

31 May 2024

Ms Kate Lea-Perry,
Acting Branch Head, Carbon Crediting Branch
Emissions Reduction Division
Department of Climate Change, Energy, the Environment and Water

Via online form: [Landfill Gas Method Options](#)

Reform options for ACCU Scheme landfill gas methods

Thank you for the opportunity to provide feedback on the *Reform Options paper for ACCU Scheme Landfill Gas Methods 2024*.

The Australian Local Government Association is the national voice of local governments, representing seven jurisdictional local government associations and the interests of 537 local governments across the country.

The Australian Carbon Credit Unit (ACCU) Scheme plays an important role in Australia reaching its net zero goals by 2050 by incentivising greenhouse gas abatement. Australia has seen great success in achieving significant and sustainable reductions in landfill greenhouse gas emissions, through policy settings that encourage investment in solutions through the creation of ACCU for methane abatement.

Councils are at the forefront of dealing with climate change impacts and are committed to reducing greenhouse gas emissions.

For many councils, landfills are one of the largest sources of emissions, and landfill gas infrastructure represents a significant control activity. It can also create renewable energy for our communities. Landfill gas management and methane abatement often comes at little or no cost to councils, helping us keep rates down.

For the ACCU Scheme to be effective, it must have integrity and transparency. The review into the ACCU Scheme Landfill Gas Methods is a good opportunity to further refine the policy settings to ensure ACCUs generated correlate to additional abatement above current technological advances and regulatory requirements.

ALGA supports raising the baseline to ensure that the abatement is additional but the new setting should not stymie the development of future or current landfill gas projects that could contribute to Australia's emissions goals. If landfill gas projects become unviable under the proposed changes in this Options Paper, existing projects would ultimately have no choice but to pass these new costs on to residents through higher rates or charges. New landfill gas projects will be limited to regulatory requirements, and methane emissions will continue potentially uncontrolled.

Local government owned landfills are usually operating in a different context to commercial landfills, servicing smaller and more regional communities. They have constraints in terms of distance to skilled workforce and equipment, that makes both installation and maintenance more expensive than landfills operating close to large metropolitan areas. In some jurisdictions, they operate under different regulatory settings than larger landfills. A blanket reform will disproportionately disadvantage regional areas and potentially increase emissions by lowering investment in landfill methane abatement.

ALGA is concerned that too high additionality baselines will disincentivise councils from implementing marginal abatement projects that are only economically viable through the sale of ACCUs. For example, a regional local government in Queensland is currently investigating a landfill gas flare system for a relatively small landfill (20,000 tpa). As part of this investigation, the Council is cognisant that the site is at the very low end of the scale to be economical but is interested in proceeding based on the emissions reduction benefit. Even for a small landfill, some of the interested commercial parties had indicated that it could be no capital cost system. However, if the proposed reforms change the viability of the proposal, there is an increased likelihood these projects aren't implemented, with business as usual continuing with no reduced emissions.

Waste avoidance and organics recovery are also key to avoiding emissions. Similarly to landfills, source separation and waste recovery activities require ongoing investments given their character. Into the future, we need policy that effectively promotes higher order circular economy outcomes (e.g. organic waste recovery including anaerobic digestion) and that promotes the best outcomes in each layer of this system (e.g., both landfill gas capture is maximised and anaerobic digestion for a wide range of wastes). Similar crediting and review of frameworks would be an appropriate action for the department. The carbon benefits of a circular economy measure should be recognised at a systemic level across its lifecycle, not only by way of avoided landfill impact.

We urge the department to work with the landfill gas sector to find workable changes to the baseline, upward slope and crediting periods to maintain system integrity and greenhouse gas reductions into the future based on the evidence of what is possible within mature systems. We need methane abatement to be maintained and grown while protecting our communities from all unnecessary costs of living rises.

Please contact ALGA's Director Environment Denise Anderson (denisea@alga.asn.au) if you require further information.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Darren Hunter', with a stylized flourish at the end.

Darren Hunter
A/Chief Executive Officer