

Submission on GO Cost Recovery for New Production Pathways: Biogas and Biomethane Charge Verification, Proportionality and Reviewability

Submission to: Clean Energy Regulator

Consultation: Guarantee of Origin proposed cost recovery – new production pathways

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Capacity: Individual respondent

Confidentiality: Public

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Relevant interests/conflicts: None declared. This submission is made in an individual capacity and is not submitted on behalf of any organisation. I am a Deakin University biomedical science student and Research & Policy Coordinator and Policy Advisor with Darling Downs Environment Council. My comments are directed to the cost-recovery, proportionality, participation-risk and reviewability questions raised by the draft CRIS. I do not provide project-level biomethane cost evidence, proprietary volume modelling, legal advice or substitute fee modelling. I have no financial interest in any GO scheme participant, biomethane project, biogas project, certificate market participant or entity affected by the proposed methane-pathway charges.

Reader, scope and exclusions: This submission is directed to CER's decision on the final GO CRIS for new production pathways and the planned H2 2026 periodic review. The primary decision-maker is CER. This submission accepts cost recovery in principle and focuses on changes available within the CRIS and review process: methane-pathway modelled-volume verification, identical biogas and biomethane fee rationale, fee proportionality, phase-in adequacy, under-recovery assurance and consultation traceability. It does not ask CER to reopen GO methodology eligibility, decide broader biomethane policy, redesign the GO scheme, publish proprietary model inputs, or resolve methane leakage, NGER or Safeguard Mechanism issues through this CRIS.

Key message

This submission supports cost recovery in principle, but the final CRIS should show that the revised methane-pathway charges are correct, proportionate, compatible with participation and reviewable. The two changes that matter most are: first, CER should verify whether the higher biogas and biomethane charges reflect a deliberate and correct modelled-volume revision or a calculation or methodological issue; second, CER should make the H2 2026 review consequential by testing actual participation, fee proportionality, cost to serve and phase-in adequacy.

Executive summary

This submission supports cost recovery in principle, provided that the final CRIS demonstrates that the revised methane-pathway charges are correct, proportionate, compatible with participation and consistent with the scheme's objective of supporting low-emissions product markets. Without those safeguards, the proposed cost-recovery approach risks discouraging participation by the very nascent pathway the GO scheme

is intended to support. In particular, CER should verify the revised modelled volumes, explain the rationale for identical biogas and biomethane fee schedules, assess the proportionality of methane-pathway charges relative to comparable products, and test how participation risk will be managed as remissions taper.

CER replaced Draft CRIS Version 1.1 with Version 1.2 on 29 May 2026 after identifying errors affecting sustainable aviation fuel and renewable diesel costs and scheme revenue estimates. CER states that no other changes were made compared with Version 1.1. This submission therefore refers to Draft CRIS Version 1.2 while focusing on the biogas and biomethane cost-recovery issues carried forward from Version 1.1.

The updated CRIS raises a more serious proportionality and verification issue than ordinary consultation transparency. The revised methane-pathway charges appear to have increased meaningfully compared with the earlier biomethane cost-recovery basis. The final CRIS should confirm whether that increase reflects a deliberate and correct revision of modelled volumes, or a calculation or methodological issue. This matters because a cost-recovery setting that is disproportionate to the value, scale and maturity of a nascent biomethane pathway could reduce participation in the GO scheme and undermine the scheme's low-emissions product-market objectives.

This submission recommends that CER:

1. verify whether the revised methane-pathway charges reflect a deliberate and correct revision of modelled volumes, or a calculation or methodological issue, and explain how the revised biogas and biomethane modelling relates to the previous biomethane cost-recovery basis;
2. publish the rationale for identical biogas and biomethane fee schedules;
3. specify what the H2 2026 periodic review will test and publish, including forecast-versus-actual volumes, participation effects, cost to serve assumptions, fee proportionality, remission impacts, escalation triggers and whether revised methane-pathway charges remain appropriate;
4. assess whether methane-pathway charges are proportionate to the value, scale and maturity of the nascent biomethane sector, and whether a more calibrated phase-in is needed if full charges would suppress participation;
5. explain how front-loaded under-recovery and Version 1.2-specific consultation feedback will be managed through the final CRIS and existing review arrangements, so that ICT, registry, certificate-registration, profile-assessment, compliance and consultation-traceability functions remain credible.

