Supplementary Regulatory Impact Statement

Protection of the Environment Operations (Waste) Regulation 2014
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1 Introduction

1.1 The purpose of this document

The Environment Protection Authority (the EPA) published a Regulatory Impact Statement Consultation (the Consultation RIS) for the draft Protection of the Environment Operations (Waste) Regulation 2014 (the Waste Regulation 2014) in April 2014.

The Waste Regulation 2014 was intended to replace the Protection of the Environment Operations (Waste) Regulation 2005 (the Existing Waste Regulation) on 1 September 2014, which was, at the time of consultation, the date for the Existing Waste Regulation’s staged repeal under the Subordinate Legislation Act 1989.

The Consultation RIS reviewed proposed changes to the Existing Waste Regulation and assessed limited amendments to Schedule 1 of the Protection of the Environment Operations Act 1997 (the POEO Act) and the Protection of the Environment Operations (General) Regulation 2009 (the POEO General Regulation).

The EPA invited comments on the Consultation RIS and the draft Waste Regulation 2014 during a 6-week public consultation period from 23 April to 6 June 2014.

The consultation process identified some key areas in which the Waste Regulation 2014 could be strengthened to increase the level of protection for the environment and human health in New South Wales (NSW).

As a result:

- the draft Waste Regulation 2014 has been amended to incorporate these improvements to the waste regulatory framework
- EPA commissioned The Centre for International Economics (CIE) to assess these amendments and to revise its draft cost–benefit analysis report
- the staged repeal of the Existing Waste Regulation has been deferred for an additional 1-year period. The NSW Government deferred repeal to ensure appropriate assessment of the changes to the Waste Regulation 2014 could take place and achieve the best environmental and human health outcomes.

Although repeal of the Existing Waste Regulation has been deferred to 1 September 2015, the NSW Government is expediting the re-make of the Waste Regulation 2014.

For regulatory clarity, the provisions in Schedule 4 of the consultation draft of the Waste Regulation 2014 to give effect to the changes to the waste levy system are now included in the Protection of the Environment Operations (Waste) Amendment (Contributions) Regulation 2014 (the Waste Contributions Regulation 2014).

The purpose of this Supplementary Regulatory Impact Statement (the Supplementary RIS) is to assess the costs and benefits of changes to the final Waste Regulation 2014 and Waste Contributions Regulation 2014 as a result of feedback from the consultation process.

1.2 The consultation process

The EPA conducted extensive discussions on the Consultation RIS and the draft Waste Regulation 2014.

This included during a 9-week public consultation period between 23 April and 6 June 2014, and targeted consultation with various stakeholders during and after the consultation period.

The EPA sent 515 letters to a range of stakeholders including, government agencies, industry associations, businesses, environmental groups, consultants, peak non-government organisations, tyre associations, weighbridge providers, landfill operators, the peak waste and recycling associations, and all environment protection licence holders.
An email notification was also sent to the 1,300 stakeholders from local government and industry subscribed to the EPA’s waste updates service.

The draft Waste Regulation 2014 and the Consultation RIS, together with eight factsheets outlining the more significant amendments, were published on the EPA website and the NSW Government’s ‘Have Your Say’ website.

Notices were placed in the Sydney Morning Herald and the Daily Telegraph advising of the publication of the draft Waste Regulation 2014 and the Consultation RIS.

The EPA’s Waste Strategy Unit conducted six public consultation sessions that were attended by 122 people. To minimise disruption and travel requirements for regional and rural stakeholders, this included a webinar that was attended by 36 local councils. Additionally, the EPA also held another six targeted consultation sessions with key stakeholders on specific issues.

At the end of the consultation period, a total of 97 written submissions were received from industry, government and the public.
2 Amendments to the Waste Regulation 2014

Stakeholder feedback during the consultation period was generally supportive of the draft Waste Regulation 2014 and the objectives sought to be achieved by the EPA set out in the accompanying Consultation RIS.

