

2 March 2023

Patrick Passey  
Safeguard Mechanism Taskforce  
Email: [patrick.passey@industry.gov.au](mailto:patrick.passey@industry.gov.au)

Dear Patrick

**RE: Draft Safeguard Mechanism Reforms**

The Australian Landfill Owners Association (ALOA) represents landfill operators across Australia to advance landfill standards and assist in obtaining clarity and where possible uniformity of environmental standards.

Thank you for including ALOA when you released the government's draft Safeguard Mechanism reforms in January 2023. The consultation period has closed but we would be grateful if you would accept our submission, which was delayed as staff members were on leave.

These reforms impact landfill owners who collect landfill gas, as summarised below:

- Landfills that trigger the SGM will not be able to create Safeguard Mechanism Credits for the first two years to allow for more detailed consultation.
- ERF Projects that reduce the emissions at landfills caught under the Safeguard Mechanism will not be eligible for a crediting period extension (effectively preventing these ERF projects from creating ACCUs from Dec 2026 onwards).
- No new ERF Projects will be accredited if it relates to the landfill that is likely to be caught under the Safeguard Mechanism.
- Landfills caught under the Safeguard Mechanism may be required to account for the ACCUs created. The impact of this is they will not be able to meet their Safeguard Mechanism baseline and will need to either buy the ACCUs from landfill biogas operators or from the market to surrender.

A key piece of the puzzle is that the 75% collection efficiency cap built into NGERs has the effect of increasing emissions at landfills should the gas capture exceed modelled gas production. This ultimately increases emissions from landfills the more gas is collected.

ALOA makes the following key points:

- Amendments to the NGERs 75% capture efficiency cap must be implemented before landfills continue to be included in the Safeguard Mechanism.
- Landfill Gas ERF Methodology must be amended before landfills continue to be included in the Safeguard Mechanism.
- The interaction of the 75% capture efficiency and the Safeguard Mechanism can lead to unintended consequences, whereby landfills reduce actual gas capture in an attempt to not trigger the Safeguard Mechanism's 100,000 tonne threshold.
- With consideration of the above, ALOA proposes that landfills' participation in the Safeguard Mechanism be postponed until these issues can be appropriately consulted with industry, government and regulators.

We are available for further discussion. I look forward to hearing from you.

Yours faithfully



**Colin Sweet**  
CEO ALOA