Capitalising on Large Generation Certificates (LGCs): Amplifying Returns from Solar PV Investments in Australia - Northmore Gordon

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Air Services Air Compressor Leak Audits, Surveys and Benchmarking EEO Assessments (SG) Singapore Energy Efficiency Assessments Energy Procurement Navigate energy markets with confidence Virtual Environmental Manager Leverage our teams wide experience Certificates Close Certificates Open Certificates Certificates Our Environmental Attribute Certificate services help businesses accelerate technology adoption, improve project ROI, and manage claims of renewable energy, energy efficiency and carbon offset 1 carbon offset = 1 tonne of CO2-e avoided or removed from the atmosphere. Avoided emissions covers activities that alter behaviour that would have otherwise caused emissions such as energy efficiency improvements or avoided deforestation. Removal covers activities that permanently remove CO2 from the atmosphere such as new forestry plantations, soil carbon improvement or carbon capture and storage. certificates Live Certificate Prices The value of certificates change day-to-day, check todays prices Solar VEECs (VEU PBA) VEU PBA for Large-scale Solar Measurement & Verification (VEU & ESS) M&V; for Large C&I; Efficiency Projects (VEU PBA & ESS PIAM&V;) BESS Calculator Estimate the Peak Reduction Certificate revenue available to your NSW battery project in minutes ERF & Carbon Credit Registration ACCUs for Emission Reduction Projects Boiler Upgrades (VEU & ESS) NSW & VIC Boiler Rebates REC Registration (I-RECs & LGCs) Register renewable assets for I-RECs and LGCs Trade RECs & Carbon with us Trade Local & International Environmental Attribute Certificates moREnewable100 (RECs & Offsets) Reach Global Sustainability Goals with Certificates and Offsets Deemed Certificates (VEU & ESS) NSW & VIC Rebates Global Certificates Environmental Attribute Certificates Australian Programs Australian EAC Programs Case Studies Sectors Articles Team More Close More Open More Northmore Gordon Learn more about Northmore Gordon with the latest news and insights, were to find us, and the extensive terminology used in emissions reductions About Us Who we are & what we do in energy efficiency & decarbonization. Locations Find our offices near you. Contact Us Get in touch with our team. Careers Join our team making a sustainability difference Articles Learn about energy efficiency & carbon reduction. Latest News Stay informed on industry developments. Government Updates Track policy changes impacting your energy use. Accreditations See our certifications for trusted service. Glossary Define key terms in emissions reduction. Capitalising on Large Generation Certificates (LGCs): Amplifying Returns from Solar PV Investments in Australia Northmore Gordon July 18, 2023 Articles Share this article As business pivots towards more sustainable operations, and energy prices soar, solar PV Solar Photovoltaic has emerged as one of the best capital investments a business can make . In Australia Solar PV systems larger than 100kW generate not only energy for the business but also Large Generation Certificates (LGCs). These are Renewable Energy Certificates (REC Renewable Energy Certificate) that are verified by the Australian Government Clean Energy Regulator The Clean Energy Regulator is the Australia Government body responsible for accelerating carbon abatement for Australia through the administration of the National Greenhouse and Energy Reporting scheme, Renewable Energy Target and the Emissions Reduction Fund. More (CER). Each LGC Large-scale Generation Certificate under the Australian Renewable Energy Target. More represents one megawatt-hour (MWh) of renewable energy generated by the Solar PV system, typically registered quarterly or annually. LGCs are Environmental Attribute Certificates (EAC Energy attribute certificate - generic term for a certificate issued for 1MWh of renewable electricity generated. Used interchangeably with renewable energy certificate (REC).). Here are some of the benefits: They are a tradable asset that can be sold as an additional revenue stream for the solar system asset owner. a) LGCs can be bought, sold on the spot, forward and option contracts or warehoused for future use. They can be used to boast renewable energy or emission reduction goals. a) Retiring (surrendering) LGCs registered from a behind-the-meter system show how much renewable energy the business used that year; or b) LGCs can also be purchased & retired to increase the amount of renewable energy a business is using without additional physical assets (buy & retire). LGCs can be “stapled” with energy by an energy retailer to provide Greenpower. The primary demand comes from the 33 million LGCs purchased by Energy Retailers to meet their obligations under the Australian Renewable Energy Target each year through to 2030. Northmore Gordon can provide early registration of a solar system with the CER for LGCs; don’t wait till the system is commissioned, by that stage businesses are missing out on LGCs, so you can’t retrospectively register. Diversified Revenue: Boosting Cash Flow and Return on Investment Most commercial solar farms and early adopters of solar PV exploit the financial potential of

