

Clean Energy Regulator
Safeguard
GPO Box 621
Canberra ACT 2601
Australia

Dear Clean Energy Regulator,

Date
21st March 2024

RE: Section 72C of the Safeguard rule statement

In accordance with **National Greenhouse and Energy Reporting (Safeguard Mechanism) Rule 2015**, Division 5—Surrender of prescribed carbon units 72C (5); a written explanation of why more carbon abatement was not undertaken at a facility during a period must be provided to the Clean Energy Regulator.

Tom Price has exceeded the baseline by more than 30% in Financial Year 2023.

Please see below Rio Tinto response on behalf of Hamersley Iron Pty Ltd to the Clean Energy Regulator:

1. Increased diesel consumption at Tom Price was primarily driven by increased work index. As mining operations mature and expand further from the processing facilities the mobile equipment fleet is required to traverse longer distances to move material.
2. Rio Tinto is committed to diesel displacement to support our decarbonisation commitments of 50% emission reduction by 2030 and net zero by 2050.
3. The Rio Tinto diesel displacement strategy, including diesel consumed at Tom Price, is anticipated to meet net zero outcomes primarily through electrification. Many technologies required to achieve haul truck electrification do not yet exist for commercial applications and Rio Tinto is actively supporting research and development across industry to accelerate these solutions, including partnering with Caterpillar and Komatsu.
4. Opportunities for nearer term abatement are being considered for deployment. In addition, renewable energy generation in the Pilbara is being progressed which is a key enabler to displace diesel through electrification.