Recommendations at a glance

No.	Purpose	Recommendation	Actor	Mechanism	Trigger/threshold	Timing	Why adoptable

1	Verify the methane-pathway charge increase.	Verify whether the revised methane-pathway charges reflect a deliberate and correct modelled-volume revision or a calculation or methodological issue.	CER	Final CRIS section 6.1 and/or H2 2026 review.	Meaningful increase in charges before remission compared with the previous biomethane cost-recovery basis.	Final CRIS, then H2 2026 review.	Uses existing CRIS and review processes; does not require CER to publish proprietary model inputs.
2	Make identical biogas/biomethane fees reviewable.	Publish the rationale for identical biogas and biomethane fee schedules.	CER	Final CRIS or H2 2026 review.	Identical fee schedules are applied to pathways with potentially different production, upgrading and participation characteristics.	Final CRIS, then tested when actual scheme data is available.	Explanation-only; does not require substitute fee modelling.

3	Make the H2 2026 review consequential.	Define review outputs, evidence triggers and escalation pathways, including forecast versus actual volumes, participation effects, cost to serve, fee proportionality, remission impacts and unresolved matters for the 2028 Portfolio Charging Review.	CER	Periodic GO cost recovery review.	Actual participation, certificate volumes or cost to serve differ meaningfully from forecast, or charges discourage participation.	H2 2026 review.	Builds on an existing review commitment and gives CER a clear evidence test.
4	Prevent cost recovery from suppressing scheme uptake.	Assess proportionality and phase-in for methane pathways.	CER	Final CRIS and/or H2 2026 review.	Full or near term charges would meaningfully discourage participation by nascent methane pathways.	Final CRIS, H2 2026 review and 2028 Portfolio Charging Review if unresolved.	Fits Cost Recovery Policy logic and can be implemented through existing review machinery.

5	Maintain certificate-system confidence and consultation traceability.	Explain how phased under-recovery will be managed and replace section 6.1's placeholder with substantive Version 1.2 consultation findings.	CER	Final CRIS assurance plus H2 2026 review.	Early remissions create under-recovery while ICT, register, certificate, compliance and consultation response functions must still perform.	Final CRIS and H2 2026 review.	Uses existing CRIS structure, financial estimates and review processes.
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Decision lens

The appropriate test for this consultation is whether the final CRIS makes the proposed cost-recovery pathway transparent, reviewable and proportionate while preserving confidence in the GO certificate system; it is not whether cost recovery is desirable hypothetically.

A further test is whether the proposed cost-recovery settings enable the GO scheme to function as a credible low emissions product certification scheme. A charge may technically recover costs yet still undermine the scheme if it is set at a level that discourages participation by the very nascent pathway the scheme is intended to support.

The final CRIS should therefore test not only whether costs are recoverable, but whether the proposed methane-pathway charges are proportionate, compatible with participation and consistent with the objects of the Future Made in Australia (Guarantee of Origin) Act 2024, which include accelerating the commerciality of low emissions products, supporting the development of low emissions product markets and contributing to Australia's emissions reduction targets.

The timing matters because CER is finalising cost-recovery settings for new PGO pathways before the broader periodic review begins in the second half of 2026. If the methane-pathway assumptions are not verified now, early uncertainty may carry into participant decisions, project development, offtake negotiations and the H2 2026 review baseline.

Why this submission is being made

The draft CRIS's use of phased cost recovery for new GO pathways reflects progress in the right direction. The risk is that the revised methane-pathway charges may be correct but insufficiently explained, or incorrect because of a modelled-volume, functional-unit or

methodological issue. Either risk matters because future full-cost-recovery charges can affect participation, offtake confidence and project development before remissions taper. This submission focuses on the points where the final CRIS and H2 2026 review can close that gap.

Mechanism-sufficiency

Phased remission and a H2 2026 review are necessary but not sufficient. Remission reduces near-term charges, but it does not by itself show that future full-cost-recovery charges are correct or compatible with participation. Review reduces uncertainty only if it specifies what evidence would trigger correction, further phase-in, fee realignment or escalation to the 2028 Portfolio Charging Review.

