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## **Bioenergy Australia Submission – Corporate Emission Reduction Transparency (CERT) 2023 Report Consultation**

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 Clean Energy Regulator for an opportunity to provide input into the development of the 2023 Corporate Emission Reduction Transparency (CERT) report. We are confident that the extensive industry consultation undertaken by the CER will result in the improvement of an important mechanism for businesses to report their emissions reductions in a transparent and uniform way.

As previously identified in BA's submission to the CERT Report Draft Guidelines Consultation in October of 2021, the most pressing concern for Bioenergy Australia is that the CERT report will not recognise biomethane purchased through a multi-user gas network for a reduction in Scope 1 emissions. From our understanding, Scope 1 emissions reporting for the CERT report relies on NGERs, which is location based and determines emissions based on the average emissions of all gas sources. This negatively impacts the ability to report emissions reductions for biomethane injected into the gas network. In contrast, a location and market-based approach is used for Scope 2 emissions and electricity.

Gas is a significant Scope 1 emission for many companies that will utilise the voluntary CERT report. Currently, the only option for companies to reduce these emissions through the CERT report is through offsets. This will inhibit the development of low-cost decarbonisation options for these companies and will be an impediment to Australia's burgeoning biomethane market. This lack of recognition discourages biomethane purchasers to enter into contracts to supply, transport and deliver biomethane through multi-user gas networks. BA request the inclusion of market-based reporting of Scope 1 emissions as follows:

- Adoption of a federal renewable gas certification scheme such as the one under development by [Green Power](#) in partnership with Jemena and Energy Networks Australia, which is being piloted at Jemena's Malabar biomethane injection project.
- Inclusion of biomethane under the Hydrogen Guarantee of Origin being developed.
- Amendment to the NGER Measurement Determination that will allow consumers (NGER Reporting Entities) of biomethane to account for a market-based Scope 1 emissions reduction when biomethane is combusted by that entity.

Biomethane has a substantial role to play in the decarbonisation of Australia's gas network and will be of particular value to industries that currently rely heavily on natural gas for heating, reforming, refining and conventional gas-fired power generation. We encourage the CER to read Bioenergy Australia's previous submissions and publications relating to biomethane as follows:

- [Bioenergy Australia submission on the Hydrogen Guarantee of Origin Scheme](#)
- [Bioenergy Australia submission to the GreenPower Program Review](#)
- [Bioenergy Australia submission to the NGER Scheme Proposed Updates](#)

Upon the inclusion of biomethane in CERT reporting, Bioenergy Australia would support the design changes proposed for the 2023 CERT report guidelines. However, the first step must be the inclusion of biomethane to ensure biomethane purchased through a multi-user gas network is recognised for a reduction in Scope 1 emissions.

Thank you for the opportunity to comment on the consultation for the CERT 2023 Report. We welcome any further questions and would be willing to work with the CER on the development of a mechanism to enable inclusion of biomethane in CERT reporting. Please send any comments or queries to myself at [shahana@bioenergaustralia.org.au](mailto:shahana@bioenergaustralia.org.au) or 0439 555 764.

Sincerely,



Shahana McKenzie, CEO Bioenergy Australia