

Submission to NSW EPA
*Proposed Climate Change Licensee
Requirements*

3 October 2025



**CENTRAL NSW
JOINT ORGANISATION**

3 October 2025

Manager, Climate Change Policy
NSW Environment Protection Authority
climatechange.review@epa.nsw.gov.au

To the Climate Change Policy Manager,

Re: Proposed Climate Change Licensee Requirements

Thank you for the opportunity to provide feedback on the proposed climate change licensee requirements. We understand that these proposed changes will impact councils that operate landfill facilities of a certain emitting capacity from 2027 onwards.

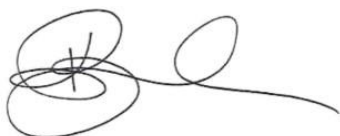
Central NSW Joint Organisation speaks with a unified voice for its collective priorities. This region has a proud history of working collaboratively, representing over 180,000 people covering an area of more than 53,000sq kms comprising the local government areas of its membership – Bathurst, Blayney, Cabonne, Cowra, Forbes, Lachlan, Lithgow, Oberon, Orange, Parkes, and Weddin.

Tasked with intergovernmental cooperation, leadership, and prioritisation, CNSWJO has consulted with its stakeholders to identify key strategic regional priorities. The CNSWJO Draft *Strategic Plan 2025-2029* identifies several initiatives and actions related to circular economy and waste emissions. Additionally, we have partnered with EPA's Major Projects Team and NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW) to deliver the Landfill Emissions Abatement Knowledge Sharing (LEAKS) Program. As such, we have a unique vantage point of the proposal currently on exhibition as it relates to council-operated landfills and greenhouse gas emissions.

With respect to the current proposal, we have explicitly engaged with the NetWaste Voluntary Regional Waste Group (VRWG) and Waste Managers at Bathurst Regional, Lithgow City, and Orange City councils. Enclosed is our feedback on the exhibited proposal. **A summary of our recommendations to the EPA begins on page 7.**

If you require further information or clarification on comments in this submission, please do not hesitate to 

Sincerely,



Kate Barker
Interim Executive Officer
Central NSW Joint Organisation (CNSWJO)

1. Administration and strategic purpose

CNSWJO appreciates the proposed first steps to be taken by EPA on climate-monitoring of certain facilities. We also acknowledge the work that has gone into ensuring these changes encourage council landfill operators to plan for mitigation actions as a first port of call, with the avoid-reduce-substitute-offset hierarchy.

The proposed changes to reporting and management planning practices for council-licensed facilities are significant. These changes represent more administrative climate-related processes than are currently in place or required under Federal reporting schemes for most councils. This will have substantial cost and resourcing imposts on council operations as additional layers of management, mitigation planning, and reporting are added.

A well-rounded and functional reporting system requires stakeholder confidence in the strategic vision of the regulator. With multiple policies and initiatives afoot and overlapping in the waste, circular economy, and Net Zero space, there exists the responsibility of the EPA to clearly communicate expected outcomes to emitters. For instance, in the regulatory/policy continuum at present there exists the FOGO mandate at one end, looming changes to the application of the waste levy in the middle, and the subject proposal of climate change licensee/Climate Change Mitigation and Adaptation Plans (CCMAPs) reporting at the other 'educate and plan' end. It is noted that the FOGO mandate was preceded for some years by educational resources, guidance, and policy signals.

These alternative regulatory/policy approaches have numerous implications, prime among them the ability for councils to generate Australian Carbon Credit Units (ACCUs) or not. CNSWJO commends the EPA for clarifying the ability to generate ACCUs would *not* be impacted by the current policy proposal. The current proposal appears to have been designed with this crucial factor in mind and following deep engagement with the Clean Energy Regulator (CER).

Returning to the question of the broader strategic purpose of the proposed changes, it is wholly important to councils to know **how information in annual climate reporting and CCMAPs of affected landfill facilities will be used by EPA now and into the future.** Will data and information collected by EPA be used for the purposes of analysing what further support/resources/funding is required to sustain successful CCMAPs? Will CCMAPs morph to be a tool used in a more 'punitive' way, where councils are not able to meet mitigation actions in their own Plans?