Why the existing approach is not enough by itself

Phased remission reduces immediate participant charges, but it does not explain whether future full-cost-recovery charges are correct. A later periodic review creates a checkpoint, but it is only useful if the review specifies what it will test and what evidence would trigger correction, phase-in adjustment or escalation. Consultation summaries improve traceability, but they do not by themselves show whether the modelled-volume change, identical fee schedules or proportionality concerns were resolved. The submission therefore asks for a checking pathway, not a punishment-first or fee-substitution model.

What this submission adds

This submission does not repeat the general case for GO cost recovery or biomethane certification. Its contribution is more specific: it identifies where the draft CRIS's effectiveness may depend on whether CER verifies the methane-pathway cost increase, explains the cost to serve logic for identical biogas and biomethane fees, tests participation effects as remissions taper, and records how Version 1.2-specific consultation feedback was considered. These are the implementation points most likely to determine whether cost recovery supports, rather than suppresses, participation in the relevant GO pathway.

Options considered

Option	Assessment	Decision
Accept the proposed methane-pathway charges without further explanation	Too weak; it would leave participants unable to understand whether the increase reflects changed modelled volumes, cost to serve differences, functional-unit effects or a calculation or methodological issue.	Rejected

Claim the methane-pathway charges are wrong and propose substitute fees	Too strong; CER holds the cost model, proprietary inputs and full volume assumptions; this submission does not.	Rejected
Ask CER to publish its full internal model	Too intrusive; some model inputs may be commercially sensitive, proprietary or operationally sensitive.	Rejected
Ask CER to verify the increase, explain the cost to serve rationale and test actual participation in the H2 2026 review	Best balance; it makes the charges checkable without replacing CER's model or imposing new participant reporting obligations.	Adopted
Defer all issues to the 2028 Portfolio Charging Review	Too slow; the H2 2026 review is the appropriate near-term checkpoint for forecast versus actual volumes, participation, proportionality and phase-in adequacy.	Fallback only for unresolved matters

Scope and limitations

This submission responds only to the CER consultation on proposed updates to the GO CRIS for new production pathways. The consultation covers four additional PGO pathways: hydrogen by solid gasification and pyrolysis, methane – biogas by anaerobic digestion, methane – biomethane by biogas upgrading, and bio LPG. This submission focuses on the two methane pathways because Draft CRIS Version 1.2 carries forward the Version 1.1 change under which products 2 and 3 replace the previous V1.0 “Biomethane” method to align with DCCEEW’s March 2026 methodology consultation. The CRIS states that charges before remission increased because modelled volumes were revised when replacing the previous biomethane method.

The same transparency and reviewability principles should apply to the other new pathways where modelled volumes, cost to serve assumptions or fee alignment meaningfully affect future charges. However, this submission focuses on biogas and biomethane because the V1.0 to V1.1 change creates a specific reviewability issue for those pathways.

This submission does not reopen broader GO methodology design, methane leakage accounting or the policy question of whether biogas and biomethane should be eligible for certification. Methodology design sits outside the CRIS cost-recovery issue.

Questions about whether certified biomethane appropriately accounts for upstream methane leakage are valid, but they are methodology-design and emissions accounting questions for the GO Methodology Determination process, relevant DCCEEW methodology work and NGER/methane-method processes, not this CRIS cost-recovery consultation. This submission therefore assumes that methodology integrity is addressed in the proper forum and focuses on whether cost recovery for the methane pathways is accurate, proportionate and compatible with participation.

It does, however, ask CER to verify whether the revised methane-pathway charges are correct and proportionate. Asking for error-checking, proportionality assessment and phase-in consideration is different from proposing substitute fee amounts. CER holds the cost model and volume assumptions; the public issue is whether the final CRIS provides enough explanation to show that the resulting charges are accurate, proportionate and compatible with participation.

This submission also does not comment on the changes to functional units for low carbon liquid fuel products and the terminology change for phased-in remissions as CER has stated they are not seeking feedback on these updates.

This submission does not claim novelty over earlier stakeholder feedback. CRIS V1.1 records that the V1.0 consultation received 13 submissions; 10 submissions supported the phased approach to PGO and REGO cost recovery; four suggested considering extension of the two-year deferral for nascent PGO industries; two suggested a single levy for co-located facilities producing multiple GO products; two preferred weighting cost recovery toward certificate fees over annual facility levies; one suggested pre-existing accredited power stations could be subject to a different registration fee; and several stakeholders sought greater certainty on future pricing arrangements. This submission narrows those already-recognised issues to the current Version 1.2 methane-pathway cost-recovery questions: modelled-volume verification, biogas/biomethane fee comparability, charge proportionality, H2 2026 review outputs, participation effects, phase-in design and assurance that early under-recovery does not affect core scheme performance.

