

# GGAS Newsletter

Issue 10, December 2008

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## Introduction

The past year has seen a major shift in the place of emissions trading in the public and political domain. As the commencement of the Commonwealth Government's Carbon Pollution Reduction Scheme has become closer there has been considerable focus by business on its effects and impacts.

For GGAS one of the impacts will be the termination of some key parts of GGAS on the commencement of the CPRS. However, the new GGAS energy efficiency targets will extend the scope of one part of the Scheme beyond the introduction of the CPRS.

During 2009 the GGAS Scheme Administrator will work with NSW policy agencies to develop a clear plan for the wind down of the non energy efficiency parts of GGAS in 2010. The Scheme Administrator will be aiming to ensure that all affected parties are aware of the processes that may be of importance to them through this period.

In the interim, the new energy efficiency target and changes to the Demand Side Abatement Rule are expected to keep GGAS staff busy as we head into 2009.

To our GGAS participants and stakeholders we offer seasons greetings and wish you an interesting and successful New Year.

## Energy Efficiency Target

On the 28th November the Deputy Premier and Minister for Climate Change, Ms Carmel Tebbutt reaffirmed the Government's commitment to establish new targets to 'revitalise the energy efficiency component of GGAS.'

The new energy efficiency targets will, however, take effect from 1 July 2009. The NSW Government proposes introduction of legislation for the new energy efficiency targets in early 2009.

It also proposes consulting with businesses on the detailed Rules of the Scheme. It is anticipated that the Rule for the extended energy efficiency target will build on the existing GGAS DSA Rule, but with scope for a greater range of energy efficiency activities.

As has been previously indicated, the new energy efficiency target will require electricity retailers to undertake, directly or indirectly, energy efficiency activities or projects in residential or business premises.

A new class of tradeable certificate will be created for the Scheme and only these energy efficiency certificates will be able to be used to meet the new energy efficiency targets.

## Demand Side Abatement Rule change

On 5 December 2008 an amended version of the GGAS Demand Side Abatement Rule was published in the NSW Government Gazette. The amendments, which will come into effect from 1 January 2009, were made by the Minister for Energy and will reduce the Default Abatement Factor (DAF) for compact fluorescent lightbulbs.

From that date the DAF value will be 0.15 for these bulbs, regardless of bulb life. The previous version of the Rule had a range of values for bulbs of different life ratings.

The change reduces the credits that can be created for the installation, sale and giveaway of these bulbs. This reflects the introduction of mandatory Minimum Energy Performance Standards for lightbulbs, having the effect of making energy efficient bulbs the new standard from next year.

### NSW Greenhouse Gas Reduction Scheme

Independent Pricing & Regulatory Tribunal  
PO Box Q290, QVB Post Office NSW 1230  
Level 8, 1 Market Street, Sydney NSW 2000  
(02) 9290 8452

[www.ipart.nsw.gov.au](http://www.ipart.nsw.gov.au)

[www.greenhousegas.nsw.gov.au](http://www.greenhousegas.nsw.gov.au)

GGAS

## Site visit to Woodlawn Bioreactor

The Woodlawn Bioreactor is a landfill, operated by Veolia Environmental Services (Australia) Pty Ltd (Veolia) and located in Tarago NSW, on the site of the former Woodlawn open cut mine.

After initially being accredited as a future project in January 2006, the accreditation changed status from a future project to a fully implemented project at the 19 November meeting of the Tribunal. As part of the future project implementation process, the Secretariat accompanied auditors from Connell Wagner on a site visit to Woodlawn Bioreactor in late October.

As waste (mostly garbage from Sydney) is added to the landfill, methane forms as the waste starts to decompose. The methane, known as landfill gas (LFG), is extracted directly from the floor of the landfill and then used as a fuel for use in engines that produce electricity for export to the grid.

Figure 1 shows the landfill in the former open cut mine, with waste being delivered in one section of the landfill (centre) and leachate recirculation & methane collection in another area (evidenced by the dark patches in the foreground).

