



# CFI Methodologies: Methane Capture and Combustion from Legacy Waste

The Carbon Farming Initiative (CFI) allows farmers and other land managers to generate carbon credits by storing carbon or reducing greenhouse gas emissions. Participants can earn carbon credits by conducting a project in accordance with an approved CFI methodology, which sets out the rules for the activity.

This fact sheet outlines two methodologies: one for the *Capture and Combustion of Methane in Landfill Gas from Legacy Waste* and a second for the *Capture and Combustion of Landfill Gas from Legacy Waste: Upgraded Projects*.

## Who can benefit from these methodologies?

The methodologies covering the capture and combustion of methane in landfill gas allow landfill operators who manage waste that was deposited into landfill prior to 1 July 2012 ('legacy waste') to earn carbon credits through the CFI.

Landfill waste contains biodegradable organic matter. As this organic matter decomposes it releases gases such as methane. Methane is a potent greenhouse gas which contributes to climate change.

Some landfills are very large and may be subject to the carbon price. Landfill gas capture projects can substantially reduce carbon price liabilities. Many landfill operators will be able to capture and destroy enough landfill gas to offset or reduce their carbon price liabilities to zero.

## What does it involve?

The methodologies apply to projects that involve:

1. Installing or upgrading a landfill gas extraction system
2. Collecting landfill gas (methane)
3. Combusting methane to convert it into carbon dioxide using a flare or energy generation system

Landfill gas can be flared or used to generate renewable electricity or heat. This electricity can be sold back into the electricity grid. Landfill operators can also generate tradeable renewable energy certificates under the Renewable Energy Target.

Under the methodologies, operators of landfill projects must calculate a baseline that represents the gas capture that would have occurred in the absence of the CFI project.

Projects transitioning from Greenhouse Friendly and the New South Wales and Australian Capital Territory Greenhouse Gas Abatement Scheme (GGAS) have transitioning baselines for the first crediting period.

New projects have a baseline that reflects the amount of landfill gas that must be captured under regulations.

Long established projects that are not transitioning from other offset schemes have a baseline that reflects the historic rate of gas capture.

## Specific Requirements

### Eligibility

For a project to be eligible under these methodologies, it must involve legacy waste (deposited prior to 1 July 2012) and be one of the following:

- a project transitioning from the Greenhouse Friendly program, GGAS or the Cities for Climate Protection program
- a new project established since 1 July 2007 or
- an existing landfill gas flaring or generation system upgraded since 1 July 2010.

These requirements are in addition to broader eligibility criteria, such as the requirement for the project to be carried out in Australia; and the project proponent having the legal right to conduct the project.

### Monitoring, Reporting and Auditing

Landfill operators can use the 'CFI Landfill Gas Calculator' and the 'CFI Landfill Methane Regulatory Baseline Calculator' to help them fulfil their monitoring and reporting obligations. These tools are available for free on the department's website: [www.climatechange.gov.au/cfi](http://www.climatechange.gov.au/cfi). (See relevant methodology under "Methodology determinations").

Keeping project records is important as these will be used to calculate the abatement that has been achieved by the project and demonstrate that it has been implemented and monitored properly.

Projects must be audited by a registered greenhouse and energy (NGERS) auditor. A list of registered auditors is available on the Clean Energy Regulator website: [www.cleanenergyregulator.gov.au](http://www.cleanenergyregulator.gov.au).

### Further Information

The Methodology Determinations are available on ComLaw at [www.comlaw.gov.au/Details/F2012L01688](http://www.comlaw.gov.au/Details/F2012L01688) and [www.comlaw.gov.au/Details/F2012L02583](http://www.comlaw.gov.au/Details/F2012L02583)

Project applications to use these Methodology Determinations may be made to the Clean Energy Regulator at [www.cleanenergyregulator.gov.au](http://www.cleanenergyregulator.gov.au).

To find out about other opportunities under the Carbon Farming Initiative, visit [www.climatechange.gov.au/cfi](http://www.climatechange.gov.au/cfi).

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