As a result, the majority of the draft Waste Regulation 2014 remains unchanged in the final regulation. However, to ensure that the final Waste Regulation 2014 effectively achieves the objectives of the POEO Act to protect the environment and reduce risks to human health in NSW, the EPA has carefully considered consultation feedback on areas in which the Waste Regulation 2014 could be improved.

This section includes a summary of the main stakeholder feedback, the EPA’s response to that feedback, and key changes that have been incorporated into the final Waste Regulation 2014 and Waste Contributions Regulation 2014.

2.1 Local management of waste

2.1.1 Consultation feedback

Some stakeholder feedback received during the consultation process suggested that the proposed reforms to the waste regulatory framework in the draft Waste Regulation 2014 did not sufficiently promote the local management of waste. Other stakeholders suggested that the draft Waste Regulation 2014 did not fully address the environmental and human health impacts associated with the unnecessary transportation of waste over long distances.

2.1.2 NSW Government initiatives

The NSW Government has implemented a range of programs as part of the $465.7 million Waste Less, Recycle More initiative, such as funding regional waste strategies, to ensure:

- increased investment and community participation in local waste management in NSW
- increased ownership and understanding by local communities, businesses and councils of the management of waste they generate
- efficient waste management practices by minimising the cost, resource use and emissions from the unnecessary transport of waste in NSW
- improved environmental and human health outcomes for NSW.

2.1.3 Unnecessary long-haul transport of waste

Risks associated with long-haul transport of waste include increased heavy vehicle traffic and congestion, fuel consumption, carbon emissions, number of accidents, waste spillages and contamination (including significant potential environmental damage and clean-up costs for higher-risk wastes).

The revised NSW Waste Regulation: Final draft report prepared by CIE, Sydney, September 2014 quantifies the potential environmental, social and resource costs associated with these risks, as set out in Table 1.
Table 1: Total costs of long distance waste transportation

<table>
<thead>
<tr>
<th>Item</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$m/year</td>
<td>$m/year</td>
</tr>
<tr>
<td>Environmental and social</td>
<td>$5</td>
<td>$8</td>
</tr>
<tr>
<td>Accidents</td>
<td>$0.8</td>
<td>$2.4</td>
</tr>
<tr>
<td>Resource costs</td>
<td>$12.2</td>
<td>$33.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$18</strong></td>
<td><strong>$44.2</strong></td>
</tr>
</tbody>
</table>

Source: The Centre for International Economics (CIE 2014, p18); m = million.

2.1.4 The proximity principle

The ‘proximity principle’ has long been a central principle in waste management across a number of jurisdictions. This is the principle that waste should be managed as close as practicable to its place of generation.

For example, the proximity principle is written into the European Commission’s Waste Framework Directive (2008, Article 16). It has also been a central value in municipal solid waste management in Japan for over 35 years.

In conjunction with a strong regulatory framework, this principle drives efficient and effective waste management and a high level of protection for the environment and human health.

2.1.5 The proximity principle in New South Wales

A number of the NSW Government’s waste management initiatives promote the proximity principle. However, the consultation process identified that the principle is not sufficiently incorporated into the NSW regulatory framework.

CIE 2014 (p19–21) assessed the costs and benefits of a proximity principle being implemented in NSW. It also assessed various options to mitigate the costs of long-haul transport of waste, including:

1. charging all vehicles (not just waste vehicles) to ensure that they appropriately account for their external costs
2. restricting the movement of waste by charging for waste disposal based on where the waste was generated to avoid incentivising the movement of waste by differential waste levies
3. restricting the management of waste to an area close to where it was generated.

However, because the long distance movement of waste generated in NSW is incentivised by measures to avoid waste disposal costs and the NSW Government does not have power to regulate activities in other states or territories, options (1) and (2) were not further assessed.

2.1.6 Regulatory proposal

Due to the limitations of options (1) and (2), the EPA has investigated incorporating option (3) into the NSW regulatory framework.

As a result, option (3) has been included in clause 71 of the final Waste Regulation 2014 in order to promote local management of waste and manage the unnecessary long-haul transport of waste.

