



Submission Template: Emissions Reduction Fund draft method determination

[Insert name of the method determination on which you are commenting]

Overview

This submission template should be used to provide comments on a draft Emissions Reduction Fund method determination.

Contact Details

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Date:	26 September 2014

Confidentiality

All submissions will be treated as public documents, unless the author of the submission has requested that the submission not be published on the grounds that its publication could reasonably be expected to substantially prejudice the commercial interests of the author or another person. Public submissions will be published in full on the Department of the Environment's website, including any personal information of authors and/or other third parties contained in the submission. If any part of the submission should be treated as confidential then please provide two versions of the submission, one with the confidential information removed for publication.

A request made under the *Freedom of Information Act 1982* for access to a submission marked confidential will be determined in accordance with that Act.

Do you want this submission to be treated as confidential? Yes No

Submission Instructions

Submissions should be made by **close of business** on the day the public consultation period closes for the draft method determination. This date will be specified on the Department's website: www.environment.gov.au. The Department reserves the right not to consider late submissions.

Where possible, submissions should be lodged electronically, preferably in Microsoft Word or other text based formats, via the email address – EmissionsReductionSubmissions@environment.gov.au

Submissions may alternatively be sent to the postal address below to arrive by the due date.

ERF Governance, ERF Division
Department of the Environment
GPO Box 787
CANBERRA ACT 2601

Name of draft method determination: Carbon Credits (Carbon Farming Initiative) methodology (Alternative Waste Treatment) Determination 2014

General comments

AWT Determination – eligible waste treatment technology

The draft determinations for “eligible waste treatment technology” under S5 Definitions are “closed” and this renders them exclusionary.

In particular, they exclude thermal treatment which we believe has sufficient justification to be included as an eligible waste treatment technology for the reasons laid out in this submission:

1. Thermal treatment is an equivalent method of processing & diverting residual waste from landfill, to the three processes included in the definition of “eligible waste treatment technology.” Recommend that thermal treatment is included as an eligible waste treatment technology.
2. The use of MSW and C&I as feedstock for a thermal treatment facility, will result in a proportion of the energy derived having a measurable renewable energy content proportional to the organic content in the waste feedstock for that plant. Therefore it is an equivalent eligible technology to the three technologies that are listed as eligible in the draft determinations.
3. The energy derived from waste, netting out any consumption of fossil fuel or electricity required to carry out the process of thermally treating waste material, can replace grid based electricity within the National Energy Market (NEM) to the extent that the energy is exported from the facility.
4. Thermal treatment covers processes that include direct combustion and the generation of a gas for combustion from feedstock waste. In the context of this legislation only thermal treatments that recover energy should be included in the definitions.

In summary, thermal treatment is:

- Equivalent (to the three eligible technologies defined under S5),
- Measurable (for its abated emissions - in the same way as the other three technologies). In addition the avoided use of fossil fuels can be measured for thermal treatment
- Bounded (inputs and outputs are known delivery points. This means that the additionality impact of introducing this technology can be calculated) and
- An internationally recognised Alternative Waste Treatment technology

SSROC therefore recommends to be included as an eligible waste treatment technology.

In addition to this key recommendation, the following comments refer to specific definitions.

Specific comments – please insert your specific comments below, listed against the part of the draft method determination to which they apply.

Note: In some cases the draft Explanatory Statement may flag specific issues for consideration by stakeholders.

Draft method determination reference	Comments
Part 1. S5 definitions	The definitions in the draft determinations for eligible waste treatment technology have omitted to include the thermal treatment of waste. This is missed opportunity for Australia and should be amended as the major states (WA, VIC, NSW and SA) have, in the past 12 months or so adopted energy from waste policies, and this is the fastest emerging technology for processing residual waste and reducing landfill (and their emissions).
Part 1. S5 definitions Eligible waste treatment technology.	From a national perspective, use of a closed definition of eligible waste technology is out of step with the new state policies for energy from waste.
Part 1. S5 definitions Process engineered fuel manufacture	<p>One of the technologies included in the draft determinations as an eligible waste technology - processed engineered fuel manufacture at (c) is not-sufficiently defined. Process engineered fuel is defined very broadly as “a process by which a combustible fuel substitute [which itself is not defined] is produced from MSW that would otherwise enter landfill, and may include pre-sorting of waste, separation of recyclable material, size reduction and screening”. However, it is unclear how “recyclable material” can be included as a fuel substitute. It would appear what is meant is “the processes by which a fuel substitute is derived includes pre-sorting ... (etc)”</p> <p>It is imperative for clarity for the thermal treatment sector that this definition also qualifies that PEF can take the form of either solid and/or gaseous fuels. (Also see next point below)</p>
Part 1 S5 definitions. Bio-based product	If the existing draft definition of bio-based product remains, the notes need to include “synthesis gas derived from the organic content of the waste feedstock” as an example along with the three already listed.
Part 1 S5 definitions. Gaps	<ol style="list-style-type: none"> 1. Whilst process engineered fuel manufacture is defined, there is no definition for the product or output that is ‘<i>process engineered fuel</i>’. Other terms used for this product are also not defined. These would include provision of definitions for refuse derived fuel (RDF) and Secondary Recovered Fuel (SRF) 2. There is no definition for ‘<i>combustible fuel substitute</i>’.
Part 4 Division 3 S19 (2) Method for calculating activity abatement portions	The change in landfill gas methane capture rate for NSW from 24% for transitioning projects to 37% for new AWT projects is excessive. An explanatory note is required in this section to establish how or why such a marked 54% increase in landfill gas methane capture rate is established in the absence of a 54% increase in landfill gas capture projects in NSW across the past five years.

Do you consider projects that would apply the draft method are likely to cause significant adverse environmental, economic and/or social impacts?

If so, what existing frameworks (such as regulatory frameworks or policies) are in place to address any such impacts?

SSROC is not commenting on this question. SSROC notes that the NSW government has an Energy from Waste Policy Statement 2014 setting out minimum requirements for thermal treatment facilities.