4,420 to $5,820	**48**	$9,600
6(f) Other inorganic chemical manufacturing >200-1,000 t/yr	1	$4,420 to $5,820	**59**	$11,800
6(g) Other inorganic chemical manufacturing >1,000-10,000 t/yr	1	$4,420 to $5,820	**117**	$23,400
6(h) Other inorganic chemical manufacturing >10,000-100,000 t/yr	1	$4,420 to $5,820	**198**	$39,600
6(i) Other inorganic chemical manufacturing >100,000 t/yr	1	$5,820	**259**	$51,800
6(j) Other organic chemical manufacturing >200-1,000 t/yr	1	$4,420	**30**	$6,000

6(k) Other organic chemical manufacturing >1,000-10,000 t/yr	1	$4,420	**69**	$13,800
6(l) Other organic chemical manufacturing >10,000-100,000 t/yr	1	$5,200	**145**	$29,000
6(m) Other organic chemical manufacturing >100,000 t/yr	1	$5,820	**211**	$42,200
7(a) Chemical storage DG class 3, total storage capacity >10-200 m^3	2	$0	**low**	$500
7(b) Chemical storage DG class 3 >200 m^3	1	$0 - $1,740	**88**	$17,600
7(c) Chemical storage - DG Class 1, 2.3, and 6.1, combined total storage capacity >50m3 (gases), >50t (solids) or >50m3 (liquids)	1	$0 - $1,740	**41**	$8,200
7(d) Chemical storage (not being dangerous goods specified in (a),(b) or (c)) combined total storage capacity >200m3 (gases), >200t (solids) or >200m3 (liquids)	1	$0 - $1,740	**27**	$5,400
8 Coke producing >200 t/yr	1	$4,260	**150**	$30,000
9 Gas production >1,000 t/yr	1	$4,420	**14**	$2,800
10(a)(i) Paint, coating, synethetic dye, pigment, ink and adhesive manufacturing >200-1,000 m^3 yr	1	$600	**10**	$2,000
10(a)(ii) Paint etc. manufacturing >1,000-100,000 m^3 yr	1	$1,740	**19**	$3,800
10(a)(iii) Paint etc. manu-facturing >100,000 m^3 yr	1	$5,200	**40**	$8,000
10(b) Paint manufacturing (water based) >200 m^3 yr	2	$0	**low**	$500
12 (a) Oil refining or processing <500 m^3 yr	1	$2,054	**124**	$24,800
12 (b) Oil refining or processing 500-150,000 m^3 yr	1	$5,200	**178**	$35,600
12 (c) Oil refining or processing >150,000 m^3 yr	1	$20,540	**241**	$48,200

13(a) Fuel gas refining or processing <200 million m^3/yr	2	$0	**low**	$500
13(b) Fuel gas refining or processing >200 million m^3/yr	1	$20,540	**64**	$12,800
Community infrastructure and services				
14 Crematorium	1	$400	delete	
15(a) Sewage treatment >21-100 EP	1	$500	**23**	$4,600
15(b) Sewage treatment >100-1,500 EP	1	$1,500	**52**	$10,400
15(c) Sewage treatment >1,500-4,000 EP	1	$1,980	**68**	$13,600
15(d) Sewage treatment >4,000-10,000 EP	1	$3,960	**87**	$17,400
15(e) Sewage treatment >10,000-50,000 EP	1	$7,920	**101**	$20,200
15(f) Sewage treatment >50,000-100,000 EP	1	$10,140	**125**	$25,000
15(g) Sewage treatment >100,000 EP	1	$15,210	**147**	$29,400
15(h) Special sewage treatment >21 EP	1	$500	**15**	$3,000
Electricity, fuel burning and water supply				
16(a) Raw water treatment that process >20ML/day and release waste	1	$0	**24**	$4,800
16(b) Advanced water treatment (eg of treated sewage) that release waste	1	$0	**43**	$8,600
16(c) Desalination water treatment	1	$0	**18**	$3,600
17 Fuel burning operation >200 hrs/yr and >500 kg fuel/hr	1	$3,000	**24**	$4,800
18(a) Power station – natural gas	1	$4,420	**65**	$13,000
18(b) Power station – any other fuel	1	$14,940	**157**	$31,400
Extractive activities				
19(a) Dredging material >1,000-10,000 t/yr	1	$700 to $3,960	**9**	$1,800
19(b) Dredging material >10,000-100,000 t/yr	1	$3,960	**22**	$4,400
19(c) Dredging material >100,000-1 million t/yr	1	$4,880	**43**	$8,600
19(d) Dredging material >1 million t/yr	1	$4,880	**61**	$12,200

