

Carbon Accounting for your Net-Zero Strategy - Northmore Gordon

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Details:

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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 today's 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. 1 + 1 = 3, Carbon Can't Count [Carbon 101 Series] Northmore Gordon March 15, 2022 Articles Share this article Carbon Accounting for Environmental Certificates Your company has announced with great fanfare 50% emissions reductions by 2030. Everyone's very excited!!! Except you, you're the Sustainability and Environment Manager, they just told you and it's your job – how are you going to make it happen?... One of the big pieces of the puzzle is Environmental Certificates and accounting for these under the various Carbon accounting regimes. We take a look at everything you need to know so you are prepared for what's to come. The Journey to Net Zero The journey to carbon emission reductions (and eventually neutrality) involves several key steps: Establish a baseline – audits & emissions accounting for different boundaries – Scope 1,2,3 emissions Engage stakeholders and set targets Identify risks and opportunities and the business cases Build the roadmap and program for energy and carbon performance, which includes: – Energy efficiency, heat recovery and direct emissions reductions projects – Onsite renewables and grid purchased renewables – And lastly use offsets (environmental certificates) for hardest reductions Implement and Iterate To learn more about the steps see our “ Net-Zero Webinar: Decoding the Buzzwords and Practical Sector-Specific Advice ”. For any terms in this article, you may want to reference Northmore Gordon's Glossary Emissions Offsetting using Environmental Certificates Offsetting means taking steps to offset existing emissions from the business with abatement (emissions reductions from another source), one way to do this is by purchasing and surrendering Environmental Certificates. There are several distinct types of certificates, and not all can be used for offsetting. Environment Certificates Renewable Energy CO₂ Emissions Reductions Electricity & Gas Efficiency Put simply Environmental Certificates are a mechanism to measure the quantity and then decouple the environmental component (value) from a project or resource. The environmental value can then be traded and used to generate income or to meet other objectives such as offsetting emissions. For example, a biogas boiler that generates 500 MWh of renewable electricity could register approximately 500 Renewable Energy Certificates (LGCs). The owner can sell the 500 MWh of electricity (via the grid) and separately sell the 500 LGCs (the renewable component) to receive additional income. The three main types of certificates for Energy and Carbon are as follows: Renewable Energy Certificates (1 MWh Renewable Energy Generated) – RECs I-RECs, GOs, TIGRs, LGCs, ZNECs, J-Credits – LGCs (large generation) are registered after measuring the generation that has occurred. STCs (small technology) are deemed (calculated) for the expected generation through to 2030 based on the postcode of the installation and system size.

International Certificates TGRs, RECs, are either deemed or measured Carbon Credits (1 Tonne CO₂-e abated) – e.g. Australian Carbon Credit A certificate that is equivalent to 1 tonne CO₂-e. Credits often refer to instruments issued under a cap and trade scheme, where companies are allocated credits up to their emission cap. If they exceed the cap they need to purchase more credits. Units (ACCUs), Verified Emissions Reductions (VER Voluntary Emission Reduction under the Gold Standard.), Certified Emissions Reductions (CER) Energy Savings Electricity or gas savings or both. Certificates (typically 1 MWh electricity or gas energy saved), aka White Certificates, these are sometimes converted to tonnes of CO₂-e through conversion factors. NSW Energy Saving Certificates, VIC Energy Efficiency Certificates Putting it all together. Environmental Certificates and Offsets It's important to understand that by selling the certificate, then the environmental component (renewable energy, carbon abatement, or energy efficiency) can no longer be claimed by the consumer of the physical resource or implementer of the project. The flipside of this is that an existing project that consumes grid energy or generates emissions can “made” renewable or carbon neutral The act of offsetting all scope 1, 2 and 3 emissions associated with a product or service. by purchasing (and surrendering) the equal number of certificates as the amount of energy consumed or the amount of carbon emitted. Looking at the Accounting for each of the Australian certificate types: RECs – Large-scale Generation Certificates (LGCs) can be purchased and used to offset grid-based energy used by a business for their sites. This is done by surrendering that quantity of certificates in the REC Renewable Energy Certificate registry, this takes the certificates out of circulation. For example, a business that consumes 500 MWh from the grid and does not have the space to install Solar PV Solar Photovoltaic can simply buy 500 LGCs each year and surrender them and can now claim to be using renewable energy. RECs – Small-scale Technology Certificates (STCs Small-scale Technology Certificate under the Australian Renewable Energy Target. More) , unlike LGCs, under the 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, VCU's or VERs for scope 1 or 3 emissions. Annual reporting is required and published on the Climate Active website. More Standard, STCs can now be sold to assist with the system cost and the energy consumer can still claim the renewable energy. STCs cannot be used for offsetting energy bought from the grid. Australian Carbon Credit Units (ACCUs) and other international credits (recognized under different standards) can be purchased and surrendered to offset emissions. e.g. If the business emits 500 tonnes of CO₂-e p.a. they could purchase 500 ACCUs per year and surrender them to claim to be carbon neutral (e.g. for Scope 1 emissions) Energy Saving Certificates (ESCs, VEECS) are neither renewable energy nor carbon credits, hence they cannot be used to offset energy consumed from the grid nor emissions from operations. The upside of this is that buy selling energy saving certificates and generating income towards the cost of the project does NOT currently undermine the emissions reductions which are a side benefit of the energy efficiency project. Some Accreditation agencies are reviewing this at present. Voluntarily surrendering a certificate from a company's account in a government registry means that the certificate has been taken out of circulation and this is done to claim the environmental value and hence reduce emissions by offsetting. Energy Saving Certificates (White Certificates)? Energy efficiency projects that generate energy saving certificates, these certificates are treated as a financial incentive for typically awarding 10 years of savings to help overcome CAPEX barriers and to reduce demands from the network. This is particularly beneficially for VEECs generated in Victorian by energy savings activities from the grid reductions of renewable energy generation. EG Solar VEECs , and VEECS from Biomass, Biogas, and Cogeneration. In all these cases the business has reduced their energy consumed and can sell the environmental certificates and sell them whilst still achieving the carbon reduction or renewable energy benefits. Some agencies are reviewing this space, so make sure you contact Northmore Gordon to learn the latest. Standards for Carbon Neutrality To legitimately claim to achieve a certain level of carbon reductions, a business needs to be certified against one of the recognized standards. In Australia these include: Climate Active Carbon Neutral Standard (formerly the National Carbon Offset Standard, NCOS) . Climate Active is an ongoing partnership between the