Problem diagnosis

The central failure mode is simple: if the revised methane-pathway charges are based on unexplained or erroneous volume assumptions, or if they are correct but disproportionate for a nascent pathway, the GO scheme may recover less revenue than forecast while also discouraging participation by the pathway it is trying to certify. The practical fix is not to abandon cost recovery; it is to verify the modelled-volume change, explain the cost to serve logic, test participation effects in H2 2026 and consider correction or phase-in if the charges are not proportionate.

Draft CRIS Version 1.2 leaves a significant verification, proportionality and reviewability gap for the two methane pathways. It carries forward the change under which the biogas and biomethane pathways replace the previous “Biomethane” method and charges before remission increased because modelled volumes were revised. However, the final CRIS should explain in a concise public form how the revised modelled volumes for the two methane pathways relate to the previous V1.0 “Biomethane” modelling basis, what assumptions changed, whether the increase reflects a deliberate and correct modelled-volume revision or a calculation/methodological issue, and what part of the change can be explained using public versus proprietary data.

There is also a specific error-checking question. Earlier biomethane cost-recovery settings used a 1 kg functional unit, while the updated methane-pathway settings use a 1 GJ HHV functional unit. The final CRIS should make clear whether the increase reflects a substantive change in forecast volumes, cost to serve or another modelled input, rather than an artefact of changing the functional unit. If CER’s position is that a change in functional unit affects unit price rather than overall regulatory cost, the final CRIS should explain why the updated methane-pathway charges have meaningfully increased on a per-gigajoule basis. The final CRIS should identify the substantive cost or volume driver that explains the increase, or correct the methane-pathway charges if the increase reflects a calculation or methodological issue.

This is the specific failure mode created by the transition from the previous biomethane cost-recovery basis to the current separated biogas and biomethane pathways. A change in product category, modelled volume or functional unit can produce a meaningfully different unit charge even where underlying regulatory effort has not changed in the same way. The final CRIS should therefore bridge the old and new bases clearly enough that participants can see whether the higher methane-pathway charge reflects real cost to serve differences, changed forecast volumes, or a calculation or methodological issue.

This is not only a future-charges and reviewability issue. Version 1.2 states that profile and certificate costs are fully remitted in the first two years under the phased-in cost-recovery policy, while the registration of person fee remains payable. However, the long-term charge structure remains relevant now because investors and project proponents need to assess future certification costs, offtake value and participation incentives before projects reach financial close. The broader issue is therefore whether charges before remission and future charges are correct, proportionate and compatible with participation as remissions taper and actual scheme data becomes available.

The issue is also one of proportionality. The Australian Government Cost Recovery Policy requires agencies to consider the impact of cost recovery on the activity being charged, including competition, innovation and financial viability. For a nascent pathway such as biomethane, charges that are large relative to the underlying value of the certified product may affect participation, offtake confidence and project development. The final CRIS should therefore explain how the proposed methane-pathway charges were assessed against the Cost Recovery Policy’s proportionality expectations, not only how the unit charges were calculated.

This proportionality concern is asymmetric. Established pathways are better placed to absorb administrative charges, while emerging-pathway participants may treat future certification costs as significant to project economics, offtake value and participation decisions. That is why

proportionality should be assessed not only in aggregate scheme-cost terms, but also against the maturity, scale and participation sensitivity of the methane pathways.

This proportionality question is especially important for an emerging pathway. Biomethane and biogas are new entrants to the GO scheme, included in this CRIS update as additional PGO pathways rather than mature pathways operating at scale. Where a pathway is still being established, cost-recovery charges that are large relative to the value of the certified product are more likely to affect participation, offtake confidence and project development. This is the circumstance the Cost Recovery Policy is directed at: it requires agencies to consider the impact of cost recovery on competition, innovation and the financial viability of those who pay the charges. Charges that meaningfully affect participation in a new low-emissions product pathway should therefore be tested against those impact and proportionality expectations.

