

3 October 2025

Manager, Climate Change Policy
NSW Environment Protection Authority

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Dear Sir/Madam

Submission in relation to:

- a) Climate Change Licence Requirements**
- b) Climate Change Mitigation and Action Plans: Mitigation Requirements**

City of Newcastle (CN) welcomes the opportunity to provide feedback on the proposed Climate Change Licence Requirements and Climate Change Mitigation and Action Plans: Mitigation Requirements (CCMAP). CN supports the EPA's commitment to reducing greenhouse gas emissions and enhancing climate resilience across NSW. However, CN wishes to highlight critical considerations regarding the potential unintended consequences of the proposed framework, particularly as they relate to the Summerhill Waste Management Centre (SWMC).

SWMC is the largest public landfill in NSW and a critical waste and resource recovery asset for the Hunter Region and beyond. In FY2024–25, SWMC landfilled approximately 220,000 tonnes of mixed waste. The facility has over 20 million cubic metres of remaining airspace, underscoring its long-term strategic value given the scarcity of landfill capacity in NSW.

Given the high volume of waste landfilled, SWMC is a significant source of Scope 1 carbon emissions as a result of generating landfill gas (LFG). In FY2024–25, 62,000 tonnes of CO₂-e were emitted which represents about 90% of CN total carbon emissions. Accordingly, SWMC will be subject to the requirements of the Climate Change Licence Requirements and CCMAP.

Emission at the SWMC have been actively mitigated through substantial investment in LFG capture and utilisation infrastructure:

- Since 2005, approximately 150 gas wells, two 1.1 MW gas engines, one 0.8 MW engine, and two gas flares have been progressively installed.
- In FY2024–25, over 20 million m³ of LFG were captured, resulting in 207,000 tonnes of CO₂-e abated.
- In FY 2024-25, 24,000 MWh of renewable energy was generated for the local community, powering approximately 4,000 homes.

The installation of the LFG capture and utilisation infrastructure and the operation of the system have been achieved at no cost to CN or its ratepayers. Both Capex and Opex are funded from the Federal Government's Australian Carbon Credit Unit (ACCU) Scheme.

The ACCU Scheme has been essential to the financial viability of SWMC's emissions reduction activities. CN's contractor has invested \$8.4 million in LFG infrastructure since 2005, incentivised by the ability to generate and sell ACCUs. This model has delivered high-

quality, cost-effective methane abatement and renewable energy generation at no cost to the local community.

CN is concerned that mandatory mitigation actions under the CCMAP framework may inadvertently disqualify future LFG expansion projects from ACCU registration. Specifically:

- ACCUs cannot be generated for future mitigation actions that are legally mandated.
- SWMC is expected to operate for over 50 years, with multiple future expansions of the gas field anticipated. Future gas expansion projects cannot be registered now.
- If future expansions are deemed mandatory under CCMAPs, CN will lose access to ACCU revenue, shifting the financial burden for extension of gas collection networks to Council and ratepayers. This outcome would undermine the financial model that has enabled significant emissions reductions to date and could slow future methane abatement efforts
- Without ACCUs, CN will be required to fund gas field expansions as well as the cost of implementing mitigation actions pursuant to CCMAP.

Furthermore, CN is increasingly concerned that the financial burden of mitigating carbon emissions from legacy waste will fall disproportionately on CN ratepayers. SWMC as a regional facility, has historically accepted substantial volumes of waste from the commercial sector and from outside the CN Local Government Area (LGA). However, both current and historical waste disposal fees at SWMC have and do not incorporate future costs associated with carbon emission mitigation.

This disconnect creates a scenario in which CN residents may be required to fund mitigation efforts for emissions generated by waste that was landfilled in the past and that originated outside the CN LGA and from commercial sources. Without a more equitable cost-recovery framework included in CCMAP, CN ratepayers will unfairly shoulder the financial responsibility for emissions they did not directly generate. This not only undermines the principle of polluter-pays but also risks perpetuating intergenerational inequity.

