PROJECT CLIMATE READY: Scenario 1 report

Background

At their meeting in August 2017, the Secretaries Group on Climate Risk agreed to conduct up to four climate risk scenario exercises over a 12-month period. Members of the Australian Government Disaster and Climate Resilience Reference Group agreed at their October 2017 meeting to implement the exercises (referred to as the Climate Ready project). The first Climate Ready exercise was held on 23 November 2017, with participation from 12 APS agencies (a list of attendees is at Attachment A).

A scenario exercise is a process for identifying and assessing a potential range of outcomes of future events under conditions of uncertainty. It allows us to consider a future that might look quite different to today. In the case of climate change, scenarios allow organisations to explore and develop their understanding of how climate change risks may affect their business, strategies, and outcomes over time. This helps to inform discussions of how they can position themselves to take advantage of opportunities and adapt to risks.

The aims of the Climate Ready project are to:

- build portfolios' understanding of how the climate is changing and their capacity to consider climate risks and responses
- develop a shared understanding of cross-cutting risks from climate change, and the implications for public policy responses
- prompt discussion on the implementation of necessary strategies, structures or processes, and who needs to do what, with which other agencies and when.

The Department of the Environment and Energy worked closely with the Department of Defence to develop the narrative for Scenario 1. The Departments consulted widely across the APS, including the Bureau of Meteorology, to ensure that narrative details were accurate, plausible and reflected current climate projections. The Scenario 1 exercise was facilitated by \$47F

The process and outcomes of Scenario 1 (including participants' views on its value) will inform the design and content of subsequent scenario exercises planned for 2018. s47C

Concluding remarks

Participants agreed on the value of engaging in a scenario-based discussion focussed on climate change. The exercise reinforced existing understanding of climate change impacts and the risks common across the APS. There was general recognition of the need to further build climate risk capacity across the APS, and to develop and/or improve cross-agency approaches and frameworks to consider climate risk.

Participants were keen to translate the day's discussion into tangible outcomes. s47C

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As a first step, the Department of the Environment and Energy will ask participating agencies to report at the next meeting of the Australian Government Disaster and Climate Resilience Reference Group and work with them to develop 3-4 practical actions the Reference Group could take forward as part of their workplan.

FINAL REPORT

Climate Risk Scenario Exercise 2

The second climate risk scenario exercise was held in Barton, ACT on Friday 6 April 2018. Senior executives from 15 Australian Government agencies participated. The scenario exercise focused on the functioning and liveability of Australia's urban environment and infrastructure under climate change.

A summary of the scenario exercise, including a list of participants and an overview of the key points from the discussion, is at Attachment A and B. s47C

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Attachment A

Summary of the second climate risk scenario

The second climate risk scenario exercise was held in Barton, ACT on Friday 6 April 2018. Senior executives from 15 Australian Government agencies participated (<u>Attachment B</u>). The exercise was facilitated by s47F

and experienced scenario facilitator.

It was the second climate risk scenario exercise in a series of four over a 12 month period. The scenario activities are led by the Department of the Environment and Energy and the Department of Defence at the direction of the Secretaries Group on Climate Risk.

This scenario exercise focused on the functioning and liveability of Australia's urban environment and infrastructure under climate change. s47C

Purpose of the scenario

To explore the implications of climate risk on the Australian Government's responsibilities as they relate to the urban environment and infrastructure.

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Participant feedback

- Participants were happy with the content and structure of the scenario. Some commented that there needs to be a greater focus on identifying solutions.
- Participants were supportive of having other levels of government, the private sector and community groups involved in the following two scenarios.
- This feedback will be used to inform development of scenarios 3 and 4.

Conclusion

The second climate risk scenario exercise continued to reinforce existing understanding of climate change impacts and risks across the APS. The discussion was valuable and the identified action items arising from this scenario will help to improve cross-agency approaches and frameworks to consider climate risk.

