

Navigating Environmental Certificates: A Roadmap to ESG Compliance and Transparent Reporting - Northmore Gordon

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Sourcing Feasibility & Assessments: Renewables, PPAs or Certificates Compressed 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 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. Navigating Environmental Certificates: A Roadmap to ESG Compliance and Transparent Reporting Northmore Gordon February 28, 2024 Articles Share this article An important aspect of Environmental Certificates involves the appropriate treatment of the certificates under programs and reporting guidelines. Certificates and their markets serve as valuable economic tools to incentivise businesses to embrace decarbonisation and environmental responsibility. Understanding how Environmental Attribute Certificate (EAC Energy attribute certificate - generic term for a certificate issued for 1MWh of renewable electricity generated. Used interchangeably with renewable energy certificate (REC).) market's function and operate will help businesses design a EAC and Energy Procurement strategy that aligns with the national decarbonisation goals as well as their own corporate sustainability objectives. The executive summary of the treatment of registered certificates: Businesses wishing to claim renewable energy or emissions reductions from project-generating certificates need to adhere to the following rules. If the business does not make the claims they are free to sell the certificates or use them in other ways. Renewable Energy Certificates (LGCs) must be surrendered to validate that a business is using renewable energy (see 5 for the exception). 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) must be surrendered to validate emission reductions from specific projects (see 5 for the exception). Small-scale Technology Certificates (STCs Small-scale Technology Certificate under the Australian Renewable Energy Target. More) provide an immediate discount on solar systems cost and the business will be able report lower grid-based emissions. Victorian Energy Efficiency Certificates (VEECs) and Energy Saving Certificates (ESCs) lead to immediate energy savings Electricity or gas savings or both. and reduced Scope 2 emissions. Selling VEECs or ESCs has no impact on the emissions reductions. There are arbitrage opportunities to sell LGCs or ACCUs and buy other recognized Environmental Certificates or Carbon Credits to surrender, which can be financially advantageous. Businesses can sell VEECs and leverage the proceeds to buy and surrender LGCs or

ACCUs, resulting in greater emissions reductions than just the original VEEC Victorian Energy Efficiency Certificate project. The Northmore Gordon carbon advisory team has extensive knowledge in navigating the treatment of domestic and international certificates within programs such as NGERs, 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 , Science-Based Target Initiative (SBTi Science Based Targets initiative), Corporate Emissions Reduction Transparent (CERT) report, 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 , and others. It equally applies to companies with decarbonisation targets or voluntary targets conforming to Greenhouse Gas (GHG Greenhouse gases trap heat in the atmosphere. They all have different global warming potentials (GWP) over different time frames, the higher the number, the worse the impact. For simplicity of accounting everything is referenced back to carbon dioxide which has a global warming potential of 1. There are over 200 GHGs listed in the IPCC fifth assessment report, a sample are below. Note that in current carbon accounting standards the 100 year GWP is used. Greenhouse gas 20 year GWP100 year GWP Carbon dioxide CO₂ 1 Methane CH₄ 84 28 Hydrofluorocarbon HFC-134a 371 101 300 Chlorofluorocarbon CFC-11 6900 4660 Nitrous Oxide N₂O 264 265 Sulfur hexafluoride SF₆ 17,500 23,500) Protocol. This understanding allows us to maximise the monetary value whilst still meeting emissions reduction targets. Environmental Certificates assist in different ways I have a corporate target for renewable energy purchases Can I use VEECs to demonstrate renewable energy purchases? VEECs are not a Renewable Energy Certificate, instead they represent the energy savings. VEECs are calculated on energy savings, and then converted to a tonne of CO₂ e using factors set by the Victorian Government. For some processes (methods) under the VEEC scheme, a user can claim VEECs from energy savings that are forward created for the next 10 years with a discount factor and based on assumptions about the greenhouse gas intensity of the future grid. Hence it is difficult to demonstrate compliance with international GHG reporting standards that VEECs can be retired and used directly against a renewable energy purchase target. Buying LGCs in Australia using money from sale of VEECs For those companies aiming to achieve renewable electricity targets that comply with GHG Protocol Scope 2 guidance for emissions reductions, retiring LGCs or IRECs would be required. A company may sell VEECs, and this would help to fund the purchase of Renewable Energy Certificates. It is recommended to begin the purchase and retirement of RECs I-RECs, GOs, TIGRs, LGCs, ZNECs, J-Credits in advance of any corporate target dates (e.g. 6 months) to ensure that any claims can be supported by the publicly available register. Due to price differences, the total quantity of RECs purchased won't be the same as the number of VEECs sold. Buying RECs from the global market using money from sale of VEECs Whilst LGCs are solely acknowledged in Australia, companies with international operations, may purchase international RECs. These can be more cost effective than buying LGCs, increasing your renewable energy percentage in your global footprint. RECs are a globally recognised mechanism to demonstrate renewable energy purchases. They empower a company to demonstrate its utilization of 100% renewable energy, decarbonize its supply chain, fulfill certification criteria for products, buildings, or companies, and enhance climate-related disclosure standards. There are many different REC Renewable Energy Certificate types and registries, and knowing which ones to buy and how much to pay can be challenging. International RECs are currently trading at both higher and lower prices compared to LGCs, depending on the country. Having a strategy in place helps you to optimise the amount of renewable energy per dollar spent. I have a corporate target for carbon and need carbon offsets Buying Carbon Offsets Purchasing carbon offsets