20(a) Extracting rock or other material <5,000 t/yr	2	$0	delete	
20(a) Extracting rock or other material > 5,000-100,000 t/yr	1	$3,960	**22**	$4,400
20(b) Extracting rock or other material >100,000 - 1 million t/yr	1	$4,880	**43**	$8,600
20(c) Extracting rock or other material >1 million t/yr	1	$4,880	**65**	$13,000
21C Construction of transmission pipeline	1	$3,390	**167**	$33,400
21D Petroleum activity	1	various	**135**	$27,000
21E Petroleum activity	2	$0	**low**	$500
Geological storage of carbon dioxide	1	$0	**50**	$10,000
22(a) Screening etc. rock or other material 50-5,000 t/yr	2	$0	delete	
22(a) Screening etc. rock or other material >5,000-100,000 t/yr	1	$3,960	**29**	$5,800
22(b) Screening etc. rock or other material >100,000 - 1 million t/yr	1	$4,880	**46**	$9,200
22(c) Screening etc. rock or other material >1 million t/yr	1	$4,880	**58**	$11,600
Fabricated metal product activities				
23(a) Abrasive blasting – permanent location	1	$400	**21**	$4,200
23(b) Abrasive blasting – mobile and temporary location	1	$650	**23**	$4,600
23(c) Abrasive blasting – permanent and mobile	1	$650	**23**	$4,600
24(a) Boiler making 200-10,000 t/yr	2	$0	**low**	$500
24(b) Boiler making >10,000 t/yr	1	$0	**77**	$15,400
25(a) Metal surface coating: electroplating or galvanizing using <100 t/yr surface coating materials; powder coating or painting using <5 t/yr surface coating materials	1	$450 to $2,800	**10**	$2,000

25(b) Metal surface coating: electroplating or galvanizing using 100-1,000 t/yr surface coating materials; powder coating or painting using 5-50 t/yr surface coating materials	1	$450 to $2,800	**19**	$3,800
25(c) Metal surface coating: electroplating or galvanizing using 1,000-10,000 t/yr surface coating materials; powder coating or painting using >50 t/yr surface coating materials	1	$450 to $2,800	**37**	$7,400
25(d) Metal surface coating: electroplating or galvanizing using >10,000 t/yr surface coating materials	1	$2,800	**62**	$12,400
26 Metal forming	2	$0	**low**	$500
27 Metal recovery >100 t/day or 10,000 t/yr	1	$500	**18**	$3,600
28 Motor vehicle workshop	1	$500	**9**	$1,800
Food processing				
29(a)(i)Beverage production (non-alcoholic) >200,000-1,000,000 L/yr	1	$715	delete	
29(a)(ii) Beverage production (non-alcoholic) >1,000,000-10,000,000 L/yr	1	$715 to $1,430	**23**	$4,600
29(a)(iii) Beverage production (non-alcoholic) >10 ML/yr	1	$1,430 to $2,860	**39**	$7,800
29(b) Beverage production (beer or alcoholic) >1,000,000 L/yr	1	$4,740	**57**	$11,400
30 Edible oil processing >1,000 t/yr	1	$3,740	**47**	$9,400
31 Flour milling >1,000 t/yr	2	$0	delete	
32(a)(i) Meat processing (incl rendering) >1,000-3,000 t/yr	1	$1,000	**40**	$8,000
32(a)(ii) Meat processing (involves rendering) >3,000-6,000 t/yr	1	$3,000	**56**	$11,200
32(a)(iii) Meat processing (involves rendering) >6,000 t/yr	1	$6,020	**69**	$13,800
32(b)(i) Meat processing >1,000-3,000 t/yr	1	$875	**20**	$4,000

