



3 August 2026

The Hon. Matt Kean
Chair, Climate Change Authority
Level 10, 90 Collins Street
Melbourne VIC 3000

Dear Mr Kean,

The Smart Energy Council (SEC) welcomes the opportunity to provide a letter of response to the Climate Change Authority's *Fossil methane: A near-term abatement opportunity* consultation. We recognise the profound difference this consultation can make for Australia by establishing a rigorous policy framework to rapidly abate near-term methane emissions, slow the pace of global warming and decisively address the climate crisis.

The Smart Energy Council is Australia's peak independent body for the renewable energy, energy storage and smart transport industries, representing over 700 residential, commercial and large-scale clean energy member companies across the nation. Our diverse membership spans project developers, technology manufacturers, green financiers and technical advisers, all structurally committed to delivering low-cost, reliable and decarbonised energy systems.

The Smart Energy Council generally supports the Authority's focus on identifying practical actions to reduce fossil methane emissions across the coal and gas sectors. While mitigating fugitive methane from existing operations offers vital near-term climate relief, no new fossil fuel developments should be approved. Both AEMO's 2026 Integrated System Plan and the CSIRO GenCost 2025-26 report conclusively show that firmed renewables backed by storage represent the fastest, cheapest and most reliable pathway to net zero. Onsite methane mitigation must be treated strictly as an urgent operational requirement for existing facilities, not as a justification to expand fossil fuel use.

Existing policies

While the Safeguard Mechanism currently covers 75% of Australia's fossil methane emissions, relying solely on broad price signals and flexible compliance has allowed covered entities to rely heavily on offsets rather than executing direct onsite abatement.¹ The Australian Government must tighten Safeguard Mechanism baselines for coal and gas

¹ [Climate emitters opt for cheap offsets, few real cuts](#), AAP News, April 2026

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facilities while aligning settings with progressive state regulatory frameworks, such as the NSW EPA Climate Change Licence requirements that mandate direct methane mitigation. Proven technologies, including Leak Detection and Repair (LDAR) in natural gas production and Ventilation Air Methane (VAM) oxidation for underground coal mines, are commercially ready.² Real-world operational projects, such as the Powering the Regions Fund grant for VAM abatement at Queensland's Kestrel mine and CSIRO's VAMMIT trials, demonstrate that onsite abatement can be safely and effectively deployed at scale. Establishing mandatory facility-level abatement standards will drive genuine physical emissions reductions rather than on-paper compliance.

This section addresses the consultation specifically, but we understand that the Government will be undertaking a Safeguard Mechanism Review in the near future. Therefore, we will provide detailed feedback to the Climate Change Authority and DCCEE for the Mechanism in due course.

Policy response to accelerate methane abatement

Australia should establish binding, sector-specific targets and policies for fossil methane reduction to operationalise its commitment under the Global Methane Pledge to reduce global methane emissions by at least 30% by 2030. Incorporating explicit fossil methane abatement milestones into Australia's national policy architecture will provide clear regulatory certainty for industry. However, these targets must be paired with an explicit, managed strategy to phase down fossil fuel production. Norway has shown that through long-standing policies, including a ban on non-emergency flaring and a tax on venting or flaring, methane emissions have been driven to the lowest intensity in the world.² Directing capital away from fossil fuel expansion and toward clean energy infrastructure ensures that near-term methane abatement actively supports, rather than delays, Australia's transition to a renewable energy superpower.

Using GWP-20 as an additional analytical lens

To properly capture the urgency of climate action, the Government should formally integrate Global Warming Potential over a 20-year timeframe (GWP-20) as an additional analytical lens for policy evaluation and public investment. As methane is over 80 times more potent than carbon dioxide in the short term,³ evaluating mitigation options exclusively through a 100-year metric (GWP-100), significantly undervalues the immediate climate return of methane reduction. Applying a GWP-20 lens demonstrates that near-term methane capture yields immediate atmospheric cooling benefits, providing a critical buffer while long-term carbon dioxide reductions take effect. Furthermore, evaluating near-term abatement under this lens reinforces why unproven or underperforming carbon capture and storage (CCS) schemes, such as the persistent underperformance of Chevron's Gorgon CCS project in

² [Global Methane Tracker 2023 & 2026: Understanding methane emissions](#), International Energy Agency

³ [Facts about Methane](#), United Nations Environment Programme

⁴ [Gorgon shows CCS aims are built on technical uncertainty](#), IEEFA, December 2025

Western Australia, must not be relied upon as a substitute for direct abatement and rapid clean energy deployment.

Emerging Issue

While acknowledging that agricultural and waste methane fall outside the primary scope of this consultation, the SEC draws attention to waste-to-energy (WtE) incineration as a critical emerging issue in broader methane policy. Proponents of municipal solid waste incineration increasingly market WtE facilities as clean energy sources that mitigate landfill methane buildup. However, as detailed in our commissioned report [*Waste to Energy in Australia: Energy solution or problem?*](#), thermal waste incineration generates high carbon intensity per unit of electricity, displaces genuine zero-emissions renewables and locks local councils into long-term waste feedstock contracts. True methane reduction in the waste sector must prioritise source-separation, circular economy principles and organic waste diversion, rather than subsidising thermal combustion processes under misleading clean energy or methane abatement claims.

The Smart Energy Council remains available to provide further evidence, technical input or stakeholder connections to support the Climate Change Authority's consultation.

Should you wish to discuss this submission further, please do not hesitate to contact Sohaib Mohammed at sohaib@smartenergy.org.au or 0480 760 102.

Yours sincerely,



David McElrea
CEO