LGCs to bolster their income. The Renewable Energy Target and associated LGCs (and STCs Small-scale Technology Certificate under the Australian Renewable Energy Target. More) were designed to incentivise and drive investment in renewable energy. Commercial Solar farms sell both energy and LGCs to double their income stream and hence achieve a higher return on investment with both depreciating assets and income streams from LGCs and energy. Many businesses with Behind-The-Meter (BTM) solar systems benefit from lower-cost energy and sell their LGCs to achieve a faster payback on the investment in the solar system. Given the price volatility of LGC investors make use of derivatives (options and forward contracts) to protect their investment. It is critical to recognise that the LGC represents the renewable component of the energy generated, and once you sell the LGC you can no longer claim that energy is renewable . This is important for businesses with decarbonisation goals. Corporate Sustainability Goals: Strengthening Brand Image and Stakeholder Relations Many businesses have signed up to various targets or programs taking action to address climate change. Such targets include Renewable Energy 100% (RE100 RE100 is the global corporate renewable energy initiative bringing together large businesses committed to 100% renewable electricity. The members must be influential based on their either their brand, global presence, significant energy use or other characteristics that bring attention to their commitment. All companies must commit to purchasing 100% of their electricity from renewable sources by 2050 and purchase that power in the same location they are using it. Interim targets are 60% by 2030 and 90% by 2040. The program is led by the Climate Group in partnership with the CDP. More), Science Based Targets Initiative (SBTi Science Based Targets initiative), Climate Active Climate Active is an accreditation program for Australian companies to certify their organisations, products, services, events, buildings or precincts as carbon neutral. The program is backed and administered by the Australian government. Companies have to measure their scope 1, 2 and material scope 3 emissions, reduce where possible and offset the remainder by purchasing and retiring offsets. Allowed offsets are LGCs for scope 2 and ACCUs, CERs, RMUs, VCUs or VERs for scope 1 or 3 emissions. Annual reporting is required and published on the Climate Active website. More Carbon Neutral The act of offsetting all scope 1, 2 and 3 emissions associated with a product or service. , CDP Carbon Disclosure Project (CDP) is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. More , Greenpower, or simply voluntary targets for renewable energy or emissions reductions. LGCs are an internationally recognised Renewable Energy Certificate (REC) that can be used by all these programs to prove the use of renewable energy. International businesses are using LGCs in Australia and locally sourced RECs I-RECs, GOs, TIGRs, LGCs, ZNECs, J-Credits in each country they have businesses to effectively buy renewable energy for all their sites. Companies with even greater aspirations are buying LGCs and RECs to enable them to state categorically that their products or equipment around the world is being run using only renewable energy. The rate of voluntary surrender against the programs is growing rapidly; in 2022 almost 8 million LGCs were voluntarily retired. Voluntary LGC surrender (~8M in 2022 vs 33M RET The Renewable Energy Target is an Australian Government scheme designed to encourage the additional generation of electricity from sustainable and renewable sources. The Renewable Energy Target works by allowing both large-scale power stations and the owners of small-scale systems to create large-scale generation certificates (LGCs) and small-scale technology certificates (STCs) for every megawatt hour of powe■r they generate. Certificates are then purchased by electricity retailers (who supply electricity to householders and businesses) and submitted to the Clean Energy Regulator to meet the retailers' legal obligations under the Renewable Energy Target. More obligation) – Source CER Maximising Investment Value: Seizing the LGC Opportunity Northmore Gordon is accredited by the Clean Energy Regulator to register Solar PV or Wind and Hydro systems (power stations) allowing us to create LGCs for both behind-the-meter (BTM) systems for business, and grid-connected solar farms for investors. NG has been trading certificates for more than a decade and can provide contracts to reduce volatility, shore up investment plans, or provide LGCs and other certificates to meet renewable energy targets or emissions reduction goals. Going a step further NG has the know-how to provide businesses with complete Net Zero Roadmaps, Carbon Neutral accreditations, and carbon reduction pathways. Take advantage of the LGC-driven growth potential today and ensure a brighter and more sustainable return on investment. LGCs You may also like: Are you overpaying for environmental charges on your energy bill? Australian Certificate Markets – March Update. Australian Certificate Markets – February Update. Latest Updates ASRS Group 3: are you in scope and don't know it? September 18, 2026 Correct as at 13 September 2026. If your company is a large proprietary company, you Read More » Welcome to our August & September 2026 Compliance Update. 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