32(b)(ii) Meat processing > 3,000-6,000 t/yr	1	$2,600	**35**	$7,000
32(b)(iii) Meat processing >6,000 t/yr	1	$5,200	**46**	$9,200
33 Milk processing >200 t/yr	1	$4,100	**44**	$8,800
34 Seafood processing >500 t/yr	1	$2,840	**21**	$4,200
35 Smoking, drying or curing works	2	$0	delete	
36 Sugar milling or refining >200 t/yr	1	$10,160	**96**	$19,200
37 Bottling or canning >200 t/yr	1	$4,440	**54**	$10,800
Metal products activities				
40(a)(i) Metal foundry (ferrous) <20 t/yr	2	$0	delete	
40(a)(ii) Metal foundry 20-100 t/yr	1	$300	delete	
40(a)(iii) Metal foundry >100-300 t/yr	1	$500	**22**	$4,400
40(a)(iv) Metal foundry >300-1,000 t/yr	1	$1,350	**31**	$6,200
40(a)(v) Metal foundry >1,000-5,000 t/yr	1	$2,600	**41**	$8,200
40(a)(vi) Metal foundry >5,000-10,000 t/yr	1	$3,600	**51**	$10,200
40(a)(vii) Metal foundry >10,000 t/yr	1	$5,400	**67**	$13,400
40(b)(i) Metal foundry using non-permanent moulds and nonferrous metals <50 t/yr	2	$0	delete	
40(b)(ii) Metal foundry using non-permanent moulds and nonferrous metals >50-100 t/yr	1	$300	**18**	$3,600
40(b)(iii) Metal foundry using non-permanent moulds and nonferrous metals >100-200 t/yr	1	$500	**24**	$4,800
40(b)(iv) Metal foundry using non-permanent moulds and nonferrous metals >200-1,000 t/yr	1	$1,200	**29**	$5,800
40(b)(v) Metal foundry using non-permanent moulds and nonferrous metals >1,000-5,000 t/yr	1	$1,800	**41**	$8,200
40(b)(vi) Metal foundry using non-permanent moulds and nonferrous metals >5,000 t/yr	1	$2,400	**47**	$9,400
40(c) Metal foundry using permanent moulds in works	1	$0	**15**	$3,000

41(a) Metal works gold >1-100 t/yr and other metaals >10-100 t/yr	1	$9,860	**102**	$20,400
41(b) Metal works >100-10,000 t/yr	1	$12,380	**194**	$38,800
41(c) Metal works >10,000 t/yr	1	$16,340	**304**	$60,800
42(a) Mineral processing >1,000-100,000 t/yr	1	$3,140	**173**	$34,600
42(b) Mineral processing >100,000t/yr	1	$16,340	**279**	$55,800
Miscellaneous				
43 Animal housing	2	$0	delete	
44 Battery manufacturing >200 t/yr	1	$1,880	**33**	$6,600
45 Crushing, milling or grinding >5,000 t/yr	2	$0	**low**	$500
46 Mushroom growing substrate manufacturing >200 t/yr	1	$400	**15**	$3,000
47 Pet, stock or aquaculture food manufacturing	1	$500	delete	
48 Plaster manufacturing >5,000 t/yr	1	$3,000	**54**	$10,800
49 Pulp or paper manufacturing >100 t/yr	1	$6,180	**204**	$40,800
50(a) Rendering >10-100 t	2	$0	delete	
50(a) Rendering >100-300 t/yr	2	$0	**low**	$500
50(b) Rendering >300 t/yr	1	$6,020	**32**	$6,400
51(a) Plastic manufacturing >1-5 t/yr	1	$450	delete	
51(a) Plastic manufacturing - extrusion, injection & blow moulding, bag and film >50t/yr	1	$300	**34**	$6,800
51(b) Plastic manufacturing - foam and rigid fibre-reinforced >5 t/yr	1	$450	**63**	$12,600
52(a) Printing (not including plateless systems) >200-1,000 t/yr	2	$0	**low**	$500
52(b) Printing (not including plateless systems) >1,000 t/yr	1	$0	**28**	$5,600
53 Soil conditioner manufacturing >200 t/yr	1	$400	**21**	$4,200