That clause introduces an offence provision for transporting waste generated in NSW by motor vehicle more than 150 kilometres from the place of generation for disposal, unless the waste is transported to one of the two nearest lawful disposal facilities to the place of generation (even
if that facility is located beyond 150 kilometres from its place of generation). For example, if there is no lawful disposal facility within a 150 kilometre radius from the place where waste has been generated, the waste can be taken to one of the next two closest lawful facilities.

For the transport of restricted solid waste, the offence provision applies where waste is transported by motor vehicle to a place that is not the closest lawful disposal facility for that waste.

The offence does not, however, apply to the transport of waste destined for genuine and lawful recycling, in an emergency, or for a mandatory product recall.

2.1.7 Costs and benefits

CIE 2014 (p21) found that adoption of the proximity principle as set out in clause 71 of the final Waste Regulation 2014 would lead to an $18 to $44 million net benefit for the NSW society. This equates to $119 to $303 million benefit in net present value terms over a 10-year period.

Accordingly, the final Waste Regulation 2014 adopts the proximity principle, and will commence on 1 November 2014. The provision is to ensure that the fundamental local waste management and environmental and human health risk mitigation objectives set out in this section can be achieved through the NSW regulatory framework.

2.2 Levy system

2.2.1 Consultation feedback

The draft Waste Regulation 2014 provided that occupiers of waste processing, storage, recovery, recycling, treatment or transfer facilities (intermediary facilities) would incur a levy liability on all waste (other than liquid waste) received at the facility. However, liability to pay the levy would only be triggered for waste:

- sent from the intermediary facility for lawful disposal
- stockpiled on site for more than 12 months
- stockpiled above lawful limits.

As the occupier of the intermediary facility would be required to pay the waste levy for waste it sent to a licensed waste disposal facility, the draft Waste Regulation 2014 proposed that the occupier of the recipient disposal facility would receive a ‘credit’ for the amount it would otherwise be required to pay on that waste. This system was referred to as the ‘credit system’ in the consultation process.

During consultation, the EPA received significant feedback from stakeholders expressing concern with how the ‘credit system’ would operate in practice.

2.2.2 Credit system

The EPA worked closely with stakeholders to ensure the ‘credit system’ could be simplified to achieve the EPA’s objectives of reducing illegal waste activities and minimising activities which distort the waste market in NSW. At the same time, the EPA sought to ensure that the

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1. If the NSW border to a State or Territory is closer than the closest or second closest facility within NSW that can lawfully receive that waste for disposal, waste can be taken to any lawful facility in the closest State or Territory.

2. The EPA also has the power to exempt certain trackable (high risk) wastes from the proximity principle. These exemptions will only be granted if the EPA is satisfied that the waste is already sufficiently regulated to protect human health and the environment, including under the waste tracking requirements in Part 4 of Waste Regulation 2014.
The 'credit system' would not place unreasonable administrative requirements on levy-paying landfills and recyclers.

After extensive consideration and consultation, the EPA was not satisfied that the credit system could be designed to sufficiently address the concerns of the EPA or industry.

As a result, the 'credit system' has been removed from the final Waste Regulation 2014 (in the Waste Contributions Regulation 2014). To complement this, intermediary facilities will now only be required to pay the levy for waste sent off-site, if the waste is sent for unlawful re-use or disposal.

Other key components of the proposed new levy framework referred to in section 4.1 of the Consultation RIS, including the requirement that intermediary facilities pay the levy for waste stockpiled above lawful limits or on-site for more than 12 months, have not changed in the final Waste Regulation 2014.

The benefits of reduced unlawful dumping and market-distorting stockpiling remain with these changes, as stockpile limits, record keeping and reporting requirements, and liability for occupiers of intermediary facilities to pay for waste they send for unlawful re-use or disposal remains in the final Waste Regulation 2014 (in the Waste Contributions Regulation 2014). CIE 2014 also did not find that these changes would materially alter the benefits of the proposed new levy framework.