can mitigate emissions that can't be avoided by other means. They may also be needed for compliance – for example to meet the Safeguard Mechanism in Australia, to ensure you maintain Climate Active Accreditation, or to reduce the cost of a Carbon Tax (e.g. in Singapore). Alternatively, they could be voluntarily retired such as for Scope 3 emissions from employee travel. Carbon offsets are created from both avoided emissions and removals and are available from the Australian and international markets. In Australia, Australian Carbon Credit Units (ACCUs) represent a tonne of CO₂-e that can be traded on the wholesale market, voluntarily surrendered to offset emissions, or sold against government contracts through auctions. Internationally, there are several registries and rating systems that are used to create high quality offsets such as Verra. Verra is a not for profit organisation that administers the Verified Carbon Standard (VCS) Program under which VCU's are created. Operating since 2006 it is the largest voluntary greenhouse gas program in the world. More , Gold Standard Accreditation scheme for voluntary carbon offset and renewable energy projects. The tradable instruments are Verified Emission Reductions (VERs). The Gold Standard label can also be applied to CERs and I-RECs where the project meets the Gold Standard requirements around sustainable development and project additionality. , and Puro. Earth. Price and Quality are key considerations when purchasing carbon offsets. The following factors are some that should be considered: Additionality Over-crediting Vintage (year of creation) Leakage Non-permanence Avoided vs Removal Stakeholder perception Developer profile Community impacts How do EACs fit into an integrated Strategy? For any business, there are four typical 'Carbon Reduction Levers' available to decarbonise its operations. The availability of these levers differs from site to site, company to company. No one-size-fits-all. An integrated strategy will draw on all these levers. However, what is common for every single site is the ability to create, monetise, and purchase Environmental Attribute Certificates. At Northmore Gordon we believe that high-integrity environmental markets are critical for businesses to transition to clean energy. This will support businesses to adopt a nature-positive model, and strategically position them for enduring success. Carbon Offsets , Certificates , Environmental Certificates You may also like: Australian Certificate Markets – August 2026 Update Where's the value in renewable heat? Beyond annual matching: The evolution of time-stamped RECs 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 » Solar irrigation upgrades: Don't let certificate funding go unclaimed August 10, 2026 Irrigation pumps are one of the biggest hidden costs on an Australian farm. In particular, if Read More » SRES expansion: STC eligibility to increase from 100 kW to 1 MW from October 2026 August 6, 2026 The Australian Government has announced a major expansion of the Small-scale Renewable Energy Scheme, increasing 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