We pose further questions and queries related to administration of the climate change licensee reporting and CCMAPs scheme:

- The EPA consultation documents state that specific mitigation actions and emissions limits on licences for groups of licensees will be introduced progressively, **but there is no other exhibited indication of timing.** Local councils need to know expected timeframes in order to prepare four-year delivery plans and annual operational budgets that incorporate these additional costs with a level of certainty.
- Will reporting requirements be administered through updated Environment Protection Licence (EPL) conditions, or through amendments to legislation?
- What, if any, penalties/sanctions apply to councils that fail to do reporting on a threshold facility?
- If a facility is required to do reporting due to exceeding the threshold in a relevant financial year, what is the mechanism for that facility no longer being required to do reporting once it is below the reporting threshold?
- Is there a reporting/CCMAPs 'off-ramp' for facilities that achieve net emissions below the reporting threshold?
- Is it possible for facility-level CCMAPs to lapse, or do they need to be formally revoked by councils?

Consequently, our view on the overall impact of the as-exhibited policy proposal and associated material is limited without a fuller understanding of the administrative context of proposed changes.

2. Clarity on reporting thresholds

CNSWJO appreciates the numerous webinars that have been held during the consultation period on the proposed changes. The combination of written consultation material and interactive presentations has been necessary to comprehend the suite of changes. There is room for improvement in the written consultation material to **clarify specifically how thresholds for reporting are to be calculated**.

There has been confusion among councils and JOs as to the purpose of the proposed changes and relatedly, the way in which reporting thresholds for landfill facilities is to be calculated. We are of the understanding (from verbal discussions with the EPA) that the intent of the proposed changes is to target EPL holders that are estimated to *actually* emit (post any abatement measures) scope 1 and scope 2 emissions of 25,000t CO₂e or more per financial year. In other words, landfill facilities that *would* emit this amount (if not for landfill gas capture or other proven abatement technology) but are estimated to not actually emit in excess of the 25k threshold, are not required to report to EPA under the proposed changes.

CNSWJO supports the intent of the calculation threshold being based on net emissions rather than gross emissions from the landfill facility. However, there are further case scenarios that require fleshing out; do retired and sold Australian Carbon Credit Units (ACCUs) count in equal measure towards net emissions reduction for the purposes of the threshold? If sold ACCUs count in equal measure to retired ACCUs, how should councils report on their decarbonisation efforts in facility-specific CCMAPs in such a way that maintains integrity and community trust in broader Net Zero targets?

Other scope 1 and 2 emissions sources at council-operated facilities

The EPA's policy and support approach to helping councils estimate other scope 1 and 2 emissions not originating from the main source at a facility (e.g. not landfill fugitive gas or flared emissions) is underdeveloped in the consultation material. Some questions and scenarios that warrant further consideration before the proposed reporting requirements come into effect include:

- If councils are relying on National Greenhouse and Energy Reporting Solid Waste Calculator (NGER SWC) outputs for the purpose of annual reporting to EPA on emissions thresholds, what additional work (with associated additional costs) must be undertaken by councils on calculating emissions at landfill facilities that do not originate from landfill gas itself (e.g. electricity consumption, plant and machinery fuel use on site)? It is noted that for many councils, fuel invoices for fleet and machinery are not separated by facility in council accounting systems. This presents one example of where disaggregating data and estimating scope 1 and 2 emissions at a facility-level for councils will present significant additional challenges and costs in terms of time, resources, and funds.
- What gaps or duplications are there between resources to estimate landfill gas facility-level emissions and the readiness of the NSW DCCEW's Carbon Compass/Cassora tool for estimating sources of councils' scope 1 and 2 emissions? How can the NSW Government reduce the reporting burden on councils imposed by different divisions of its environment portfolio?
- What are the potential reporting duplications between the proposed policy and that of the National Pollutant Inventory (NPI), for example? Some council sewer, water, and waste facilities currently report certain substances to the NPI. Some of these substances are greenhouse gases (nitrous oxide/oxides of nitrogen).
- What support will the EPA provide to operators of landfill facilities that are close to (but below) the emissions threshold from landfill gas sources, in estimating other scope 1 and 2 emissions that may tip these facilities over the reporting threshold?

CNSWJO requests that the final policy wording and guidance on these matters are clarified to ensure emissions threshold requirements (pre-abatement, post-abatement, retired ACCUs, sold ACCUs), case scenarios (other scope 1 and 2 emissions not originating from landfill gas), and public reporting implications are fully canvassed.

3. Emissions estimations

CNSWJO commends the EPA for being relatively agnostic in its approach to which tool/method should be used for the purposes of estimating actual landfill emissions. We understand that resources have been linked during the consultation process which favour use of the NGER SWC.

We further understand that background work has been undertaken by various teams of the EPA to estimate emissions of some landfill facilities of certain capacities, using the NGER SWC. Additionally, during consultation webinars (including the Monday 22 September webinar), the EPA Climate Change Policy Team seemed to indicate that they expect 40 EPL holders of landfill facilities to be affected by the proposed reporting requirements (ie that 40 landfill facilities in NSW will exceed the 25,000t CO₂e annual net emissions threshold). To date, we are not aware of **facility-level data being systematically shared back to relevant councils** by the EPA, officially notifying councils of where they stand with regards to incoming changes to climate change reporting.

