

Reference: 2431571



3 October 2025

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NSW EPA Climate Change Licensee Requirements consultation

Thank you for the opportunity to provide comment on the NSW EPA *Climate Change Licensee Requirements* including the supporting documents *Proposed Climate Change Licensee Requirements* and *Climate Change Mitigation and Adaptation Plans Proposed Mitigation Requirements*.

Background

Lithgow City Council (Council) operates numerous landfills including one primary landfill that modelling indicates has recently exceeded 25,000t CO₂-e Scope 1 and Scope 2 emissions per annum. Lithgow Solid Waste Facility would therefore be captured under the proposed Climate Change Licensee Requirements.

Council agrees with the objectives of the new licensee requirements which is to *help businesses reduce their greenhouse-gas emissions and enhance their resilience to climate change, improve transparency for the community, and provide information that the EPA can use to develop targeted support and guidance for sectors*.

It is noted that there are 3 key approaches to reduce CO₂ emissions from Council landfills:

1. Kerbside FOGO collection;
2. Landfill gas capture and flaring; and
3. Landfill diversion generally.

Lithgow Council is already well advanced in introducing these options and reducing landfill CO₂ emissions as explained below.

Kerbside FOGO collection

Council introduced a kerbside FOGO collection in March 2024. Despite the cost impacts to the community, Council introduced the service ahead of the 2030 mandate due to the benefits of resource recovery and CO₂ emission reduction.

Landfill gas capture and flaring

Council recently engaged a contractor to install a landfill gas extraction system with flare. The project is registered by the Clean Energy Regulator under the ACCU scheme (Project ID ERF201311). Modelling has indicated Council will briefly exceed the 25,000t CO₂-e trigger but once the flare is operational (scheduled for 2025/26 financial year) emissions will drop significantly below 25,000t CO₂-e per annum.

Landfill diversion generally

In 2023, Council completed construction and commenced operation of a new Resource Recovery Centre (RRC) at Lithgow Solid Waste Facility. The RRC includes a sorting area, recycling shed, Re-Use Shed and an EPA funded Community Recycling Centre. The RRC has delivered improvement in landfill diversion along with increased community awareness of the benefits of resource recovery and improved waste management.

Proposed changes to NSW EPA Climate Change Licensee Requirements

As Council will only briefly be captured by the 25,000t CO₂-e threshold, we propose re-wording and/or exemptions should be in place to prevent preparing a CCMAP and undertaking annual reporting over a short period where emissions reduction programs are already in place that would bring emissions well below the threshold.

Lithgow Council therefore proposes the following changes to the *Climate Change Licensee Requirements*:

1. Exemptions available where organisations can demonstrate a CO₂-e reduction plan is already in place that will reduce emissions to <25,000t CO₂-e.

The purpose of this recommendation is to prevent organisations being captured by the new requirements for a short period (up to 3 years) even though the facility will reduce emissions to <25,000 t CO₂-e. The exemption could state: *Where a facility can demonstrate abatement measures are in place to reduce emissions below threshold levels within the first 3 years of commencement of these new licensee requirements then the requirements will not apply.*

2. The requirements threshold trigger period to be re-worded to avoid capture of facilities that only exceed the threshold briefly before the introduction of abatement measures.

The wording in the Proposed Climate Change Licensee Requirements could change from "per year in any year over the previous three financial years" to "per year in any year over the previous three financial years from financial year 2025-26."

3. There should be a clear mechanism to stop update of CCMAPs and annual reporting should a facility reduce emissions to below the 25,000t CO₂-e per annum threshold.

In addition to avoiding temporary threshold exceedances that incur ongoing CCMAP and reporting liabilities, the mechanism to stop reporting will incentivise reduction of emissions.

Central NSW Joint Organisation (CNSWJO) submission

Lithgow Council is a member of CNSWJO and has provided input into that submission. In addition to this submission, Council also supports the CNSWJO submission.

Conclusion

Lithgow Council supports the principle of reducing landfill CO2-e emissions and has taken various actions to achieve this goal as described earlier in this submission.

As a key component of the CCMAPs are the mitigation measures, Lithgow Council would like to continue to focus on emission reduction rather than documentation of the process in the form of a CCMAPs and annual reporting.

Thank you again for the opportunity to comment on the Proposed NSW EPA *Climate Change Licensee Requirements*. Should you require any further information please



Yours sincerely



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WASTE & RECYCLING MANAGER