Identical fees may be justified, but the specific rationale should be explicit. The CRIS states that costs are modelled product-by-product and that CER may align prices where products produced through different GO methods are sufficiently similar in complexity and cost. It also uses hydrogen by liquefaction as an example of aligned pricing where modelled volumes are zero and pricing is proposed to align with hydrogen by electrolysis due to product similarity and anticipated complexity. If CER considers biogas by anaerobic digestion and biomethane by biogas upgrading sufficiently similar in administrative complexity and cost to serve, the final CRIS should say so and commit to testing that assumption against actual scheme data in the H2 2026 review. Table 6 shows identical charges for the two methane pathways, including \$490 registration of person, \$741 production profile, \$370 delivery profile, \$370 consumption profile, \$1.78 certificate registration, \$0.84 addition of consumption information, and \$8,166 annual levy before remissions.

Comparable-product proportionality also matters. The final CRIS should explain why the methane-pathway certificate and consumption-information charges are meaningfully higher relative to the underlying energy value than comparable certificate products administered through the same broader GO framework. The question is not whether all products should have identical unit fees; different products may create different regulatory effort. The question is whether the final CRIS explains the cost to serve difference clearly enough to show that methane-pathway charges are proportionate rather than an artefact of conservative or erroneous volume assumptions.

As an indicative proportionality check, the methane-pathway certificate-registration and consumption-information charges appear to be large relative to the value of the certified gas product when compared with the equivalent relationship for renewable electricity. This submission does not ask CER to use commodity price as the fee-setting basis; it asks CER to explain whether the resulting charge is proportionate to the regulatory effort and compatible with participation by a nascent pathway.

A further order of magnitude check may also be relevant at full cost recovery. If the proposed certification charge per gigajoule approaches or exceeds the approximate cost of addressing equivalent fossil-gas combustion emissions through ACCUs at current prices, using public emissions factors and a current ACCU price, that would raise a further proportionality concern about whether future administrative certification costs could discourage participation once remissions taper. ACCUs and GO certificates are not equivalent instruments, so this comparison

should not be treated as policy equivalence. It is a check on whether the administrative cost of certification may be set at a level that could discourage use of the GO scheme once full cost recovery applies.

Projected under-recovery should be treated carefully. The point is not to criticise phased remissions. The point is to explain how deliberate under-recovery, participation risk and future fee settings will be managed so that the GO scheme remains both functional and credible. Table 1 identifies PGO ICT costs as a major cost category, while Table 8 shows very low PGO revenue against PGO expenses in FY2025-26. These figures do not show that CER is under-resourced; they justify an aggregate explanation of how early under-recovery and future cost recovery will be managed without weakening ICT, register, certificate-registration, profile-assessment or compliance performance.

Recommendations

Recommendation 1 – Verify and explain methane-pathway modelled-volume changes

CER should use the final CRIS and H2 2026 review to verify whether the revised methane-pathway charges reflect a deliberate and correct revision of modelled volumes, or a calculation or methodological issue. The final CRIS should provide a non-confidential explanation of how the revised modelled volumes for methane – biogas by anaerobic digestion and methane – biomethane by biogas upgrading relate to the previous biomethane modelling basis. The explanation should identify what changed directionally, which inputs are public, which input categories are proprietary, and what will be tested against actual scheme data.

A concise modelling bridge would be sufficient. It could identify: the previous biomethane cost-recovery basis; the current separated biogas and biomethane pathways; the functional unit used; the direction of the modelled-volume change; the main public-source assumptions; the categories of proprietary inputs; whether the methane-pathway figures have been checked for calculation or methodological error; and which assumptions will be tested against actual participant, certificate and cost to serve data.

There is also a specific functional unit question. Earlier biomethane cost-recovery settings used a 1 kg functional unit, while the updated methane-pathway settings use a 1 GJ HHV functional unit. The final CRIS should state whether the increase in charges before remission reflects a substantive change in forecast volumes, cost to serve or another modelled input, rather than an artefact of changing the functional unit. If the increase is affected by a calculation or methodological error, the methane-pathway charges should be corrected before finalisation.

For biomethane and related waste to energy facilities, Appendix 1 identifies Wood Mackenzie, the ARENA projects database and the ACCU project register among the relevant volume-estimation sources. CER should distinguish, where practicable, between public-source assumptions and proprietary-input categories without publishing commercially sensitive data.