54 Tanning >100 t/yr	1	$4,740	**62**	$12,400
55 Textile manufacturing >100 t/yr	1	$4,740	**48**	$9,600
56 Tobacco processing	1	$3,340	delete	
57(a) Tyre manufacturing	1	$1,800	**42**	$8,400
57(b) Tyre retreading	1	$500	**25**	$5,000
Non-metallic mineral product manufacture				
58 Asbestos products manufacturing	1	$800	delete	
59(a) Asphalt manufacturing <1000 t/yr	2	$0	**low**	$500
59(b) Asphalt manufacturing > 1000 t/yr	1	$0	**21**	$4,200
60 Cement manufacturing >200 t/yr	1	$7,620	**101**	$20,200
61(a) Clay or ceramic products >200-5,000 t/yr	1	$4,740	**45**	$9,000
61(b) Clay or ceramic products >5,000 t/yr	1	$4,740	**75**	$15,000
62 Concrete batching >200 t/yr	1	$650	**33**	$6,600
63 Glass or glass fibre manufacture >200 t/yr	1	$4,740	**73**	$14,600
64 Mineral wool or ceramic fibre manufacturing	1	$2,680	**27**	$5,400
Recreational and sporting activities				
65(a) Motor racing - not international	2	$0	delete	
65(b) Motor racing - international	2	$0	delete	
Sawmilling, wood-chipping, wooden products				
66 Chemically treating timber including mobile	1	$2,860	**51**	$10,200
67(a) Sawmilling or wood chipping >500-5,000 t/yr	1	$300	delete	
67(a) Sawmilling, resawing, dressing or woodchipping >5,000-10,000 m^3 logs/yr	1	$500 to $800	**48**	$9,600
67(b) Sawmilling, resawing, dressing or woodchipping >10,000 m^3 logs/yr	1	$800	**67**	$13,400
68(a) Wooden product manufacturing >1-100 t/yr	2	$0	delete	
68(b) Wooden product manufacturing >100 t (product)/yr	1	$0	**77**	$15,400

68(c) Reconstituted timber products and kiln drying >5,000-10,000 m^3 logs/yr	1	$700	**49**	$9,800
68(d) Reconstituted timber products and kiln drying >10,000 m^3 logs/yr	1	$800	**79**	$15,800
Transport and maritime services				
69(a) Boat maintenance or repair, including hull cleaning and propeller polishing within 500m of HAT or watercourse	1	$650	**21**	$4,200
69(b) Boat maintenance or repair, including hull cleaning and propeller polishing not within 500m of HAT or watercourse	1	$650	**13**	$2,600
70 Heliport	2	$0	delete	
71 Port	2	$0	delete	
72 Railway facility	1	$5,040	**35**	$7,000
New: Road tunnel ventilation stacks	1	$0	**36**	$7,200
73(a) Marina or seaplane mooring <20 berths	2	$0	delete	
73(b) Marina or seaplane mooring 20-100 berths	1	$300	delete	
73(c) Marina or seaplane mooring >100 berths	1	$500	delete	
74(a) Stockpiling, loading bulk goods within 5km of HAT or 1km of watercourse >100 t/day	1	$3,000	**74**	$14,800
74(b) Stockpiling, loading bulk goods >100 t/day and >50,000 t design capacity, not within 5km of HAT or 1km of watercourse	1	$3,000	**49**	$9,800
Waste management				
75(a) includes 75(c) 75(a)(i) Waste disposal facility >50-2,000 t/yr	1	$500	**10**	$2,000
75(a)(ii) Waste disposal facility >2,000-5,000 t/yr	1	$750	**15**	$3,000
75(a)(iii) Waste disposal facility >5,000-10,000 t/yr	1	$1,000	**21**	$4,200
75(a)(iv) Waste disposal facility >10,000-20,000 t/yr	1	$1,500	**27**	$5,400