It is noted in the previous section of this submission (2. Clarity on reporting thresholds), that it is not *just* landfill gas emissions councils would need to calculate in-house from a waste facility to ascertain whether new reporting requirements apply to them; they also would need to calculate other scope 1 and 2 emissions at a facility-level from fuel, electricity consumption, and the like. As receivers of WARRP data and with more in-house resources as a State Government agency, **we expect the EPA to be willing to execute data analysis (at least prior to the first reporting period) that comprehensively assists councils** in understanding newly imposed reporting requirements at a facility-level.

During the consultation phase, some of our member councils reached out directly to the Climate Change Review Team at EPA seeking facility-level analysis of emissions calculated by the EPA (where this data/analysis exists). CNSWJO was pleased to note that data-sharing took place with at least one affected facility that reached out.

As an equity measure, we are of the view that the EPA should systematically and explicitly notify the following category of councils of their new reporting obligations (arising from proposed exhibited changes):

- councils that do not currently do climate reporting on landfill emissions (to CER, for example), *and*
- their scope 1 and 2 net emissions at a facility-level have been estimated by EPA to be equal to or greater than 25,000t CO₂e per year in a relevant financial year.

4. Cusp facilities and merits-based exemptions

CNSWJO recognises that the intent of the proposal is to target licensees that cumulatively emit the most greenhouse gases in the State out of all EPL holders. **Consideration should be given to reporting exemptions for ‘cusp’ facilities or on merits-grounds.**

The emitting threshold is proposed to be calculated based on the previous three financial years’ worth of data. If a facility, such as a landfill, has been estimated to exceed the 25,000t CO₂e threshold in any of the previous three years, that facility is captured by new reporting requirements to EPA under the proposal. There is no exhibited exemption to this requirement or appeal pathway for an affected facility to demonstrate why the reporting requirements are not reasonable in their case.

Cusp facility scenario

- Landfill facility A (council-operated) has exceeded the 25,000t CO₂e threshold in at least one recent financial year
- Landfill facility A is going through the approvals and construction process to operate a landfill gas flare for methane abatement
- Methane abatement is expected to bring emissions well below the reporting threshold

- Landfill facility A expects the landfill gas flare to be operational within the 2025-2026 financial year.

In the above scenario, Landfill facility A will be required to do climate change reporting/CCMAPs in February 2027 and October 2027 (respectively). Both of these milestone dates will occur post-abatement implementation of landfill gas flaring in FY2025-2026, and the first CCMAP publication date will be months after the conclusion of FY2026-2027.

It is recommended that these 'cusp' facilities are not unreasonably captured by reporting requirements, by amending the financial year measurement to begin from 2025-2026 (the policy signal year).

Setting a specific starting financial year for measurements of emissions to be counted from for reporting purposes ensures that:

- facilities captured by new reporting requirements are reasonably likely to be facilities that have adequately received (but not comprehensively responded to) the policy signal put out by EPA,
- 'cusp' facilities during the policy signalling phase are not unreasonably captured for a single reporting year (e.g. landfill gas capture and flaring coming online in 2025-2026), and
- unnecessary administrative burden is not being placed on facilities that are otherwise doing nascent and adequate mitigation action as intended by the policy signal.

Merits-based exemptions

In addition to financial year measurement changes as suggested in the above section relating to 'cusp' facilities, CNSWJO advocates for case-by-case merit exemptions to reporting requirements/CCMAPs creation be available through an exemptions pathway for council-operated facilities.

Exemptions to reporting requirements and facility-specific CCMAPs creation should be made available where council-operated landfill facilities can demonstrate an emissions reduction plan or abatement project is already in place/underway that will reduce landfill emissions to below 25,000t CO₂e per year.

The purpose of this recommendation is to prevent councils being captured by new requirements for up to three years, even though the facility is on track to reduce emissions to below 25,000t CO₂e. **Criteria for the merits exemption could include where a facility can demonstrate abatement measures are in place to reduce emissions below threshold levels within the first three years of commencement of new licensee reporting requirements.**

5. Climate Change Mitigation and Adaptation Plans (CCMAPs)

CNSWJO supports the provision in the exhibited proposal that CCMAPs are not prescribed to occur in a particular format for threshold facilities and that existing reporting requirements to other government agencies could be used as a CCMAP (with addenda). This ensures minimal duplication in reporting efforts and gives councils flexibility in how they publish and communicate their CCMAPs to the broader public.