Minimum fallback: if detailed modelling cannot be published, CER should publish a short non-confidential explanation of what changed directionally, whether the methane-pathway figures have been checked for calculation or methodological error, and which assumptions will be tested in H2 2026.

Recommendation 2 – Explain identical fee schedules

CER should publish the rationale for treating methane – biogas by anaerobic digestion and methane – biomethane by biogas upgrading as sufficiently similar in complexity and cost for identical fee schedules. This submission does not contend that the aligned fee schedules are incorrect. The recommendation is that the cost to serve logic should be explicit, reviewable and capable of being tested against actual scheme data in the H2 2026 review.

However, the final CRIS should not treat fee alignment as self-explanatory where the resulting charges may be meaningful for a nascent pathway. CER may consider the general CRIS alignment principle to address this issue; if so, the request is simply that the final CRIS apply that principle explicitly to the biogas and biomethane fee schedules and explain why the resulting cost to serve is proportionate.

This should include whether identical biogas and biomethane fees remain appropriate once methane-pathway participation levels, production volumes and actual cost to serve data are available.

Minimum fallback: add one sentence explaining that CER has aligned charges because expected administrative complexity and cost to serve are similar enough, subject to review once actual scheme data is available.

Recommendation 3 – Define H2 2026 review outputs

CER should specify the H2 2026 periodic review's scope and outputs. At minimum, the review should test forecast versus actual participant numbers, certificate volumes, cost to serve, fee alignment, fee proportionality, remission impacts, cumulative balances, participation effects and whether the revised biogas/biomethane assumptions remain appropriate.

The review should classify the reason for any material difference between forecast and actual outcomes. At minimum, the review should distinguish: forecast-volume error; actual uptake difference; cost-to-serve difference; functional-unit or product-category effect; deliberate remission-policy effect; participation deterrence; calculation or methodological correction; and unresolved confidential-input issue.

Table 9 also shows why forecast-versus-actual review matters. The CRIS forecasts very large growth in PGO certificate registration volumes over the forward estimates. That scale of forecast growth makes it important for the H2 2026 review to distinguish between forecast error, actual uptake, cost to serve changes, participation effects and policy-driven remission effects.

Participation effects should be a specific review output. If methane-pathway charges discourage participation, the scheme may recover less revenue than forecast while also failing to provide the certification signal needed for domestic biomethane market development. That would undermine both cost recovery and the policy rationale for adding the pathway to the GO scheme. Review alone is necessary but not sufficient.

The H2 2026 review should specify what evidence would trigger correction, further phase-in, fee realignment or escalation to the 2028 Portfolio Charging Review.

The review should distinguish between changes caused by forecast error, deliberate remission policy, actual cost to serve differences, participant/certificate volume changes and the change from the previous V1.0 biomethane category to the current separate biogas and biomethane pathways. That distinction matters because each driver would justify a different response.

Any meaningful issues that cannot be resolved in the H2 2026 periodic review should be identified for the 2028 Portfolio Charging Review, so early uncertainty does not carry forward into later full-cost-recovery settings.

Recommendation 4 – Assess proportionality and phase-in for methane pathways

CER should assess whether the proposed methane-pathway charges are proportionate to the scale, value and maturity of the nascent biomethane and biogas sectors. If the charges are correct but would meaningfully discourage participation, CER should consider a more calibrated phase-in, or identify how the H2 2026 review will test whether the two-year remission period is sufficient.

This would not require CER to abandon cost recovery. It would require CER to explain how cost recovery has been balanced against scheme uptake, market development and the objects of the GO Act. A proportionate phase-in may be necessary where immediate or near-term full charges would reduce participation, increase non-participation risk, and therefore undermine the scheme's own cost-recovery and certification objectives.

Recommendation 5 – Explain phased under-recovery and consultation traceability

CER should explain, at an aggregate level, how front-loaded under-recovery created by phased remissions will be managed through existing funding, cost-recovery and review arrangements. This would help participants and certificate users understand that core GO scheme functions – including ICT systems, the GO Register, profile assessment, certificate registration, monitoring and compliance – can continue to perform as required while the scheme transitions toward fuller cost recovery. This is an assurance request, not an allegation of current under resourcing.

The CRIS table figures support asking for this assurance, but they do not prove current under resourcing. CER may have non-public funding arrangements that already address this issue. The final CRIS or H2 2026 review should explain the position in aggregate, without disclosing operationally sensitive information.