### 2.2.3 Stockpile limits

The draft Waste Regulation 2014 provided that intermediary facilities would be required to pay the waste levy for waste stockpiled on-site for over 12 months, without exception.

During consultation, stakeholders identified that the Waste Regulation 2014 should distinguish between processed and unprocessed materials for waste stockpiled on-site at an intermediary facility.

There are potential benefits in making a distinction between unprocessed waste and waste that has been processed on-site to meet the conditions of a resource recovery order and exemption. It may reduce the risk of abandonment of intermediary facilities and 'above ground landfills' by operators. It would also address the concern that some facilities and local councils raised in consultation regarding the need to store materials on-site for more than 12 months while a suitable use or market is found.

As a result, the EPA has included in the final Waste Regulation 2014 (in the Waste Contributions Regulation 2014) an exemption from the 12-month payment trigger for materials that have been processed on-site to meet the conditions of a resource recovery order and exemption and are ready for market.

However, these facilities must remain within lawful capacity limits as specified in their environment protection licence or storage limits outlined in their development consent.

This amendment is unlikely to impose any significant additional costs on society. It achieves the policy objective of minimising distortion of the NSW waste market and reducing the incentive for intermediary facilities to develop as 'above ground landfills' for unprocessed waste.

### 2.3.4 Costs and benefits (overall)

In light of the additional information provided by stakeholders during consultation, CIE conducted a further review of the net costs and benefits of the new levy system.

The summary of costs and benefits contained in Section 5.2 of the Consultation RIS was revised, as shown in Table 2. This was due to a range of factors including:

- further information regarding the costs of weighbridges and associated staff costs
• further information regarding costs attributed to the lowering of the licensing threshold  
  (with additional intermediary facilities required to be licensed, install weighbridges and  
  pay the levy)  
• exempting scrap metal facilities from the requirement to pay the waste levy in the final  
Waste Regulation 2014 (these facilities were to have levy liability in the consultation draft).

Table 2: Estimated net benefits of the proposed regulations (costs and benefits)

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Estimate ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduced waste management costs</td>
<td>$38.92</td>
</tr>
<tr>
<td><strong>Cost of changes to the levy collection arrangements</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Industry</strong></td>
<td></td>
</tr>
<tr>
<td>Capital cost of weighbridge and software (50%)</td>
<td>1.18</td>
</tr>
<tr>
<td>Staff cost to operate weighbridge</td>
<td>5.48</td>
</tr>
<tr>
<td>Record keeping and reporting</td>
<td>0.53</td>
</tr>
<tr>
<td>Volumetric surveys</td>
<td>2.99</td>
</tr>
<tr>
<td><strong>Government</strong></td>
<td></td>
</tr>
<tr>
<td>Capital cost of weighbridge and software (50%)</td>
<td>1.18</td>
</tr>
<tr>
<td>Administration and enforcement</td>
<td>3.09</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14.45</strong></td>
</tr>
<tr>
<td><strong>Cost of changes to the licensing threshold</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Industry</strong></td>
<td></td>
</tr>
<tr>
<td>Capital cost of weighbridge and software (50%)</td>
<td>0.98</td>
</tr>
<tr>
<td>Staff cost to operate weighbridge</td>
<td>4.66</td>
</tr>
<tr>
<td>Record keeping and reporting</td>
<td>0.21</td>
</tr>
<tr>
<td>Volumetric surveys</td>
<td>1.58</td>
</tr>
<tr>
<td>Licensing-related costs</td>
<td>0.56</td>
</tr>
<tr>
<td><strong>Government</strong></td>
<td></td>
</tr>
<tr>
<td>Capital cost of weighbridge and software (50%)</td>
<td>0.98</td>
</tr>
<tr>
<td>Administration and enforcement</td>
<td>1.55</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10.52</strong></td>
</tr>
<tr>
<td><strong>Total costs</strong></td>
<td><strong>24.97</strong></td>
</tr>
<tr>
<td><strong>Net benefit/cost</strong></td>
<td><strong>13.95</strong></td>
</tr>
</tbody>
</table>

