

SUBMISSION

From: BINGO Industries
Subject: NSW Environment Protection Authority (EPA) Climate Change Assessment Requirements and Guide – Draft for Feedback
Date: 2 July 2024

About BINGO

BINGO is a recycling and waste management company with operations across New South Wales, Victoria, and Queensland. BINGO provides end-to-end solutions across the resource management supply chain including collection, processing and recovery, disposal, and manufacturing. Our strategic intent is to divert waste from landfill, through a recycling-led solution, investment in technology and continuous innovation to enhance sustainability outcomes and push for a waste free Australia.

BINGO is already a leader in the waste and recycling sector when it comes to decarbonisation and has committed to running all facilities on 100 per cent renewable electricity by 2025 and reducing our greenhouse gas (GHG) emission by 50 per cent by 2030. In addition, we have committed to operating a zero GHG emissions business by 2040 (10 years ahead of the NSW Government timeline).

BINGO as a company including our 19 facilities and a fleet of over 500 vehicles generated 102,453 tonnes of scope 1 and 2 CO₂-e GHG emissions in 2022-2023. Through existing emission reduction activities at our Eastern Creek and Patons Lane precincts, including our investment in offtake partnerships, BINGO is in a strong position to support large industries in NSW to decarbonise and help achieve the NSW Government's GHG reduction targets. Our 2023 Sustainability Report notes 404,020 tonnes of CO₂-e emissions were abated due to our operations diverting close to 900,000 tonnes of materials from landfill.

BINGO acknowledges the threat of climate change and the importance of suitable regulatory mechanisms directed towards ensuring that greenhouse gas emissions are properly assessed and appropriately minimised to achieve the NSW Government's net zero commitments.

Submission on the draft Climate Change Assessment Requirements and Guide

Consistency across regulatory regimes

At the federal level, the Safeguard Mechanism provided for by the Clean Energy Regulator under Part 3H of the *National Greenhouse and Energy Reporting Act 2007* (Cth) (**NGER Act**) seeks to gradually reduce emissions from facilities with direct scope 1 emissions of more than 100,000 tonnes of CO₂-e per year. The threshold for large emitters set in the draft Climate Change Assessment Requirements (**CCAR**) is considerably lower and captures all projects likely to emit 25,000 tonnes of scope 1 and 2 emissions per year during the operational life of the project.

BINGO considers that the threshold for projects which will be subject to regulation of GHG regulation should be aligned with other jurisdictions and should consider the principles which have been set under the Federal regime. If the threshold for large emitters in NSW is not aligned across other jurisdictions, this will place additional pressure on the planning and assessment process by increasing the number of developments which meet the criteria for assessment of GHG and may discourage investment in projects in NSW due to overly onerous assessment requirements and extended timeframes for approvals.

Further guidance required on GHG assessment boundaries

Additionally, as under the NGER Act, it is often challenging for proponents to define the assessment boundary for a project for the purposes of emissions reporting. The *draft Guidance on the greenhouse gas assessment and mitigation plan to be prepared for large emitting projects within environment impact assessments* (**Draft Guidance**) contains fairly limited detail on how the GHG assessment boundary should be defined for the purposes of accounting the scope of emissions.

The Draft Guidance should provide sufficient clarity to proponents about how to define the GHG assessment boundary, noting this is a threshold issue and is critical for a proponent to assess potential emissions, and develop a plan to address avoidance, mitigation and offset measures.

Consideration of sector specific requirements

The CCAR and Draft Guidance is general in nature, and does not account for sector specific application and impacts, noting that each sector will vary in its decarbonisation efforts and timeframes, due to operational needs and investment pipeline.

Additionally, by the time secretary's environmental assessment requirements (**SEARs**) have been issued, many projects will have already been designed and assessed against certain emissions reductions targets, and there may be limited ability for proponents to further limit GHG emissions on a project. There needs to be sufficient certainty for proponents prior to SEARs, including more nuance in relation to offsets to take into consideration projects in industries which cannot further mitigate or reduce emissions.

For example, landfills remain a necessary part of the waste management and recycling industry, and should be subject to appropriate mitigation and offset targets which take into consideration the limited ability to reduce GHG emissions from landfills beyond a certain point.

Our suggestion is that the EPA fast tracks in consultation with respective industries and prepares sectoral decarbonisation plans to clearly indicate how the Draft Guidance will be implemented for respective sectors to consider how offsets can be managed and appropriately considered. For example, the waste and recycling sectoral plan should consider limitations on current landfill operators, where under current NGER frameworks, the percentage for all reported methane captured for destruction, that can also be used to obtain ACCUs, is capped at 75%.

Under the current calculations, there is an assumption that no matter how much methane is captured, there will be 25% fugitive emissions. Therefore, if the percentage of all reported methane captured for combustion or flaring is greater than 75%, the model will assume an inaccuracy and increase the total methane reported, so that the proportion comes back below this 75% threshold. For landfill operators like BINGO, this caps the ability to produce more ACCUs and the ability to reach net zero targets in the long term.

Technology will not be able to fully capture landfill gas emissions and this fact needs to be reflected in the application of the CCAR and Draft Guidance. The Draft Guidance should provide guidance on the potential impact of the application of the Draft Guidance and any proposed GHG Assessment Guide on any future landfill and energy from waste developments to ensure proponents understand any GHG emission reduction requirements during the developmental phase of the project and prior to the submission of the planning application.

Assessment of Scope 3 emissions

BINGO also notes that that in addition to Scope 1 and 2 emissions that will be required to be assessed, material sources of Scope 3 emissions are required to be assessed to help proponents consider emissions along their value chains during the planning phase of projects.

Noting that the mandatory climate reporting of Scope 3 emissions under Federal Government legislation is still being developed and has not yet been implemented, assessing Scope 3 emissions will pose considerable challenges to proponents. Many businesses do not yet have the capability or systems in place to track emissions, which leads to gaps and inconsistencies arising from imprecise data sources.

It is unclear what additional benefit the assessment of Scope 3 emissions provides at this time, having regard to these challenges. In our submission, the requirement to assess Scope 3 emissions should be deferred until the assessment of Scope 3 emissions can be carried out meaningfully.

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