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## SUBMISSION TO MINISTRY FOR THE ENVIRONMENT ON PROPOSED CHANGES TO NEW ZEALAND EMISSIONS TRADING SCHEME REGULATIONS 2024

Thank you for the opportunity to present this submission on the Proposed Changes to New Zealand Emissions Trading Scheme Regulations 2024.

The Queenstown Lakes District Council (**QLDC**) is making this submission on the proposal to update Unique Emissions Factor (**UEF**) regulations. QLDC seeks a phased approach to these changes due to the significant impact it will have on Emissions Trading Scheme surrender obligations for the district's operational landfill, and the need for forward budgeting.

QLDC would not like to be heard at any hearings that result from this consultation process.

Thank you again for the opportunity to comment.

Yours sincerely,

Tony Avery General Manger, Property & Infrastructure SUBMISSION TO MINISTRY FOR THE ENVIRONMENT ON PROPOSED CHANGES TO NEW ZEALAND EMISSIONS TRADING SCHEME REGULATIONS 2024

- **1.0** Context of the changes to the Emissions Trading Scheme Regulations for waste in relation to QLDC
  - 1.1 The Queenstown-Lakes district (**the district**) has an average daily population of 70,205 (visitors and residents) and a peak daily population of 99,220. By 2053 this is forecast to increase to 150,082 and 217,462 respectively<sup>1</sup>.
  - 1.2 The district is committed to moving towards zero waste and being a sustainable district, as outlined in QLDC's Waste Minimisation and Management Plan 2018<sup>2</sup>. Zero waste is important to the district's communities, who have set a vision statement in Vision Beyond 2050<sup>3</sup> that zero waste is business as usual for the district. The district is also committed to zero waste through its Climate and Biodiversity Plan 2022-2025<sup>4</sup> and the district's Destination Management Plan: Travel to a Thriving Future<sup>5</sup> which has an objective for the visitor economy to be zero waste by 2030.
  - 1.3 As QLDC works towards zero waste, there is an ongoing need for provision of waste minimisation and management services. Victoria Flats landfill, which accepts waste from the Queenstown-Lakes and Central Otago districts is owned and operated under a contract with QLDC. Most of the funding for waste management and minimisation services is from general and targeted rates and user charges.
- 2.0 Changes to Emissions Trading Scheme Regulations for waste
  - 2.1 QLDC supports proposal 4a to align values in DEF and UEF regulations.
  - 2.2 QLDC supports proposal 4c to encourage other uses of landfill gas.
  - 2.3 QLDC partially supports proposal 4b to improve the accuracy of the model used to calculate landfill gas capture efficiency.
    - 2.3.1 Changing the waste composition for historical waste will increase the organic content of the historical waste in the gas generation model. This will increase the calculated landfill gas generation at the QLDC site, decreasing the collection efficiency, and thereby increasing the UEF.
    - 2.3.2 Based on the changes signalled, the organic content of historical waste is likely to increase from 42.7% to approximately 60.2%. This is a substantive increase. It also does not reflect the current waste composition.
  - 2.4 The update outlined in proposal 4b will add significant cost and is estimated to require an additional million dollars per annum of funding. A cost of this magnitude cannot be absorbed into existing budgets and needs to be provided for in long-term planning through rates and user charges. QLDC proposes that due to the materiality of the proposed change, this needs to be phased in over time to reduce the financial burden.

## **Recommendations:**

R.1. Updates to the model used to calculate UEF's are phased in over a minimum of five years to provide landfill owners (such as QLDC) sufficient time to adjust long term planning budgets to accommodate the additional costs.

<sup>&</sup>lt;sup>1</sup> <u>https://www.qldc.govt.nz/community/population-and-demand</u>

<sup>&</sup>lt;sup>2</sup> <u>waste-minimisation-and-management-plan-2018.pdf (qldc.govt.nz)</u>

<sup>&</sup>lt;sup>3</sup> Our Vision and Mission - QLDC

<sup>&</sup>lt;sup>4</sup> <u>Climate Change and Biodiversity (qldc.govt.nz)</u>

<sup>&</sup>lt;sup>5</sup> <u>Queenstown Lakes Regenerative Tourism Plan 420c7b6c-d0a1-4656-bd5d-4026e9ef993f.pdf (simpleviewinc.com)</u>