The final CRIS should also replace the draft section 6.1 placeholder with a short table showing: issue raised, CER response, evidence relied on, change made now, issue deferred to the H2 2026 review, and unresolved matter for the 2028 Portfolio Charging Review. Where relevant, the table could use neutral status categories such as: verified in final CRIS; corrected in final CRIS; explanation provided but confidential inputs

withheld; deferred to H2 2026 review; deferred to 2028 Portfolio Charging Review; or outside CRIS scope. These categories would make the consultation response more reviewable without implying that any stakeholder claim is accepted or rejected without assessment. That table should specifically identify how CER has considered feedback on methane-pathway cost proportionality, modelled volumes, possible calculation or methodological error, phase-in design and participation risk.

Implementation and safeguards

These recommendations can be implemented through CER's existing CRIS and periodic-review processes. They should not require new reporting obligations for participants.

This approach also aligns with CER's own risk-mitigation structure. The draft CRIS records a medium Charging Risk Assessment rating and identifies consultation, PGO remissions, alignment of REGO and RET pricing, and ongoing monitoring and periodic review as risk-mitigation strategies. The recommendations in this submission work through those existing mechanisms rather than proposing a separate process.

These recommendations are grounded in publicly available material and calibrated to the evidence available to an individual respondent. They do not ask CER to publish proprietary model inputs or accept substitute fee calculations from this submission. They ask CER to verify whether the revised methane-pathway charges reflect a deliberate and correct change in modelled volumes or a calculation/methodological issue; to explain whether the charges are proportionate to comparable products and the maturity of the biomethane pathway; and to identify whether correction or a more calibrated phase-in is needed. Where the figures are correct, the transparency steps recommended here are the means by which CER can demonstrate that on the public record.

Confidentiality can still be protected. This submission does not ask CER to publish proprietary model inputs, commercially sensitive project-level assumptions, operationally sensitive information or trade-secret level cost information. It distinguishes three categories. First, genuinely sensitive model inputs, operational details and project-level assumptions may legitimately remain confidential. Second, some information may be publishable in aggregated, redacted, delayed or category-level form, including the direction of material model changes, the public source assumptions used, categories of proprietary inputs relied on, and whether methane-pathway figures have been checked for calculation or methodological error. Third, some minimum information should still be available publicly or to CER for accountability and reviewability: what changed directionally, what assumptions will be tested against actual scheme data, and what evidence would trigger correction, further phase-in, fee realignment or escalation to the 2028 Portfolio Charging Review.

The strongest objection to greater explanation is that some model inputs may be proprietary, commercially sensitive or operationally sensitive. This submission accepts that constraint. The safeguard is not to publish confidential inputs; it is to publish enough non-confidential explanation and review design to make the charge pathway understandable, testable and capable of correction if later evidence shows the assumptions were wrong.

Priority ordering by process

If CER can adopt only some of these recommendations, this submission proposes the following order:

Must address in the final CRIS:

- Recommendation 1, because the final CRIS should verify whether the methane-pathway charge increase reflects a deliberate and correct modelled-volume revision or a calculation or methodological issue.
- Recommendation 2, because identical biogas and biomethane fees should be explained before the CRIS is finalised if CER intends to retain them.

Should define for the H2 2026 review:

- Recommendation 3, including forecast-versus-actual volumes, participation effects, cost to serve, fee proportionality, remission impacts and escalation triggers.
- Recommendation 4, including whether a more calibrated phase-in is needed if full charges would discourage participation.

Should address through final CRIS assurance and review tracking:

- Recommendation 5, including how front-loaded under-recovery and Version 1.2-specific consultation feedback will be managed.