Source: CiE estimates (CiE 2014, p47)

This constitutes a significant net benefit for NSW. In order to allow for industry to prepare for  
the changes to the levy framework, the revised levy system (and removal of the exclusion of  
premises used solely for re-using, recovering, recycling or processing waste from the  
requirement to pay the levy under s88 of the POEO Act) will commence on 1 August 2015.
CIE also provided a ‘break even’ analysis to assist the EPA to be able to assess whether the benefits of the changes outweigh the costs on an ongoing basis (CIE 2014, p47–48).
2.3 Licensing thresholds

2.3.1 Consultation feedback

During consultation on the draft Waste Regulation 2014, feedback was received from a number of stakeholders, including the major waste and recycling associations and some local councils, about the proposed reductions in licensing thresholds for intermediary facilities. These proposed thresholds are contained in Table 3.

The Waste Management Association of Australia and the Waste Contractors and Recyclers Association (the two major waste and recycling associations) suggested that the proposed threshold of 12,000 tonnes a year was not low enough to capture many of the poorly-performing, smaller operators who are distorting the waste market. The preference of both associations was for a threshold of zero. However, in their submissions they recognised the resourcing implications of this and suggested a 6,000-tonne threshold.

Conversely, some local councils in regional areas argued that the proposed reduction in licensing threshold of waste at an intermediary facility to 1,000 tonnes at any time would be a major issue for smaller rural councils because:

• regional councils need to stockpile materials in larger quantities to ensure ongoing viability
• some local councils would have to process stockpiled material more frequently to remain below the proposed 1,000 tonne limits, which may require securing increased service contracts where long-term contracts have already been established.

Some stakeholders also raised the issue that daily thresholds across waste activities are impractical, difficult to regulate and would capture small, low-risk facilities while keeping some larger facilities exempt.

2.3.2 Regulatory proposal

To appropriately respond to these concerns, whilst maintaining a level playing field across the industry, the final Waste Regulation 2014 contains the following changes to the licensing thresholds for intermediary facilities:

• licensing thresholds for annual throughput of general waste in the regulated area has been reduced to 6,000 tonnes
• licencing thresholds for waste on-site at any one time at a waste facility in the non-regulated area has been increased to 2,500 tonnes at any one time (which is the same as in the existing Schedule 1)
• daily licensing thresholds have been removed
• thresholds for processing, recovery and disposal of waste tyres will be reduced to the same threshold as for storage of waste tyres across NSW, which is 5 tonnes or 500 waste tyres on-site at any one time.

A phase-in period will be conducted for facilities required to be licensed under these thresholds. All facilities captured under the new thresholds must be licensed by 1 August 2015.
Table 3: Changes to licensing thresholds for intermediary facilities

<table>
<thead>
<tr>
<th>Activity</th>
<th>Thresholds in Draft Waste Regulation 2014</th>
<th>Thresholds in Final Waste Regulation 2014</th>
</tr>
</thead>
</table>
| Resource recovery                 | More than 1,000 tonnes or 1,000 m³ stored at any one time, processing of more than 50 tonnes a day or 12,000 tonnes a year | Within regulated area: 1,000 tonnes or 1,000 m³ on-site at any one time, or processing more than 6,000 tonnes a year  
Outside regulated area: 2,500 tonnes or 2,500 m³ on-site at any time, or processing more than 12,000 tonnes a year |
| Waste processing (non-thermal treatment) | More than 1,000 tonnes or 1,000 m³ stored at any one time, processing of more than 50 tonnes a day or 12,000 tonnes a year | Within regulated area: 1,000 tonnes or 1,000 m³ on-site at any one time, or processing more than 6,000 tonnes a year  
Outside regulated area: 2,500 tonnes or 2,500 m³ on-site at any time, or processing more than 12,000 tonnes a year |
| Waste storage                      | More than 1,000 tonnes or 1,000 m³ stored at any one time, or more than 12,000 tonnes received from off-site a year | Within regulated area: 1,000 tonnes or 1,000 m³ on-site at any one time, or 6,000 tonnes a year  
Outside regulated area: 1,000 tonnes or 1,000 m³ on-site at any time, or 12,000 tonnes a year |
| Tyres                             | More than 5 tonnes of waste tyres or 500 waste tyres stored at any one time                               | More than 5 tonnes of waste tyres or 500 waste tyres stored at any one time (including if stored for processing or disposal) |