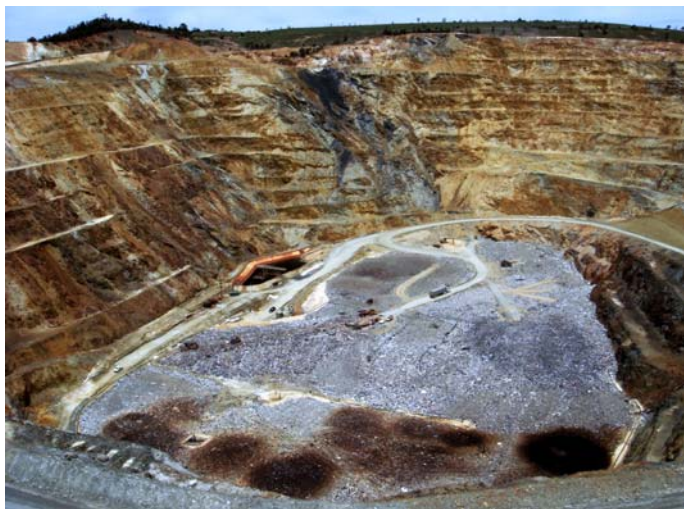


Figure 1: Landfill being deposited into the former Woodlawn Mine site

At present, the site produces enough waste methane to support 2MW of electricity generation, through the use of 2 x 1MW generating units. As the mine fills and more methane becomes available, the generation capacity will be scaled to accommodate the gas flows.

Figure 2 shows the first of four 'generation hubs' to be built on the site to accommodate the extra generation capacity, with each of the hubs designed to accommodate six generating units.



Figure 2: Generation Hub #1

## Spot audit telephone survey for large DAF Method projects

The Scheme Administrator has engaged an auditor to conduct independent spot audit telephone surveys of the four largest Accredited Certificate Providers (ACPs) accredited under the Default Abatement Factors (DAF) Method for the installation of CFLs. In conducting the spot audit phone surveys, the Scheme Administrator is seeking additional assurance, beyond normal audit approaches, that participating companies are complying with standards set by the Scheme Administrator.

The Scheme Administrator periodically reviews its compliance requirements for DAF Method ACPs, and adjusts these requirements as appropriate. Changes in the past have included the introduction of the [Minimum Requirements for DAF Installation Projects](#).

The spot audits will involve the auditor contacting some of the ACPs' customers to confirm that CFL Installations have been performed as per the details on the nomination forms, and in accordance with the Scheme Rules. This will include confirming the number of CFLs installed, and whether the CFLs replaced incandescent lamps.

## Large increase in CFL activity

In the third quarter of 2008, there were 2.9 million CFLs distributed by ACPs, which is the highest quarterly figure since 2006. This brings the total number of CFLs distributed under GGAS to date to 26.9 million. This information is based on the quarterly activity statements that all ACPs distributing CFLs, showerheads or flow restrictors have been required to provide to the Scheme Administrator since 2006.

## Key factors

IPART has determined the following key factors for the purpose of determining greenhouse gas benchmarks for benchmark participants for 2009:

- NSW Pool Coefficient = 0.967 tCO<sub>2</sub>-e/MWh
- Total State Electricity Demand = 80,109 GWh
- Total State Population = 7,041,800
- Electricity Sector Benchmark = 51,193,886 tCO<sub>2</sub>-e.

IPART has also released the following figures to assist interested parties with their own forecasts of the NSW pool value and NSW pool coefficient:

- 2007 NSW Pool Value = 0.983 tCO<sub>2</sub>-e/MWh
- 2007 NSW Emissions = 69,810,669 tCO<sub>2</sub>-e
- 2007 Net Sent-Out Generation = 71,015,242 MWh.

The annual greenhouse gas benchmark statement has been updated with the key factors and the new version is now available on the GGAS website at

[www.greenhousegas.nsw.gov.au/documents/syn42.asp](http://www.greenhousegas.nsw.gov.au/documents/syn42.asp)

## GGAS availability during the Christmas period

This year, the GGAS office will be closed during the Christmas period, between 25 December 2008 and 2 January 2009. For Registry users, the GGAS Registry will be fully functional during this period however the Registry helpdesk will be closed on public holidays.

Any payments received during this period for certificate creation will be processed on 5 January 2009.

Any queries regarding the GGAS Registry can be directed to the helpdesk on 1800 006 797 or email [registry@greenhousegas.nsw.gov.au](mailto:registry@greenhousegas.nsw.gov.au).

## Registry statistics

### Abatement certificates created since the Scheme commenced:

DSA	27,350,073
Generation	48,210,298
Carbon Sequestration	1,991,094
Large User	2,256,117

### Current accreditations as at 30 November 2008<sup>^</sup>:

DSA	77
Generation	127
Carbon Sequestration	7
Large User	9

### New accreditations in the last 3 months (1 September – 30 November)\*:

DSA	2
Generation	4
Carbon Sequestration	0
Large User	0

*\*Figures in the 'New accreditations in last 3 months' table are included in the 'Current accreditations' table.*

*^Note, accreditation totals include multiple projects.  
Data as at 30 November 2008*