

ACCC GPO Box 3134 Canberra ACT 2601

Wednesday, 2 November, 2011

Dear Sir,

Re: Carbon Price Increases for Landfill Services - Call reference 1170189

We write to request an opportunity to meet in relation to the development of a guide to assist landfill owners who will be covered under the Carbon Price Mechanism (CPM).

Approximately one hundred landfills will be covered under the CPM from July 1, 2012.

In general terms, potentially impacted landfills will need to review "cost pass through" increases. To undertake a review each will need to consider:

- 1) whether they are or may in the future be covered by the CPM;
- 2) the composition of the waste landfilled;
- 3) the level of landfill gas emissions collected and combusted at each site;
- 4) the cost of emission collection and combustion;
- 5) their estimate of the future emission permit costs (as the emissions will occur over the next forty to fifty years);
- 6) whether the company will be impacted by 'Corporation' tax; and
- 7) likely administration and compliance costs.

ALOA is the national association and representative voice for landfill owners across Australia who share a concern for the environment and business sustainability. Our members provide services in waste disposal, waste treatment and resource recovery. Collectively our members operate more than half of the landfill capacity across Australia, receiving in excess of 15 million tonnes of solid waste annually.

ALOA members are aware that cost pass through increases must be assessed individually and that the ACCC may monitor the accuracy of any price increases.

This request relates to developing a guideline to assist operators respond to the complex issues that impact on landfills in particular.

Yours Sincerely

James Maxwell Spedding Secretary ALOA