2.3.3 Costs and benefits

The amendments to licensing thresholds maintain the benefits of the revised threshold in the draft Waste Regulation 2014, including:

- reduced risk of harm to the environment through EPA licensing and oversight of these smaller waste facilities
- ensuring smaller facilities in the regulated area are subject to the same regulatory oversight as larger intermediary facilities, providing a level playing field across the waste industry
- relieving pressure on local government resources by the EPA, with its expertise in regulating waste facilities, becoming the regulatory authority for facilities above the licensing thresholds. However, due to the remote and regional nature of many intermediary facilities outside the regulated area, the annual throughput licensing thresholds for those facilities will not change.
2.4 Monitoring of asbestos, tyre and interstate transport of waste

2.4.1 Consultation feedback

During consultation, some stakeholders requested further information on the systems and technology which will be developed and used to give effect to the new EPA powers for monitoring the transport and disposal of asbestos waste and waste tyres, and of the interstate transport of waste.

Some local councils also requested that they be exempted from the new asbestos and waste-tyre monitoring requirements when council is dealing with illegally dumped asbestos or waste tyres.

Other submissions also raised that the 80 kilogram threshold for asbestos waste would not be practical. This was because it will not be possible to weigh the material at the generation site, and the quantity of asbestos sheeting is described in terms of surface area rather than volume.

2.4.2 Regulatory proposal

The EPA is currently investigating new technologies that will allow consignors, transporters and receiving facilities to easily comply with these requirements and for minimal cost and administrative burden.

The EPA also agrees that the monitoring powers need to be flexible enough to improve compliance by operators transporting and disposing of the relevant wastes.

To enable time to implement the necessary technology and enable appropriate transition to the new system, the Waste Regulation 2014 has been amended so that the interstate monitoring power will commence on 1 March 2015, and the asbestos and waste tyre monitoring powers will commence on 1 July 2015.

The Waste Regulation 2014 also contains an exemption power for monitoring requirements which may be used in cases such as illegally dumped waste or when there are unmanned, regional facilities and/or remote areas with poor mobile coverage.

For further flexibility and to ensure enhanced compliance:

- for the asbestos waste monitoring power, the final Waste Regulation 2014 also permits the quantity of asbestos waste to be determined by surface area, as well as weight which has changed to 100kg
- for the interstate monitoring power, the final Waste Regulation 2014 places the primary obligation on the consignor to provide the required information to the EPA, rather than the transporter.

2.4.3 Costs and benefits

These changes should further enhance the monitoring system and will not place any additional material costs on society which would merit further cost–benefit analysis.

CIE was also able to assess additional information on the costs and benefits of these monitoring systems in its revised cost–benefit analysis (see CIE 2014).

Although it was difficult for CIE to fully assess whether the benefits outweighed the costs for these monitoring systems, based on the technology the EPA is investigating and CIE’s analysis (including its break-even analysis for waste tyre monitoring), the EPA is confident each of the three monitoring systems will have a net benefit.
2.5 Land pollution offence – tyres

2.5.1 Consultation feedback

The draft Waste Regulation 2014 prescribed the land application of the following waste types as land pollution:

- hazardous waste
- restricted solid waste
- more than 10 tonnes of asbestos waste
- more than 10,000 or 100 tonnes of tyres.

Some feedback during consultation suggested that the proposed threshold of more than 10,000 or 100 tonnes of tyres is too high and does not reflect the risk posed by the illegal dumping of tyres. It was suggested that this amount be brought into line with licensing thresholds for the storage and processing of waste tyres.

