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NSW Environment Protection Authority

Via email: [climatechange.review@epa.nsw.gov.au](mailto:climatechange.review@epa.nsw.gov.au)

## **Draft Submission on the proposed EPA Climate Change Licensee Requirements**

Local Government NSW (LGNSW) is the peak body for local government in NSW, representing NSW general purpose councils and related entities. LGNSW facilitates the development of an effective community-based system of local government in the State.

LGNSW welcomes the opportunity to comment on the draft climate change requirements on environmental protection licensees. The NSW Environment Protection Authority (EPA) estimated that the requirements will apply to around 40-50 council facilities, made up of waste management facilities and some wastewater treatment plants. Councils also have an interest in the proposed requirements from the perspective of a local planning authority.

This is a draft submission and is subject to review and approval of the LGNSW Board. Any changes will be advised at the earliest opportunity.

### **Background**

The proposed requirements will apply to EPA-licensed premises that each emit 25,000 tonnes or more of scope 1 and scope 2 emissions of carbon dioxide equivalent (CO<sub>2</sub>-e) per year, in any year over the previous three financial years. Each council will be required to produce the following for any facility over the threshold:

- An annual climate change report on emissions.
- A Climate Change Mitigation and Adaptation Plan (CCMAP) and 10-year forward emissions projections.

The first climate change report will be due by 28 February 2027 and must be submitted annually. The first CCMAP and projections are due by 31 October 2027 and must be updated every three years.

## Response

Improving environmental outcomes is a high priority for local government and LGNSW supports steps to reduce greenhouse gas emissions and improve transparency. The proposed requirements are reasonable, but some councils will need additional support to collect the required data and produce CCMAPs.

### Alignment with other council reporting

Councils support the proposed use of the National Greenhouse Energy and Reporting Scheme (NGERS) as some councils already use this tool for emissions reporting and it would ensure consistency with other organisations already required to use NGERs.

LGNSW understands that there is some overlap of the EPA's proposed reporting requirements with the National Pollutant Inventory (NPI), under which some councils must report certain emissions. While it is welcomed that both share the same reporting period of a financial year, the two have different processes, methodologies and reporting deadlines. Councils raised concerns that the different methodologies used to calculate emissions results in different figures for the same substance. Given this duplication and inconsistency, it is recommended that the NSW EPA works with the federal Department that administers the NPI to align the processes so that facilities are only required to report on emissions once.

The EPA should also consider future integration of the CCMAPs into plans which EPA licensees are already required to prepare such as environmental management plans (EMPs) and pollution incident response management plans (PIRMPs).

### Resourcing concerns and financial assistance

There are concerns that the new requirements will place additional resourcing burdens on councils, which is likely to be a particular issue for smaller rural and regional councils that are already facing significant resourcing constraints. It may also be onerous for councils that have not used NGERs before, potentially creating a need to hire consultants, which is costly. The EPA should produce detailed guidance and a template for CCMAPs to minimise the need for consultant support.

While the proposed grants to assist councils in the creation of a CCMAP are welcomed, the funding should be available on a regional scale to allow Joint Organisations (JOs) and Regional Organisations of Councils (ROCs) to produce regional CCMAPs, covering the facilities of their member councils. This would be more efficient and would help to alleviate the additional resourcing pressure on regional councils. Some JOs or ROCs, such as Hunter JO, have already produced calculations for waste management facilities in their region and are well placed to build on this momentum and expertise.

The grants should also be permitted to be used towards producing a CCMAP that covers all facilities in the LGA/region, rather than just the facilities that are over the 25,000 tonnes threshold. This would allow greater understanding of emissions beyond only the

largest facilities, and councils could use this data to make informed decisions about emissions reductions measures.

#### Emissions reporting threshold

LGNSW understands that the 25,000 tonnes threshold applies to the past three years to account for yearly fluctuations in emissions. More clarity would be welcomed on whether this still applies to a facility that was previously over the threshold at the start of that period but has recently developed an abatement program that takes the facility permanently under the threshold for future years.

#### Future emissions reductions requirements

LGNSW understands the EPA is considering introducing emissions reduction targets for some emitters in the medium term. Councils would welcome additional clarity on the potential timeframes for when these are likely to be introduced and how quickly facilities will be expected to implement these. It would also be helpful to understand how the targets will be enforced.

There may be some cases of facilities that have already implemented emissions reduction technologies and circular economy practices but still have significant residual emissions due to the size and nature of the facility. In this case, it may be difficult for the facilities to further reduce emissions in the short term.

The NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW) has worked with LGNSW to build capacity within councils more broadly to move towards net zero. Local government would welcome a continuation of this support from DCCEEW (or the EPA) to increase capability within councils to implement emissions reduction within their own operations.

Thank you again for the opportunity to comment on the EPA's draft Climate Change Policy and Action Plan. If you would like further information on LGNSW's position, please contact Carys Parkinson, Senior Policy Officer, Environment on 02 9242 4053 or [Carys.Parkinson@lgnsw.org.au](mailto:Carys.Parkinson@lgnsw.org.au).

Yours sincerely



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