Recommendation:

- **Policy Alignment:** Ensure full integration between NSW and Australian Government emissions reduction policies to avoid unintended consequences.
- **Transitional Safeguards:** Ensure existing **and** future LFG projects are protected from losing ACCU eligibility due to mandatory requirements of the CCMAP.
- **Financial viability:** Ensure future carbon reduction targets and mandates preserve the financial viability of LFG capture and utilisation infrastructure, considering both CAPEX and OPEX requirements), given the emission reduction such infrastructure delivers.
- **Funding commitment for legacy emission:** Recognise that the mitigation of carbon emissions from legacy waste represents a significant financial burden for the CN community, particularly as historical waste disposal fees did not account for future carbon mitigation costs. To ensure fairness and environmental justice, funding should be provided to mitigate the proportion of carbon emissions that are the result of waste received in the past from sources other than CN households.

Furthermore, CN has the following concerns in relation to the CCMAP:

- The uplift needed to collate data and forward model emissions trajectories.

Recommendation: Include clauses specifically for Council landfills, that mirror the proportionality clause (3.4) contained in [NSW TPG24-33 Reporting framework for climate-related financial disclosures](#). That is, '*an entity shall use all reasonable and supportable information available to the reporting date without undue cost or effort*' and the reporting should be '*proportionate to the size, prominence and climate [Emissions] of each entity*'.

- The current mitigation hierarchy does not include insetting, which may be viable pathway, both for Councils (for example solar farms on capped landfill sites) or for other emitters covered by these requirements.

Recommendation: Include insetting as a recognized mitigation pathway.

- Cost of implementing mitigation measures will put additional financial burden on the community particularly during periods when cost of living pressures are paramount.

Recommendation: Establish a dedicated funding pathway to support implementation, either by NSW EPA or another NSW Government agency such as NSW DCCEEW.

- Waste facility managers have little to no influence over upstream waste generation.

Recommendation: Explicitly reference the whole-of-government role in reducing waste generation and expand extended product responsibility to high-emission materials (e.g., textiles, nappies, wood, paper).

- SWMC is a regional facility providing air space to neighbouring Councils without landfill capacity and is also servicing population growth areas. Such facilities face increased waste volumes, limiting their ability to reduce total carbon emissions.

Recommendation: Allow emission intensity goals for Council landfill facilities that demonstrate these constraints.

- Undertaking a physical climate risk assessment and determining appropriate adaptation measures is a substantial undertaking, requiring capacity and capability which may not be present in local governments, particularly smaller or regional Councils.

Recommendation: Commit to funding additional rounds of local government support once adaptation is included in CCMAPs scope.

CN remains committed to climate leadership and welcomes collaboration with the EPA to refine the CCMAP framework. We believe that thoughtful policy design can drive ambitious climate outcomes while preserving financial viability and community benefit.

We thank the EPA for the opportunity to contribute to this important consultation.

Should you require any further information on this matter please do not hesitate to contact me.

Yours faithfully



Elfi Blackburn
Executive Manager Operations

Appendix A: Consultation Questions

Can you suggest other existing plans similar to CCMAPs that the EPA could reference?

Add:

- [NSW TPG24-33 Reporting framework for climate-related financial disclosures.](#)

Remove:

- Remove references to the Task Force on Climate-Related Financial Disclosures as it has been officially disbanded with the introduction of the IFRS.

Augment:

- Replicate the table on pages 30-32 of the discussion paper for NSW TPG24-33.

Do you have any suggestions for how to meet the intent of this requirement without publishing commercially sensitive information?

- Require that 10-year emission estimates be submitted to the EPA, but not mandate the publishing of this information. This would achieve the EPA's objectives of having visibility of medium-term emission trajectories for large emitters.
- Full reports are submitted to the EPA and redacted versions that not contain commercial sensitive information are published.

Is there any additional information that would help licensees create their CCMAPs?

- Guidance is required to allow Councils to determine the required level of detail and justification regarding mitigation measures selected. For example, the NSW Reporting Framework for climate-related financial disclosures, contains links to examples of published disclosures, and the introduction of the disclosures was supported by three agencies piloting the disclosure regime, and publishing their reports, prior to commencement.
- Provide specific guidance for local Councils operating waste facilities. For example, this might include a list of mitigation measures under each of the mitigation hierarchy categories, and some commentary about the pros and cons of the technical, logistic and financial factors which would influence their applicability. It could explore insetting opportunities that may be available to Councils (e.g. onsite landfill solar farms, reforestation projects).