75(a)(v) Waste disposal facility >20,000-50,000 t/yr	1	$2,000	**40**	$8,000
75(a)(vi) Waste disposal facility >50,000-75,000 t/yr	1	$2,500	**53**	$10,600
75(a)(vii) Waste disposal facility >75,000-100,000 t/yr	1	$5,000	**62**	$12,400
75(a)(viii) Waste disposal facility >100,000-200,000 t/yr	1	$7,500	**73**	$14,600
75(a)(ix) Waste disposal facility >200,000 t/yr	1	$10,000	**95**	$19,000
75(b)(i) Waste disposal facility for regulated waste (other than limited regulated waste) either alone or in combination with waste mentioned in 75(a) <50,000 t/yr	1	$3,000	**50**	$10,000
75(b)(ii) Waste disposal facility for regulated waste (as in 75(b)(i)) >50,000-100,000 t/yr	1	$5,220	**82**	$16,400
75(b)(iii) Waste disposal facility for regulated waste (as in 75(b)(i)) >100,000-200,000 t/yr	1	$7,500	**100**	$20,000
75(b)(iv) Waste disposal facility for regulated waste (as in 75(b)(i) >200,000 t/yr	1	$10,000	**110**	$22,000
76(a) Incinerating waste - vegetation	2	$0	**low**	$500
76(b) Incinerating waste - clean paper or cardboard	2	$0	**low**	$500
76(c)(i) Incinerating waste - general waste <5,000 t/yr	1	$2,280	**18**	$3,600
76(c)(ii) Incinerating waste - general waste >5,000 t/yr	1	$5,000	**30**	$6,000
76(d) Incinerating waste - clinical waste or quarantine waste	1	$4,750	**51**	$10,200
76(e) Incinerating waste - including thermal treatment-regulated waste	1	$6,000	**41**	$8,200
77 Battery recycling	2	$0	**low**	$500
78 Chemical or oil recycling	1	$3,820	**74**	$14,800
79 Drum reconditioning	2	$0	**low**	$500

80 Tyre recycling	2	$0	**low**	$500
81 Recycling/reprocessing regulated waste	1	$2,280	**85**	$17,000
82 Waste transfer station >10,000 t/yr	1	$900	**31**	$6,200
83(a) Regulated waste transport - for tyres	2	$0	**low**	$500
83(b)(i) Regulated waste transport (exempt from IDAS) for 1-36 vehicles (and 1 risk score per vehicle)	1	$400	**7**	$1,400
83(b)(ii) Regulated waste transport (exempt from IDAS for >36 vehicles	1	$4,000	**43**	$8,600
84(a) Regulated waste storage, >500 tyres	1	$1,400	**9**	$1,800
84(b) Reg. waste storage	1	$2,000	**21**	$4,200
85 Regulated waste treatment	1	$4,750	**90**	$18,000
Mining projects (Schedule 6)				
Black coal	1	Ranged from $4,880 to $16,340 depending on ore through-put.	**131**	$26,200
Iron ore	1		**132**	$26,400
Bauxite	1		**101**	$20,200
Copper ore	1		**210**	$42,000
Gold ore	1		**196**	$39,200
Mineral sand	1		**122**	$24,400
Nickel ore	1		**148**	$29,600
Silver lead zinc	1		**184**	$36,800
Metal ore (not otherwise specified)	1		**136**	$27,200
Mining (not otherwise specified)	1		**113**	$22,600
Mining projects: drilling, pitting and surveys	1	$700	**8**	$1,600
Mining projects: bulk sampling, shaft or open pit (investigation)	1	$3,960	**17**	$3,400
Level 2 Mining	2	$0	**low**	$500
	*devolved to Local Government			

N.B. Local Government will be able to set a lower or higher fee unit for ERAs administered by them

Regulatory provisions in the current EPPs proposed to be transferred to the new Regulation

This appendix outlines the sections in the Environmental Protection Policies for Air, Noise and Water (EPPs) that are proposed to be transferred to the Regulation. The provisions relate to environmental management decisions or management of sources of contamination (including offences). An environmental management decision is a decision by an administering authority about a development approval, environmental authority, environmental management program or environmental protection order. As part of the remake, some of the higher penalties for offences may need to be transferred to the *Environmental Protection Act 1994* rather than the new Regulation. The relevant definitions in all the EPPs will also be transferred to the dictionary in the new Regulation.