Attachment B

Scenario 2 participant list

| Name | Department | Position | |
|-----------------------|--|---|--|
| Helen Wilson | Department of the Environment and Energy (Climate Change) | A/g Deputy Secretary | |
| Julia Pickworth | Department of the Prime Minister and Cabinet | A/g First Assistant Secretary, Industry, Infrastructure & Environment | |
| Dianne Brown | The Treasury | First Assistant Secretary, Financial System Division | |
| s47F | Department of Finance | Director, Energy and Climate Change | |
| Richard McLoughlin | Department of Agriculture and Water Resources | Assistant Secretary, Water Resources Branch | |
| Luke Yeaman | Department of Infrastructure, Regional Development and Cities | A/g Deputy Secretary | |
| Mark Crosweller | Home Affairs (EMA) | Director-General EMA | |
| Steve Grzeskowiak | Department of Defence | Deputy Secretary, Estate and Infrastructure Group | |
| Maria Jolly | Department of Health | First Assistant Secretary, Portfolio Strategies Division | |
| Geoff Whelan | Department of Industry, Innovation and Science | A/g General Manager, Energy Competitiveness | |
| Emmakate McGuirk | Department of Social Services | Branch Manager, Work and Study Payments | |
| Rob Webb | Bureau of Meteorology | Deputy Director, Hazards, Warnings and Forecasts | |
| s47F | CSIRO | Research Program Director | |
| s47F | Geoscience Australia | Director, Built Environment & Exposure | |
| s47F | Australian Bureau of Statistics | Environment and Agriculture Accounts Development | |

FINAL REPORT

Climate Risk Scenario Exercise 3

The third climate risk scenario exercise was held on Wednesday 25 July 2018. Twelve participants from 8 Australian Government agencies participated. The scenario exercise focused on the climate risk impacts on health and wellbeing, particularly the ability to maintain the principle of caring for people at home or in the community.

The discussion and actions in this report are the product of the participants responding to the scenario and materials within the workshop. A summary of the scenario exercise, including a list of participants and an overview of the key points from the discussion, is at Attachment A and B. \$47C

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Participants acknowledged the natural connections between climate change risks and people's health through the underlying principle of prioritising caring for people at home or in the community.

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Attachment A

Summary of the third climate risk scenario

The third climate risk scenario exercise was held on Wednesday 25 July 2018. Twelve participants from 8 Australian Government agencies participated (<u>Attachment B</u>). The exercise was facilitated by \$47F

and experienced scenario facilitator.

Scenario 3 is the third scenario exercise in the Project Climate Ready year-long plan. The scenario activities are led by the Department of the Environment and Energy and the Department of Defence at the direction of the Secretaries Group on Climate Risk.

This scenario exercise focused on the climate risk impacts on health and wellbeing policies and practice in Australia. s47C

Participants were invited to take a big picture, blue sky approach. This summary recognises that participants were from a range of Australian Government departments and some did not have experience in the health portfolio.

Purpose of the scenario

To explore the implications of climate risk on the Australian Government's responsibilities for health and well-being, including the links to industry, employment, infrastructure, and environment and energy.

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The scenario continued to reinforce existing understanding of climate change impacts and risks across the APS. The discussion was valuable and the identified action items arising from this scenario will help to improve cross-agency approaches and frameworks to consider climate risk.

Attachment B

Scenario 3 participant list

| Name | Department Position | | | |
|-------------------|---|---|--|--|
| Jo Evans | Department of the Environment and Energy | Deputy Secretary, Climate Change and Energy Innovation Group | | |
| Sean Sullivan | Department of the Environment and Energy | First Assistant Secretary, Energy Security and Efficiency | | |
| Erica Kneipp | Department of Health | A/g First Assistant Secretary, Health Economics and Research Division | | |
| Moira Campbell | Department of Health | A/g Assistant Secretary, Strategic Policy Branch, Portfolio Strategies Division | | |
| Helen Grinbergs | Department of Health | Assistant Secretary, Aged Care Policy Reform Branch | | |
| Emma Wood | Department of Health | First Assistant Secretary, Regulatory Practice and Support | | |
| Luke van den Hoek | Department of Industry, Innovation and Science | A/g General Manager, Energy Competitiveness | | |
| Gaby Medley-Brown | Department of Education and Training | Branch Manager, Enterprise Risk And Strategy | | |
| Angela Hope | Department of Jobs and Small Business | Assistant Secretary, Future of Work Taskforce | | |
| Paul McBride | Department of Social Services | Group Manager Disability, Employment and Carers Group | | |
| Richard Bartlett | Department of Finance | First Assistant Secretary, Social Policy | | |
| Jane Coram | CSIRO | Director, Land and Water | | |
| | Apologies | | | |
| Mark Crosweller | Department of Home Affairs | Head of the National Resilience Taskforce | | |
| Marie Taylor | Department of Infrastructure, Regional Development and Cities | Executive Director, Regional Development and Local Government | | |
| Susan Fitzgerald | Department of the Prime Minister and Cabinet | Assistant Secretary, Social Policy | | |
| Dr Brendan Murphy | Department of Health | Chief Medical Officer, Medical Benefits Division | | |

