



3 November 2022

NSW Environment Protection Authority
Locked Bag 5022
PARRAMATTA NSW 2124

Dear Sir/Madam

Veolia appreciates the opportunity to provide feedback on the draft Climate Change Policy and Action Plan.

Veolia is the global leader in optimised resource management. Following a merger with SUEZ Recycling & Recovery early this year, the group has around 220,000 employees worldwide, including approximately 6,000 in Australia and New Zealand. Veolia designs and provides waste, water and energy management solutions that contribute to the sustainable development of communities and industries. Through its 3 complementary business activities, Veolia helps to develop access to resources, to preserve available resources and to replenish them.

We congratulate the EPA on its commitment to the environment and willingness to engage with and seek feedback from stakeholders. The draft policy is comprehensive and clearly articulates the direction the agency seeks to take, particularly with respect to reducing greenhouse gas emissions. We are pleased to submit feedback for consideration, the central concerns of which are the potential for some elements to create both a significant and unnecessary administrative burden for businesses and duplication with existing requirements at multiple levels, including internationally.

New action one

Support EPA officers to make climate-change-related decisions.

With presumably dozens of EPA officers across the state, we are concerned that empowering individual officers to make climate-change related decisions may give rise to a plethora of inconsistencies. While it is acknowledged that training would be provided, it would still seem to be the case that officers would be instilled with broad ranging powers. There is also no indication that the decisions officers would be empowered to make would be governed by a legislative structure or even published guidelines, the absence of which make questioning or appealing decisions very problematic.

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It is our position that EPA officers should not be empowered to make consequential decisions at a day-to-day level and on the spot. Decisions of such magnitude should only be made at an agency level where appropriate oversight and checks and balances are in place. In this regard, Veolia instead supports the finding in the Independent Review of the NSW Resource Recovery Framework that recommends the EPA seeks the advice of independent technical experts through the establishment of a technical panel with subject matter experts. In addition, Veolia recommends that the EPA considers a review of the current compliance framework to ensure any enforcement actions related to these action plans would not be delegated to an officer level.

New action 2(b)

Progressively require and support our licensees to prepare, implement and report on climate change mitigation and adaptation plans.

Veolia strongly supports businesses adopting clearly articulated measures to respond to climate change. It is clear that everyone – including industries – must do more if we are to meet our ambitious but entirely appropriate greenhouse gas emissions targets. We also note the intent of CCMAPS to work together with, rather than duplicate, requirements from other approved plans and regulatory instruments.

While we appreciate the draft states the introduction of CCMAPS “may” need to be introduced progressively, we would urge the EPA to engage in extensive and constructive consultation with industry on how this works in practice. As the draft identifies, this action stands to be onerous, particularly for larger businesses. At the very least, the implementation of plans should not be retrospective to existing licences without mutually agreed transitional arrangements.

Should the plans be introduced, we would also urge the EPA to provide support and guidance to businesses in developing them. This may well require additional staffing, particularly as the measure would appear to be the first of its kind in any Australian jurisdiction, meaning no local template exists.

It is also important to note that our ability to implement climate change mitigation and adaptation plans as a business would be heavily dependent on changes to government policy. A case in point is the recent legislative change relating to energy from waste (EfW) facilities. Without wanting to rehash our arguments, EfW technology is well proven and has been used around the world for decades as a viable solution to treating non-recyclable waste. In so doing, the waste is diverted away from landfill, to a treatment method higher up the waste hierarchy and with a lower carbon emission intensity. The change in policy occurred well into planning for a major facility in suburban Sydney, effectively making the project unviable.



If proposed new action 2(b) was already in place, it would certainly have been included in our own mitigation and adaptation plan. A significant change such as has occurred with EfW policy would therefore have had major implications for our plan. To put it differently, one of the biggest factors that would support businesses like ours in managing climate change and contributing to emissions reduction is a stable legislative landscape. Not only would this allow the types of plans this action calls for to be more rigorous, but it would only create much needed investor certainty.

New action 7

Develop a series of greenhouse gas emission reduction targets and related pathways for industry sectors we license, to help guide our regulatory effort.

We support the implementation of clearly articulated targets that are both realistic and established but only after extensive stakeholder consultation. As with new action 2(b), targets would be reinforced by policy certainty.

New action 9

Progressively place greenhouse gas emissions limits and other requirements on licences for key industry sectors.

As noted, we support efforts to reduce emissions and acknowledge that there's a role for every section of society to face as the world confronts a changing climate.

The intent of new action 9 is noted and supported in principle. As with new action 2(b), however, we are conscious of the potential to create a potentially unnecessary administrative burden. In one sense, it would seem plausible that a robust climate change mitigation and adaptation plan would likely make this action largely redundant and would therefore respectfully caution the EPA from adding an unnecessary layer of red tape.

General comments

1. It is recognised that some elements of the draft present jurisdictional and duplication challenges. For example, one existing requirement means companies must meet National Greenhouse and Energy Reporting requirements at an individual site level. The draft suggests an added layer of regulation that would almost certainly overlap with that reporting, potentially creating another significant administrative duplication. The question then arises, which regulation is followed when there are divergences in position and requirements? Whatever the final policy is, it must align – or at least not contradict – federal policy on the same issue. To that we would add our strong preference that there be no



duplication of requirements.

2. It is noted any activity that is licensed by a local government authority is not captured by the proposed policy. The effect is to implement a 2-tier compliance system and an uneven playing ground. We would urge the EPA to consider that as well as how this exclusion could impact the agency's overall goals with respect to reducing emissions.

Once again, we appreciate the opportunity to contribute to the EPA's important consultation and remain eager to continue engaging with the agency. Should you have any questions on our submission, please contact Dan Pagoda, Veolia's external relations manager on 0408 753 982 or dan.pagoda@veolia.com.

Yours faithfully

A handwritten signature in black ink, appearing to read "C. Barker", with a stylized flourish at the end.

CRAIG BARKER
Chief Operating Officer, Resource Recovery