Australian Government and Australian businesses to drive voluntary climate action. The brand represents Australia's collective effort to measure, reduce, and offset carbon emissions to lessen our negative impact on the environment Science Based Targets Initiative (SBTi Science Based Targets initiative) Is an international initiative that drives ambitious climate action in the private sector by enabling companies to set science-based emissions reduction targets. SBTi's Corporate Net-Zero Standard is the world's first framework for corporate net-zero target setting in line with climate science. SBTi is different from Climate Active in the that it does not allow offsetting in the same way. Corporate Emissions Reduction Transparency (CERT) In February 2021 the Australian 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) announced the CERT initiative which is underpinned by the National Greenhouse and Energy Reporting (NGER National Greenhouse and Energy Reporting Scheme. Large energy users and greenhouse gas emitters that exceed the thresholds must report their detailed energy and emissions data each year to the Australian Clean Energy Regulator. More) scheme and available for large companies to demonstrate their action on climate change. Going live in January 2022 this new scheme is in a pilot phase and provides a supplementary reporting scheme to allow NGER reporting companies to voluntarily disclose their purchases of offset units and supplies of renewable energy. The CERT guidelines specify which Environmental Certificates are eligible units for reducing Scope 1 and 2 emissions and in what circumstances. NG can help navigate this new opportunity. Talk to Northmore Gordon today about your journey to carbon neutrality. Carbon Series , Carbon Strategy You may also like: Key Considerations for Companies When Purchasing Carbon Offsets Key Purchasing Considerations for Renewable Energy anywhere in the world using RECs What Are Scope 1, 2 & 3 Emissions And How Can You Manage Them [Carbon 101 Series] 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. September 1, 2026 This edition confirms Northmore Gordon's accreditation for three new PDRS battery activities, tracks the VEUVictorian Read More » Australian Certificate Markets – August 2026 Update September 1, 2026 Price Summary Certificate Open Close Range Effective cap Movement / Reason PRC \$2.70 \$3.35 \$2.70 Read More » Where's the value in renewable heat? August 24, 2026 Most renewable heat conversations start with a technology question: heat pump, biomass, biogas, or electrify Read More » Get in touch Australia 1300 854 561 (Advisory) 1300 878 500 (Certificates) Melbourne Suite 1, Level 4 607 Bourke Street Melbourne VIC 3000 Singapore +65 6690 2480 Singapore 1 Keong Saik Road, Singapore 089109 Stay up to date Alternatively, complete the form and we will be in touch with you. First Name Last Name Email Phone Number Country Australia Singapore Subject Message Send Services Energy Audit Services M&V; Services EEO Assessments Corporate Energy and Carbon Management Grants and Program Strategic Energy Sourcing Virtual Energy Manager Climate Active Certification Sectors Animal Processing Chemical Processing Commercial Buildings Food & Beverage Manufacturing Mining Oil & Gas Pharmaceutical & Health Products Public Sector Waste & Wastewater Wood, Paper & Cardboard Processing Upgrades Boiler Upgrades Commercial Lighting Hot Water Systems Mid Scale Solar NABERS Public Lighting Refrigerated Display Cabinets Solar PV Small Scale UPS Certificates Live Certificate Prices International Renewable Energy Certificates Tradable Instrument for Global Renewables Australian Carbon Credit Units Energy Savings Certificates Large-scale Generation Certificates Small-scale Technology Certificates Victorian Energy Efficiency Certificates Government Schemes Emissions Reduction Fund Energy Savings Scheme Renewable Energy Target Victorian Energy Upgrades Helpful Links About us Meet the Team Careers Contact us Articles News Glossary Privacy Policy Complaints