2.5.2 Regulatory proposal

The final Waste Regulation 2014 has reduced the number of tyres which will constitute land pollution at an unlicensed site to more than 500 waste tyres or more than 5 tonnes of waste tyres to align it with the licensing thresholds for waste tyres.

2.5.3 Costs and benefits

It is difficult to assess the costs and benefits that this reduced offence threshold will have on stockpiling of waste tyres at an unlicensed facility, although it is unlikely it will result in any material increase in costs to industry or government because it does not place any specific obligations on industry or government. However, as set out in the Consultation RIS, the prohibition provides a strong deterrent to the illegal disposal of waste tyres.

2.6 Defence to land pollution offence at unlicensed landfills

2.6.1 Consultation feedback

The draft Waste Regulation 2014 included minimum standard requirements for unlicensed landfills to use as a defence to the offence of polluting land at an unlicensed landfill site, including:

- covering waste with 15 centimetres of virgin excavated natural material (VENM) once a week
- covering asbestos waste in accordance with regulation requirements
- managing clinical and related waste in accordance with regulation requirements.

The requirements to claim the defence also included occupiers of the facility taking all reasonable steps to:

- minimising odour or offensive noise beyond the boundaries of the landfill site
- avoiding discharges from the landfill site causing water pollution
- maintaining plant (used for moving, disposing, controlling pollution)
- securing the site against uncontrolled public access
- minimising the emission of dust beyond the boundaries of the landfill site
- minimising the tracking of dust or mud from the site on to any public road
- minimising the risk of fire at the landfill site.

Stakeholder feedback highlighted that funds available to regional councils would be insufficient to support one of the minimum standard requirements; that is, using VENM on a weekly basis as cover.
Some regional councils stated that it would be impractical for regional councils with small, remote landfills to comply with this requirement and landfill space would be consumed at an accelerated rate.

2.6.2 Regulatory proposal
To address concerns from regional councils, the EPA has removed the requirement to use VENM as weekly cover in unlicensed landfills. All other minimum standard requirements must still be met by unlicensed landfills to claim a defence to the offence of land pollution.

The EPA will continue to work with regional councils to improve practices at regional landfills, including cover, to ensure protection of the environment and human health. This will include providing landfills with guidance material on management of the risks of their facilities.

2.6.3 Costs and benefits
The removal of using cover from the final Waste Regulation 2014 as a minimum standard for unlicensed landfills to use as a defence to the offence of polluting land may reduce costs for regional councils in connection with the regulation.

However, the EPA will continue to work closely with regional councils to ensure improved cover practices are used to protect the environment and minimise human health impacts.

2.7 Operational purpose deductions

2.7.1 Consultation feedback
The draft Waste Regulation 2014 expands the range of materials that are eligible for a levy deduction when used for road making at levy paying landfills by including virgin quarried materials and compliant recycled materials.

Some feedback was received during the consultation process that the proposed deductions from the levy for recycled aggregates to construct roads should equally apply to other construction works such as hardstands.

2.7.2 Regulatory proposal
The final Waste Regulation 2014 was amended to permit occupiers of levy paying waste facilities to claim a deduction from the levy for recovered aggregates and virgin quarried material for specified construction works (including hardstands), in addition to road works, at the facility.

2.7.3 Costs and benefits
This amendment should provide economic benefit to levy paying landfills to appropriately re-use recovered aggregate and virgin quarried materials for bona fide operational purposes. The EPA will ensure these materials are used in accordance with appropriate specifications to protect the environment and human health.
3. Conclusion

The further assessment of the revised Waste Regulation 2014 and the Waste Contributions Regulation 2014 by CIE and the EPA indicates that implementation of the regulations will provide a considerable net benefit for NSW society, the environment and human health.

It is therefore recommended that the Waste Regulation 2014 and Waste Contributions Regulation 2014 be made, commencing on 1 November 2014.