Current section/s	Description of section/s	Proposed change	Reason for change
Environmental Protection (Air) Policy 1997			
Part 3 ss.10-13	These provisions deal with the day-to-day management of emission sources at an operational level. These provisions establish a procedure for administering authorities to follow and matters that must be considered when making a decision about an environmental authority, a development approval (for an ERA) or an environmental management program. Includes requirements for atmospheric dispersion modelling and emission monitoring as part of these decisions.	Amend to require application of this part to environmental protection orders. Remove s11 (Evaluation procedure) as these matters are addressed in the standard criteria of the EP Act. Transfer s12 (Matters for consideration). Amend s13 (Air pollution dispersion modelling and monitoring of releases) to provide for EPOs to be a matter for which compliance monitoring may be needed. Amend s13 to enable the administering authority to require the applicant to record and provide emissions data such as fugitive emissions and stack emissions as part of an environmental management decision.	These amendments ensure these provisions apply to all environmental management decisions and duplication with the standard criteria is removed. Requirements for emissions data as part of an environmental management decision would provide for a more complete assessment of the air pollution impacts of an activity.

Current section/s	Description of section/s	Proposed change	Reason for change
Part 4 - Div. 2 ss.21-23	***s21*** - Solid fuel burning equipment to be sold for domestic use must have a certificate of compliance issued by an accredited entity. Links to Australian Standard 4013:1999 Domestic solid fuel burning appliances—Method for the determination of flue gas emission	***s.21*** — Transfer to new EP Reg, update reference to latest version of Standard (currently AS/NZS 4013:1999 Domestic solid fuel burning appliances—Method for the determination of flue gas emission (in revision))	These amendments ensure alignment with current Australian Standards.
	s23 - Establishes permitted concentrations of lead or sulfur in liquid fuel for use in stationary fuel burning equipment. It also establishes permitted concentration of lead or sulfur for distribution or sale of liquid fuel. Offences apply. Permitted concentration of lead or a lead compound - not more than 0.02 percent by weight. The permitted concentration of sulfur or sulfur compound is not more than 3 percent by weight.	***s23*** – Repeal lead provisions. Transfer sulfur provisions.	The source of lead in fuel oil has now been eliminated by the phase out of leaded petrol in Australia. The lead provisions are therefore not needed. Liquid fuel for use in stationary fuel burning equipment includes fuel oil, bunker oil, manufactured (recycled) oil and, increasingly, diesel, and natural gas. Diesel sulfur levels are already controlled by legislation (<0.005%). Sulfur content of all liquid fuel types is 3%. While this is less stringent than in some other States, the need for a lower fuel sulfur level is not supported by air pollution measurements in Queensland.
Part 5 - Div. 2 s.30 Offences – Act s441	Contravening certain sections of the EPP (ss.21-23) is a class 2 offence under the *Environmental Protection Act 1994* and attracts a higher penalty.	Transfer to new EP Reg.	This section refers to the offences in ss.21-23 that are being transferred to the EP Reg.
Environmental Protection (Noise) Policy 1997			

Current section/s	Description of section/s	Proposed change	Reason for change
Part 3 ss.12-14 and ss.16-17 and Part 5 s.27	These provisions deal with the day-to-day management of emission sources at an operational level. These provisions establish a procedure for administering authorities to follow and matters that must be considered when making a decision about an environmental authority, a development approval (for an ERA) or an environmental management program. s.27 provides that a noise assessment may be made to decide an application for an environmental management decision or secure compliance with certain approvals.	Amend to require application of this part to environmental protection orders. Remove s13 (Evaluation procedure) as these matters are addressed in the standard criteria of the EP Act. Transfer ss.14, 16-17 to the new EP Reg. Amend s27 to provide that the administering authority may require the applicant to carry out a noise assessment to inform an environmental management decision.	These amendments ensure these provisions apply to all environmental management decisions and duplication with the standard criteria is removed. Amendments to s27 to include the noise assessment and monitoring requirements as part of an environmental management decision.
Environmental Protection (Water) Policy 1997			
Part 5 ss.14 – 27	These provisions deal with the day-to-day management of emissions at an operational level. This part allows and describes how the administering authority may make environmental management decisions relevant to an environmental authority, a development approval, an environmental management program or an environmental protection order. Issues that are covered in these sections are: waste management evaluation procedure; waste water recycling; waste water releases on land; waste water releases to surface water; stormwater management; direct waste water release to ground waters; incidental waste water releases to ground waters; construction of artificial wetlands for waste water treatment; use of natural biological controls in treatment of waste water; acid sulphate soils; waste reception facilities for ships; monitoring of wastewater releases on land or to a water; and impact monitoring for release, or potential release of waste water on land or to a water.	Amend to require application of this part to a decision about an amendment of an environmental authority or development approval. Transfer ss15-27 to EP Reg. *s22* – Amend this section to include further criteria regarding whether the natural wetland is of high conservation value. *s.24* - Update to ensure consistency with State Planning Policy on Acid Sulfate Soils including adopting definitions for acid sulfate soils, actual acid sulfate soils, and potential acid sulfate soils from the SPP. Transfer to the EP Reg.	These amendments ensure these provisions apply to all environmental management decisions. *s22* – Amendment ensures impacts on natural wetlands of high conservation value are considered in an environmental management decision. *s24* – The State Planning Policy applies to certain local government planning and development decisions. Retaining and updating s.24 ensures that acid sulfate soil matters are considered in environmental management decisions in a consistent manner to that outlined in the SPP

