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Minister for Regional Australia, Regional Development and Local Government

THE HON MARK DREYFUS QC MP
Cabinet Secretary
Parliamentary Secretary for Climate Change and Energy Efficiency

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Deputy Speaker of the House of Representatives
Federal Member for Chisholm

MEDIA RELEASE

Thursday 1 December, 2011

LANDFILL SITES WINNERS UNDER CARBON FARMING

Landfill site operators Australia-wide will soon be able to generate extra revenue while reducing carbon pollution thanks to a new Carbon Farming Initiative methodology announced today by the Gillard Government.

Regional Development and Local Government Minister, Simon Crean, said the *Methodology for the capture and combustion of methane in landfill gas from legacy waste* under the Carbon Farming Initiative provides an incentive for the waste management industry and local governments to reduce emissions.

“I have travelled across Australia participating in 16 community forums on our clean energy future and it is clear that communities and local governments welcome the opportunities presented by the Carbon Farming Initiative,” Mr Crean said.

“Moving to a clean energy future is not only good for the environment – it’s good for our economy.”

Parliamentary Secretary for Climate Change and Energy Efficiency, Mark Dreyfus, said the Gillard Government’s Carbon Farming Initiative would now allow landfill operators to create carbon credits by capturing potent methane emissions to produce electricity for sale to the grid, or destroy it through flaring.

Methane is a significantly more potent greenhouse gas than carbon dioxide. It is emitted from landfills due to the decomposition of waste materials.

“Landfill operators will now have the capacity to use credits for their own compliance with the carbon price, sell excess credits to other polluters or onto international carbon markets,” Mr Dreyfus said.

Federal Member for Chisholm, Anna Burke, said landfill operators who convert methane to carbon dioxide by generating electricity may also earn revenue from the sale of Renewable Energy Certificates under the Renewable Energy Target.

Australian Local Government Association President Mayor Genia McCaffery said the increased opportunity to reduce pollution and make productive use of methane emissions from old landfill waste will be applauded by councils and local communities throughout Australia.

Energy Developments Limited's Managing Director Greg Pritchard welcomed the announcement and said that the abatement of greenhouse gases from EDL's Australian landfill gas power projects is equivalent to removing about 400,000 cars from the road, whilst producing enough clean electricity to power about 60,000 homes.

"We see this sector as an important contributor to meeting the challenge of reducing Australian greenhouse gas emissions," Mr Pritchard said.

The landfill gas methodology was developed by Government in close consultation with the industry, and assessed by the independent Domestic Offsets Integrity Committee.

Landfill site operators can start planning projects based on the methodology now and apply to participate in the Carbon Farming Initiative when the scheme starts operating in December. Credits created under this methodology are expected to exceed the carbon price liability on the landfill waste sector in the period to 2020.

The methodology and information on the Carbon Farming Initiative is available on the Department of Climate Change and Energy Efficiency website at: www.climatechange.gov.au/cfi

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