Conversely, for those councils that are especially resource-poor and have not done any sort of legislated climate mitigation and strategy reporting to government agencies or the public to date, the lack of an optional EPA-endorsed CCMAP template presents an additional administrative burden. **Resources on 'best practice' CCMAP considerations and inclusions have also been absent during the consultation period**, as well as a guide on how to prepare a CCMAP (ie working with consultants and relevantly qualified personnel, scientific rigour in 'claimed performance' of mitigation measures). How will the EPA deal with situations when emissions mitigation measures identified in CCMAPs may be appropriate as part of emissions reduction planning, but the costs of mitigation may not meet the operational return on investment requirements established by councils for capital investment projects?

The LEAKS Program that CNSWJO is funded by EPA to deliver until December 2026 seeks to plug some informational and resource gaps on landfill gas capture and flaring. Council officers, even within waste

teams, are not experts in landfill gas abatement and management technologies. The smaller a council is, the more ‘hats’ each council employee has to wear. The LEAKS Program is likely to be integral to some councils as they work through the creation of their first iteration of a facility-level landfill CCMAP (due October 2027). In light of this, the LEAP/LEAKS Program will be a key informant, collaborator, and stakeholder in policy development surrounding CCMAPs. We view the proposed climate change licensee reporting requirements as inseparable from the LEAKS Program. **Therefore, we wish to see greater harmonisation and stakeholder engagement between the Major Projects branch at EPA (home of LEAP/LEAKS) and the Strategy & Policy Division (home of the subject policy proposal).**

There exists the possibility for cross-regional CCMAPs creation through Joint Organisations, VRWGs (such as NetWaste), and Regional Organisations of Councils (ROCs). Cross-regional CCMAPs creation for multi-facility plans could be contracted and administered at a strategic, regional-level with value-adding for collaborative mitigation actions and procurement. **This work could potentially tie in with other strategies the EPA is seeking to develop for its Chapter 2 Waste and Circular Infrastructure Plan in the regions.**

6. Funding and support

CNSWJO is very supportive of any additional resources, funding, and support that can be offered to councils that operate landfills affected by the proposed changes.

We note during consultation webinars that references have been made to funding for eligible licensees who are required to develop CCMAPs by 2027 (eg EPL holders for landfills). It is apparently proposed to make funding available to eligible licensees in the order of 50% of the cost to prepare a CCMAP or up to \$100,000 (whichever is the lesser), with the funding scheme to open from late 2025/early 2026. At this stage, little else is known on how funds will be administered, grants criteria, targeting funding to specific licensees, and so on.

It is the CNSWJO’s opinion that funding should advance equity considerations – that is to say, funding should be targeted to councils that operate affected landfill facilities which are not currently required to do any sort of climate change/emissions reporting and mitigation plans as referenced in section 2.2.2 of the consultation draft on CCMAPs creation. Further, there exists **the opportunity for councils to value-add to the CCMAP creation process** by developing a CCMAP that captures not only their threshold landfill facility, but other operations/facilities in councils’ scope 1 and 2 emissions profiles. This flexibility in the application of grants funding could bring about councils developing strategic climate documents that may not otherwise be financially prioritised in the short to medium term. We ask that EPA establishes funding criteria that facilitates these multiplier effects.

More strategically and in alignment with points made under **5. Climate Change Mitigation and Adaptation Plans** of this submission, EPA should enable grants criteria for consortia of councils through established networks to cost-effectively deliver cross-regional CCMAPs development for affected facilities.

7. Summary of Recommendations

CNSWJO again thanks the EPA for this opportunity to provide feedback on the proposed climate change licensee reporting requirements and CCMAPs creation. We are supportive of the objectives of the proposed policy to help organisations reduce their greenhouse gas emissions and enhance their resilience to climate change. We put forward the following suite of recommendations to improve the proposed policy, particularly as it relates to council-operated facilities.

