



Bioenergy Australia (Forum) Pty Ltd

ABN 14 155 856 821

Phone: 0439 555 764

Email: shahana@bioenergyaustralia.org.au

Bioenergy Australia Submission – NSW EPA Draft Climate Change Policy and Action Plan 2022-2025.

Bioenergy Australia (BA) is the national industry association committed to accelerating Australia's bio economy. Our mission is to foster the bioenergy sector to generate jobs, secure investment, maximise the value of local resources, minimise waste and environmental impact, and develop and promote national bioenergy expertise into international markets.

Australia's Bioenergy Roadmap (ARENA, November 2021) outlines how, by the start of the next decade, Australia's bioenergy sector could contribute to around \$10 billion in extra GDP per annum and 26,200 new jobs, reduce emissions by about 9 per cent, divert an extra 6 per cent of waste from landfill, and enhance fuel security. Now is the time to capitalise on these opportunities by prioritising key bioenergy technologies under the LETS, demonstrating confidence and driving investment.

Bioenergy Australia thank the NSW EPA for the opportunity to comment on their Draft Climate Change Policy and Action Plan 2022-2025. BA broadly support the initiatives included in the documents, however, include below key recommendations to improve the state of bioenergy projects in NSW.

- Expand consultation processes included in New Action 2a to service providers and land owners.
- Balance incentives and regulations for optimal growth of the bioenergy sector.

Expand consultation processes included in New Action 2A to service providers and land owners.

Bioenergy Australia supports the NSW EPA's New Action 2(a) that requires increased consultations with the regulated community, however, emphasise the importance of including service providers and site owners in these consultations to ensure the EPA is informed on the implications of their regulations on every aspect of the operations. Furthermore, the EPA Draft Climate Change Action Plan indicates this consultation will take the form of a mandatory survey. Bioenergy Australia strongly recommend that more extensive consultation methods are undertaken, including virtual consultation meetings, to ensure detailed feedback is provided from a range of stakeholders.

Balance incentives and regulations for optimal growth of the bioenergy sector.

The licensing regime must be fit-for-purpose to ensure all projects that contribute to emissions reductions are viable in the long-term. The NSW EPA must ensure that the appropriate incentives are in place whilst licensees are implementing their climate change mitigation and adaptation plans

(CCMAPs) (New Action 2(b)) and as there are increasing requirements for licences (New Action 9). Alongside incentivising and regulating bioenergy projects themselves, it is also important to adapt these schemes to all aspects of bioenergy projects, including feedstock pathways, such as municipal waste, agricultural waste, and forestry residue, and possible co-products, such as sludge and digestate from biogas production. Furthermore, such licensing regimes and competitive power purchase agreements will facilitate the provision of firm renewably sourced power required for fuels projects. This will also contribute to the accessibility of CO₂ supply from renewable sources, such as biomass and direct air capture, for e-fuels projects required by hard-to-abate sectors, such as aviation and shipping.

There must be an appropriate balance between regulations and incentives to facilitate a market that encourages the development of bioenergy projects, whilst ensuring a risk-based regulatory approach is used to mitigate harm to the environment and human health. The development of such a balance will require significant consultation with industry to identify the limitations and benefits of various regulatory schemes alongside ensuring licensing regimes are streamlined across the market. Incentives may include the development of a Green Gas Target to incentivise supply chain participants to generate biomethane and increase the availability of supply in the market, or funding or co-financing mechanism to encourage the construction of commercial SAF plants in Australia by bridging the price gap between SAF and conventional aviation fuel.

Thank you for the opportunity to comment on the consultation for the NSW EPA's Draft Climate Change Policy and Action Plan 2022-2025. Please send any comments or queries to myself at shahana@bioenergaustralia.org.au or 0439 555 764.

Sincerely,

A handwritten signature in black ink, reading 'Shahana McKenzie' in a cursive, flowing script.

Shahana McKenzie, CEO Bioenergy Australia