

## Most landfill sites not subject to carbon price: Fed Govt

**The Australian public should not be misled by a recent scare campaign about the impact of the carbon price on landfill sites says Mark Dreyfus, Parliamentary Secretary for Climate Change and Energy Efficiency.**



Credit: hroe/istockphoto

‘The vast majority of landfill sites will not be subject to the carbon price – those that can generate significant income through the reduction of methane pollution in particular.

‘Landfill operators and councils will be able to earn and sell carbon credits by destroying methane or converting it into electricity. Operators can then choose how to use this extra revenue when negotiating contracts with customers, including not-for-profit organisations such as the Salvation Army.

‘It is important that commercial landfill operators do not mislead councils and other customers about the impact of the carbon price on their operations.

‘For example, reports that operators are suggesting to customers a carbon price of \$40 per tonne of waste are deeply concerning.

‘The Government has given the competition regulator, the ACCC, additional funding to prevent price gouging and to ensure that customers are not misled about the impact of the carbon price.’

The Government and the Clean Energy Regulator have been working with local councils and landfill operators to help them understand how the carbon price will apply to landfill sites depending on size and the composition of the waste.

Landfill customers should also be aware that:

1. There is no carbon price liability for emissions from waste deposited before 1 July 2012 (legacy waste)
2. The majority of landfill sites are not liable, as the carbon price only applies to those emitting over 25 000 tonnes of carbon pollution per year
3. The carbon price relates to methane created from the decay of organic waste not inorganic waste
4. Waste diverted from landfill will not attract the carbon price
5. A large number of landfills already capture methane and flare it to avoid or reduce emissions
6. Landfills may be eligible for Carbon Farming Initiative carbon credits for the destruction of methane, which can be used to offset the carbon price or sold for a profit
7. Landfills that create electricity from captured methane are also eligible for tradeable Renewable Energy Certificates, which can also generate income under the Renewable Energy Target (this mandates that 20 per cent of Australia's electricity is sourced from renewable energy by 2020).

‘All of these factors, and competition between landfill operators in a very profitable industry, need to be taken into account when considering the impact of the carbon price on landfill costs, savings and contracts with customers,’ says Mr Dreyfus.

Source: Federal Government media release

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