1. Conduct further consultation prior to policy coming into effect, with clarification text on strategic and administrative matters such as:
 - a. Certainty of policy timeframes to enable adequate council delivery planning and operational budget allocation.
 - b. Purpose of data and information being collected by EPA – to be used to analyse the nature of further support/resources/funding required to sustain successful CCMAPs?
 - c. Purpose of CCMAPs in the long run – to morph into a compliance tool, where councils are unable to meet mitigation actions in their own Plans?
 - d. Reporting requirements be administered through updated EPL conditions, or through amendments to legislation?
 - e. Penalties/sanctions that will apply to councils failing to do reporting on a threshold facility?
 - f. The mechanism for facilities to be added/removed from reporting requirements and CCMAPs creation/updates?
 - g. Will facilities be ‘off-ramped’ from reporting requirements when they achieve net emissions below the reporting threshold?
 - h. The revocation/lapsing of CCMAPs.
2. Reinforce assurances that the policy architecture and resultant requirements will not impede on councils’ ability to generate ACCUs for landfill gas management.
3. Reinforce assurances that the intent of the calculation threshold for facilities is based on net emissions rather than gross emissions from landfill facilities in particular.
4. Clarify and provide guidance on various emissions calculation scenarios (pre-abatement, post-abatement, retiring ACCUs, sold ACCUs) and how councils are to publicly communicate facility-level emissions reductions compared to broader Net Zero targets by the State Government.
5. Increase guidance and support on calculating other scope 1 and 2 emissions from threshold facilities, particularly for council sewer, water, and waste facilities
 - a. What additional work must be undertaken by councils on calculating emissions at landfill facilities that do not originate from landfill gas itself (e.g. electricity consumption, plant and machinery fuel use on site)? This presents one example of where disaggregating data and estimating scope 1 and 2 emissions at a facility-level for councils will present significant additional challenges and costs in terms of time, resources, and funds.
 - b. What gaps/duplications are there between resources to estimate landfill gas facility-level emissions and the readiness of NSW DCCEEW’s Carbon Compass/Cassora tool for estimating sources of councils’ scope 1 and 2 emissions? How will the NSW Government reduce the reporting burden on councils imposed by different divisions of its environment portfolio?
 - c. Potential reporting duplications between the proposed policy and that of the NPI?
 - d. Specific support to council facilities that are close to (but below) the 25,000t CO₂e annual emissions threshold from landfill gas sources, when estimating other scope 1 and 2 emissions that may tip these facilities over the reporting threshold.

6. Reinforce assurances that whilst the NGER SWC is the preferred calculation method for landfills, other reputable tools and carbon accounting resources can be used for annual climate change licensee reporting purposes and CCMAP creation.
7. Systematically execute data analysis (at least prior to the first reporting period) that comprehensively assists councils in understanding newly imposed reporting requirements at a facility-level, for *all* sources of scope 1 and 2 emissions linked to the licenced activity
 - a. Share facility-level data and analysis undertaken by EPA with relevant councils on estimated emissions. This includes council-operated facilities that are close to (but below) the reporting threshold from their main scope 1 emissions source (e.g. landfill gas) but are likely to tip over the reporting threshold due to accounting for *all* facility-level scope 1 and 2 emissions sources.
 - b. Explicitly notify councils of their new reporting obligations, especially those councils that do not currently do climate reporting on landfill emissions.
8. Implement cusp facility and merits-based exemption pathways
 - a. 'Cusp' facilities should not be unreasonably captured by reporting requirements, by amending the financial year measurement to begin from 2025-2026 (the policy signal year).
 - b. Case-by-case merit exemptions for certain council-operated facilities that can demonstrate abatement measures are in place to reduce emissions below threshold levels within the first 3 years of commencement of new licensee reporting requirements.
9. Reinforce assurances that CCMAPs are not prescribed to occur in a particular format.
10. Create EPA-endorsed optional CCMAP templates, specifically targeted at assisting councils.
11. Develop resources on 'best practice' CCMAPs considerations and a CCMAP preparation framework.
12. Consider EPA's role in financially assisting councils that have emissions mitigation measures identified in CCMAPs that are appropriate as part of emissions reduction planning, but the costs of mitigation do not meet operational return on investment requirements established by councils for capital investment projects.
13. Recognise that the LEAP/LEAKS Program is a key informant, collaborator, and stakeholder in policy development surrounding CCMAPs
 - a. Improve harmonisation between the Major Projects branch of EPA (home of LEAP/LEAKS) and the Strategy & Policy Division of EPA (home of the subject policy proposal).
14. Facilitate cross-regional CCMAP creation through Joint Organisations, VRWGs (such as NetWaste), and ROCs, to improve strategic waste emissions mitigation, climate adaptation outcomes, and infrastructure planning
 - a. Enable grants criteria for consortia of councils through established networks to cost-effectively deliver cross-regional CCMAPs development for affected facilities.
15. Ensure equitable grant outcomes by targeting funding for CCMAP creation and support to councils that operate affected landfill facilities which are not currently required to do any sort of climate change/emissions reporting/mitigation plans (as referenced in section 2.2.2 of the consultation draft on CCMAPs).
16. Allow grant funding to go towards multiple council operations with the affected threshold facility as one subset of a broader CCMAP, so that EPA funding can value-add to strategic climate documents that may otherwise not be financially prioritised by a council.