



Mr David Fredericks PSM
Secretary
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Submission via [online portal](#)

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Dear Mr Fredericks

**Re: Carbon Credits (Carbon Farming—Domestic, Commercial and Industrial Wastewater)
Methodology Determination Variation 2024**

Thank you for the opportunity to provide feedback to the Emissions Reduction Assurance Committee (ERAC) on the proposed *Carbon Credits (Carbon Farming—Domestic, Commercial and Industrial Wastewater) Methodology Determination Variation 2024*, which would extend the crediting period of non-biomethane projects from a period of seven (7) years to a period of 12 years (“wastewater method variation”). The wastewater method incentivises projects to capture and use or destroy methane in biogas that would otherwise have been released to the atmosphere from open anaerobic lagoons used to treat domestic, commercial, or industrial wastewater, and also incentivises upgrading biogas into biomethane.

The Waste Management and Resource Recovery Association of Australia (WMRR) is the national peak body representing Australia’s \$17 billion waste and resource recovery (WARR) industry. With more than 2,300 members from over 410 entities nationwide, we represent the breadth and depth of the sector, including representation from business organisations, the three (3) tiers of government, universities, and Non-Government Organisations (NGOs), including research bodies. Our members are involved in a range of important WARR activities within the Australian economy, including infrastructure investment and operations, collection, manufacturing of valuable secondary raw products from resource recovery, energy recovery as well as community engagement and education.

Being at the forefront of the ongoing evolution towards a whole-of-system WARR approach and the development of a circular economy, WMRR strongly advocates for a systems-based approach to managing materials in Australia with the clear goal of using less for longer. This includes fierce advocacy of the waste and resource management hierarchy, which promotes avoidance of waste, and the diversion of suitable materials from landfill through preference for the reuse, recovery, recycling and composting of appropriate resources. Resource recovery and returning materials to the productive economy, necessarily mitigates negative carbon impacts and reduces reliance on virgin.

WMRR acknowledges the important role that the existing ACCU scheme has played in reducing the WARR sector’s carbon emissions by assisting with economic viability of abatement projects. In particular, the current landfill gas (LFG) methodology has played a significant role in promoting the

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capture and combustion of LFG, reducing the carbon footprint of existing landfill by incentivising more extensive gas capture in those instances where landfill cannot be avoided. Similarly, the wastewater method currently incentivises the capture of biomethane, helping to mitigate damaging GhG emissions.

WMRR agrees with the findings of ERAC that extending the crediting period by five (5) years for non-biomethane projects should promote abatement unlikely to occur in the ordinary course of events. Participation in the scheme is particularly timely for the WARR sector, noting that the transition to 2030 targets and net zero is rightly gaining pace across all states. WMRR is hopeful that the extended crediting period for the wastewater method should encourage project participation by enabling a more adequate timeframe to generate the financial return required to rationalise investment in new equipment and/or pay for audits.

Given the long-term investment required in WARR facilities and the high costs associated with scheme auditing and compliance, WMRR would also welcome similar amendments to extend current crediting periods for other methods utilised by the WARR sector given the capital intensive nature of resource recovery and the vital role that they play in reducing reliance on virgin material and the creation of emissions. We genuinely hope that extending the crediting period for the wastewater method variation will encourage increased WARR industry participation in the ACCU scheme so that the financial incentives of carbon abatement activities can be fully realised and result in the further reduction of the WARR industry's carbon emissions.

Yours sincerely

Gayle Sloan

Chief Executive Officer

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