Energy Savings Scheme reform proposed: stronger focus on gas reduction and electrification - Northmore Gordon

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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. 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The report, released 18 February 2026, outlines options to strengthen the scheme as NSW faces rising energy costs, gas supply pressures and decarbonisation targets. What’s been announced According to ESIA, the current ESS The NSW Energy Savings Scheme (ESS) provides financial incentives to install, improve or replace energy savings equipment and appliances in NSW households and businesses. The ESS was established in 2009. Financial incentives are in the form of tradeable certificates, called energy savings certificates (ESCs). Generally, householders and businesses who fund energy savings activities transfer the right to create ESCs to Accredited Certificate Providers (ACPs) in return for a discount on the cost of the energy savings activity. The MWh savings from the project determines the number of ESCs that can be created. The ESS works by allowing ACPs to create and register ESCs for energy savings that are supported with appropriate evidence. ESCs are then purchased each year by mainly electricity retailers operating in NSW to meet their share of a legislated annual energy savings target. has delivered cost-effective energy savings and emissions reductions, but may not be configured to address emerging challenges in gas demand and electrification at sufficient scale. Modelling undertaken by Green Energy Markets, commissioned by ESIA, suggests: Prioritising electrification and gas reduction would deliver improved economic and environmental outcomes compared to maintaining current settings. A dedicated gas reduction sub-target — or a separate gas-focused mechanism — could provide clearer long-term investment signals. Reform should commence in 2026–27, with any new framework in place by 1 January 2028 to avoid delays in deployment. The report is intended to inform ESIA’s submission to the NSW Government’s consultation on ESS reform. Who it affects The ESS underpins significant private sector investment in energy efficiency and emissions reduction activities across New South Wales.

Businesses with substantial electricity and gas consumption — including those in manufacturing, property, health, logistics and large commercial facilities — may see changes to: Eligible activities Certificate generation opportunities Relative incentives between electricity efficiency and gas reduction Investment signals for electrification projects Participants in the certificate market, energy service providers, and organisations relying on ESS-linked projects as part of compliance or decarbonisation strategies will be particularly impacted. Key details and timing Reform discussions are underway as part of the NSW Government's ESS review process. ESIA recommends reform begin during 2026–27. A revised framework should commence by 1 January 2028. The report highlights the importance of early deployment to avoid slowing electrification and emissions abatement activity. Why it matters If reforms prioritise gas reduction and electrification, businesses with significant gas exposure may see stronger financial incentives to transition equipment and processes to efficient electric alternatives. This could influence capital planning decisions over the next two to three years, particularly where facilities are already considering: Boiler and process heat upgrades Heat pump installations Electrification of plant and equipment Demand management investments Changes to sub-targets or certificate structures may also affect certificate supply, pricing dynamics and project economics under the ESS. For organisations with long-term decarbonisation commitments, the proposed direction signals that electrification will remain central to NSW policy settings. What to do next Businesses with material energy exposure should: Monitor the NSW Government's ESS consultation process Review planned capital upgrades against potential scheme changes Assess gas-related risks in light of emerging policy direction Consider participating in consultation if materially affected Early planning may allow organisations to align investment timing with any revised incentive framework. The NSW Government's consultation process will determine whether the proposed reforms proceed. Further detail is expected as the review progresses through 2026–27 Energy Savings Scheme (ESS) You may also like: Welcome to our August & September 2026 Compliance Update. Australian Certificate Markets – June 2026 Update. Welcome to our June 2026 Compliance 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 » 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 » Beyond annual matching: The evolution of time-stamped RECs August 18, 2026 For more than a decade, Renewable Energy Certificates (RECsI-RECs, GOs, TIGRs Tradeable Instrument for Global Renewables (TIGR) Registry is an online platform for tracking and transferring renewable energy certificates (RECS), enabling developers to generate,verify and sell RECs. The registry is run by APX, a US company that provides infrastructure for environmental markets around the world. , LGCs, ZNECs, J-Credits) have 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