Scenario Exercise - Climate Risks to Australia's Energy Security - Final Report

Summary

The Department of the Environment and Energy has been delivering a series of scenarios exploring climate risks to different sectors. This scenario is the fourth in a series of scenario workshops designed to improve the understanding of how climate change may affect the policies, programs and assets of different areas.

The fourth climate risk scenario was held on Thursday 28 February 2019 at Think Place in Barton. There were 32 participants on the day, with representatives from the Commonwealth Government, industry and academia (list at **Attachment A**). The scenario focused on climate risks to Australia's energy security, including electricity, gas, and liquid fuels.

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Participants identified potential risks and opportunities for the energy sector under these hypothetical events, and explored possible actions for mitigating the risks.

The afternoon session focussed on identifying interdependencies between the electricity, gas and liquid fuel sectors, along with discussion on priority risks for Australia's energy security. Participants shared their knowledge and engaged in productive discussions on a number of priority risks for the sector.

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<u>Purpose</u>

The purpose of the scenario was to draw on the expertise of participants to identify key climate change risks and opportunities for energy security, and to explore the likelihood and consequences of those risks.

The National Energy Security Assessment will look at cross-cutting issues that are driving change in the energy sector, such as climate change and changes in technology and consumer preferences.

Outcomes

The scenario was a successful day and provided an opportunity for government and industry to collaborate and discuss points of view on climate risks to Australia's energy security. The information gained will be valuable for the preparation of the NESA, which is the responsibility of the Australian Energy Security team.

Background and Logistics

Where: The scenario was a full-day workshop, held at Think Place in Barton. There was one main room used for plenary discussions, as well as a break out room for table discussions.

Who: There were 32 participants on the day, who were representatives from the Commonwealth Government, industry, think tanks and academia. A full list of attendees is at Attachment A.

Facilitation: The scenario was facilitated by \$47F
extensive experience in facilitating, including the previous three scenarios hosted by the Climate
Change Policy Branch. \$47F was assisted by \$22

who acted as table facilitators.

Tables: There were six tables which were split into six different perspectives (see table below). These perspectives were based on producer and consumer points of view with a focus on social, economic and national security themes. The perspectives given to each table were swapped for the second event, from producer to consumer and vice versa.

For the afternoon session, participants were moved to different table groups to discuss interdependencies and priority risks.

| | Energy security objectives | | | | | |
|-----------------|----------------------------|----------|----------|----------|----------|----------|
| Perspectives | So | cial | Ecor | nomic | Nationa | Security |
| Tables | Producer | Consumer | Producer | Consumer | Producer | Consumer |
| Table – Event 1 | Table 1 | Table 2 | Table 3 | Table 4 | Table 5 | Table 6 |
| Table – Event 2 | Table 2 | Table 1 | Table 4 | Table 3 | Table 6 | Table 5 |

Attachment A - Participants

| Name | Organisation | | |
|-------------|--|--|--|
| s47F | AEMO | | |
| s47F | AEMO | | |
| s47E(d) | s47E(d) | | |
| s47F | Australian Energy Regulator | | |
| s47E(d) | s47E(d) | | |
| s47F | Bureau of Meteorology | | |
| s47E(d) | s47E(d) | | |
| s47E(d) | s47E(d) | | |
| s47F | CSIRO | | |
| s47F | CSIRO | | |
| s47F | Department of Defence | | |
| s22 | Department of the Environment and Energy | | |
| s22 | Department of the Environment and Energy | | |
| s22 | Department of the Environment and Energy | | |
| Tim Wyndham | Department of the Environment and Energy | | |
| s22 | Department of the Prime Minister and Cabinet | | |
| s47E(d) | s47E(d) | | |
| s47E(d) | s47E(d) | | |
| s47F | The Treasury | | |
| s47E(d) | s47E(d) | | |