Minimum viable fallback

If CER does not amend the proposed fee schedules, publish detailed model information, or revise the methane-pathway charges now, the final CRIS should at minimum:

1. verify whether the revised methane-pathway charges reflect a deliberate and correct modelled-volume revision or a calculation or methodological issue;
2. identify the substantive cost, volume or cost to serve driver that explains the increase in methane-pathway charges-before-remission compared with the previous biomethane cost-recovery basis;
3. explain that identical biogas and biomethane fees reflect CER's current assessment of comparable complexity and cost, if that is CER's position;
4. assess whether methane-pathway charges are proportionate to the value, scale and maturity of the nascent biomethane sector;
5. identify forecast-versus-actual volumes, participation effects, cost to serve, fee alignment, fee proportionality, remission impacts, cumulative balances, resourcing adequacy and escalation triggers as matters for the H2 2026 periodic review;
6. identify whether a more calibrated phase-in is needed if near-term charges would discourage participation;

7. replace section 6.1's placeholder with substantive consultation findings, including how CER has considered methane-pathway cost proportionality, modelled volumes, possible calculation or methodological error, phase-in design and participation risk;
8. identify any unresolved matters for the 2028 Portfolio Charging Review.

This fallback would preserve the core transparency and reviewability objective without delaying finalisation of the CRIS.

Conclusion

Draft GO CRIS Version 1.2 creates a workable foundation for bringing new PGO pathways into the GO cost-recovery framework. Its effectiveness will depend on whether the methane-pathway charges are accurate, proportionate, compatible with participation and capable of being tested as actual scheme data becomes available.

The final CRIS should be judged not only by whether it preserves cost recovery in principle, but by whether it supports credible participation in the new biogas and biomethane pathways. Future full-cost-recovery charges should not discourage use of the GO scheme merely because the transition from the previous biomethane cost-recovery basis to separate biogas and biomethane pathways is insufficiently explained. CER should therefore verify the methane-pathway charge increase, explain the cost to serve rationale for identical biogas and biomethane fees, and make the H2 2026 review a genuine test of forecast-versus-actual volumes, participation, proportionality, cost-to-serve and phase-in adequacy.

Tgus does not ask CER to abandon cost recovery, publish proprietary model inputs, accept substitute fee modelling or decide broader biomethane methodology issues through this CRIS. It asks CER to make the cost-recovery pathway checkable, reviewable and capable of correction if actual participation, cost to serve or volume data show that the assumptions used in the final CRIS were wrong or incomplete.

Given the short implementation timetable and the planned periodic review in the second half of 2026, CER should publish a clear final response explaining which issues are resolved in the final CRIS, which are deferred to the H2 2026 review, and which unresolved matters will be tracked through the 2028 Portfolio Charging Review. That would strengthen, rather than weaken, the credibility of GO cost recovery for new production pathways.

I am able to provide clarification on any aspect of this submission if useful.

Evidence method

This submission uses four source categories. First, it uses CER's consultation page and Draft GO CRIS Version 1.2 as the primary sources for the live consultation, current fee settings, remissions, cost-recovery structure and H2 2026 review pathway. Second, it uses the previous GO CRIS Version 1.0 to identify the earlier biomethane cost-recovery basis. Third, it uses the Department of Finance Cost Recovery Policy and the Future Made in Australia (Guarantee of Origin) legislation to frame proportionality, scheme purpose and reviewability. Fourth, it uses public

project and market-reference sources only where they help identify assumptions CER could test, not as substitutes for CER's internal cost model.

The submission does not rely on media reporting for any core claim. External stakeholder feedback was used to identify issues for checking, but private or draft feedback is not quoted, cited or relied on as public evidence. Where a recommendation depends on proprietary volume assumptions, cost-to-serve, fee modelling or future participation data, the submission treats that matter as a question for CER verification and H2 2026 review rather than asserting a substitute figure.

Sources

1. Clean Energy Regulator, Guarantee of Origin proposed cost recovery: new production pathways, consultation page, last updated 29 May 2026.
2. Clean Energy Regulator, Draft GO Cost Recovery Implementation Statement FY2025–26 Version 1.2, updated 29 May 2026.
3. Clean Energy Regulator, *Guarantee of Origin Cost Recovery Implementation Statement FY2025–26*, Version 1.0.
4. Department of Climate Change, Energy, the Environment and Water, *Public consultation on the Exposure Draft of the Guarantee of Origin Methodology Determination Amendment (Biogas, Biomethane and Iron Ore)*.
5. Department of Finance, *Australian Government Cost Recovery Policy*.
6. Future Made in Australia (Guarantee of Origin) Act 2024.
7. Future Made in Australia (Guarantee of Origin) Rules 2025.
8. Future Made in Australia (Guarantee of Origin Charges) Act 2024.
9. Future Made in Australia (Guarantee of Origin Charges) Regulations 2025.