



24 May 2024

Submission: *National Greenhouse and Emissions Reporting Scheme 2024 Amendments*

The Australian Pipelines and Gas Association (APGA) represents the owners, operators, designers, constructors and service providers of Australia's pipeline infrastructure, connecting natural and renewable gas production to demand centres in cities and other locations across Australia. Offering a wide range of services to gas users, retailers and producers, APGA members ensure the safe and reliable delivery of 28 per cent of the end-use energy consumed in Australia and are at the forefront of Australia's renewable gas industry, helping achieve net-zero as quickly and affordably as possible.

APGA welcomes the opportunity to contribute to the Department of Climate Change, Energy, the Environment and Water (DCCEEW)'s consultation on 2024 amendments to the National Greenhouse and Emissions Reporting (NGER) Scheme.

Proposed amendments to commence phasing out Method 1 for fugitive emissions and introducing the first market based method for scope 1 emissions accounting are important steps forward in Australia's decarbonisation journey. APGA values the direction these improvements demonstrate for future amendments and the commitment from DCCEEW to develop a market based method for gas ahead of future NGER amendment consultations.

Phasing out Method 1 for fugitive emissions from open-cut coal mines

The Climate Change Authority (CCA) review of NGER recommended phasing out Method 1 estimation methodologies for fugitive methane emissions from all sources.

APGA agrees with DCCEEW's phased approach and the prioritisation of fugitive emissions accounting for open cut coal mining in the 2024 Amendments.

DCCEEW has recognised the need for higher order methods to be of sound design prior to phasing out Method 1 across all sectors. Ensuring all sectors have viable higher order methods before Method 1 is phased out will be a complex undertaking. APGA appreciates DCCEEW commitment to working with industry and looks forward to working together to developing higher order methods for gas infrastructure.

Market-based estimates for scope 1 emissions from combustion of drop-in renewable liquid fuels

Development of the first market-based method for scope 1 emissions in Australia is a big step forward enabling the commercialisation of renewable energy beyond electricity alone.

As recommended by the CCA, market-based methods are a key requirement for the development of renewable gases and renewable liquid fuels in Australia. Without the ability to recognise emissions intensity of renewable fuels when delivered via common user infrastructure, gas and liquid fuel customers are unable to receive the emissions reduction benefit from the renewable energy they purchase.

APGA and its members welcome DCCEEW commitment to now commence development of a gas market-based method. Through the targeted development efforts of government and industry across the coming year, Australian gas customers and Safeguard Mechanism Facilities will hopefully be able to account for the emissions reduction benefit of purchased renewable gas from 2025.

To discuss any of the above feedback further, please contact me on +61 422 057 856 or jmccollum@apga.org.au.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'JM' or 'J.M.', written in a cursive style.

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