Current section/s	Description of section/s	Proposed change	Reason for change
Part 6 ss.28-30	A person must not release certain substances, sewage and rubbish from ships into non-coastal waters. Offences apply.	Replace the term 'ship' with a term more suitable for vessels using non-coastal waters. Penalties for ss28-30 should be increased to represent the serious environmental impacts that can result from these releases as evidenced by the penalties provided in TOMPA. An increased penalty would provide for this. Proposed penalties should be proportionate to the proposed penalties for ss31-32 below. Amend and transfer to the new EP Reg.	These sections prohibit the release of specified contaminants from vessels into non-coastal waters. This continues to be of particular relevance to impounded waterways (water storages behind dams and weirs and canal systems behinds some locks). Management of the disposal of wastes from vessels in coastal waters is addressed by the *Transport Operations (Marine Pollution) Act 1995*. Provisions of ss28-30 were to achieve consistency of disposal from vessels in all non-coastal waters. Use of the MARPOL definition of a 'ship' (a vessel operating in a marine environment), means ss28-30 have not applied to vessels in non-coastal waters. This will be rectified. Penalties for release of these substances (40 and 20 penalty units) under the EPP Water are significantly lower than those in the *Transport Operations (Marine Pollution) Act 1995* (TOMPA) – up to 3500 penalty units. Higher penalties should be provided for releases to non-coastal waters to reflect the seriousness of these impacts.
Part 6 ss.31-32	Prohibition on a person depositing or releasing certain things and of build up of sediment. Offences apply.	Provide for increased penalties for the act of placing or releasing into waters a contaminant or substance likely to pollute waters, or where it could reasonably be expected to move or be washed into a roadside gutter, stormwater drainage (as defined in the *Local Government Act 1993)* or waters.	These provisions were primarily intended for small-scale polluters. They have more often been used to issue on-the-spot penalty infringement notices (PINs) for industry breaches, including sediment pollution from poor building site management practices (particularly lack of erosion and drainage control). The penalties for breaching these

Current section/s	Description of section/s	Proposed change	Reason for change
		A maximum proposed penalty of 200 penalty units (and up to 20 penalty units for an on-the-spot fines ($1500) for corporate offenders and 10 penalty units for an individual) would provide consistency with other penalties and an appropriate deterrent. Insert a new and more extensive schedule of contaminants/substances prohibited from release to waters. This list will be similar to the NSW *Protection of the Environment Operations (General) Regulation 199*8, and include existing pollutants under ss31 and 32 of the EPP. The list of pollutants is included in the body of the RIS. Definitions of "deposit" and "release" will be clarified. Insert definition of 'stormwater drainage' as defined in the *Local Government Act 1993.*	provisions have not increased since the laws were first introduced. The low fines have not been a successful deterrent. The cost of the PIN must be higher than the cost of complying. Greater adoption of erosion and sediment control measures on building sites is required. Better enforcement tools under the EP Act are required to deter potential offenders. The proposed list of contaminants will avoid compliance uncertainty and is similar to that used in NSW legislation for inter-jurisdictional consistency.

ENDNOTES

1 Laid before the Legislative Assembly on . . .

2 The administering agency is the Environmental Protection Agency.