NSW CLIMATE RULES MUST DELIVER REAL METHANE ABATEMENT, NOT DUPLICATE NATIONAL REGULATION

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Low Emission Technology Australia (LETA) warns that the NSW Environment Protection Authority's mandatory climate framework for coal mines risks duplicating national regulation rather than accelerating the genuine methane abatement the sector is already delivering.

The NSW EPA today finalised rules requiring coal mines to report emissions directly to the authority, publish public decarbonisation plans and meet staged methane abatement targets, sitting alongside the federal Safeguard Mechanism and the National Greenhouse and Energy Reporting Scheme, which already govern emissions compliance across Australia's largest industrial facilities.

LETA engaged throughout the consultation process and while the final package is better than what was first proposed, the fundamental tension between state and federal frameworks remains unresolved.

"The coal industry is not waiting on regulation to act on methane, it is already investing in the technologies that make abatement possible," LETA Chief Executive Officer Mark McCallum said.

"Through LETA, the sector has committed close to $60 million to ventilation air methane abatement projects, with total investment expected to reach almost $100 million by 2030. These are real projects underway today, not theoretical commitments."

The central conflict is the treatment of carbon offsets. The Safeguard Mechanism allows facilities to make their own decisions about emissions management, including the level of offset use. NSW treats them as a last resort after onsite abatement. The two frameworks also differ on thresholds, reporting obligations and the role of planning conditions, leaving most NSW coal mines managing dual compliance with no clear hierarchy between them.

LETA has also raised concerns about mandating deployment timelines without adequate regard for mine safety constraints. Methane management is inherently site-specific, and any system connected to a mine's primary ventilation must meet strict safety requirements that differ significantly from those applied overseas. Forcing deployment where conditions are unsuitable risks poor outcomes, and in some cases, unacceptable safety risks.

"Regulation that ignores operational and safety realities does not deliver faster abatement, it risks delivering worse outcomes," Mr McCallum said.

"Communities in the Hunter, Illawarra, Central West and North-West need certainty. What they don't need is overlapping frameworks pulling in different directions, adding cost and complexity without cutting emissions any faster."

LETA is calling on the NSW and Commonwealth governments to align their frameworks, ensure deployment timelines are staged and evidence-based, and keep the focus on outcomes rather than layered obligations. First compliance deadlines under the new NSW framework fall in March 2027.

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ABOUT LOW EMISSION TECHNOLOGY AUSTRALIA

Low Emission Technology Australia (LETA) is a not-for-profit investment fund that accelerates the development and large-scale deployment of technology solutions to reduce and remove greenhouse gas emissions from critical industries like steel, cement and power generation.

LETA's investment in technology unlocks a faster, cheaper pathway to net zero for hard-to-abate industries that are critical to the economy, provide thousands of Australian jobs and support households every day.

Since 2006, LETA members have contributed more than $400m to low emissions projects and unlocked a total investment of $1.1b. LETA members recognise the crucial role of low emissions technologies in enabling a net-zero future for their industries, their customers, their workforces and Australian communities.