Australian Certificate Markets - November Update - Northmore Gordon

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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. Australian Certificate Markets – November Update Craig Morgan December 8, 2025 News Share this article Executive Summary by Hamish McGovern, Group Managing Director ACCU/SMC Market and Safeguard Mechanism The Safeguard Mechanism remains the key driver of ACCU An ACCU is a unit issued to a person by the Clean Energy Regulator (Regulator) by making an entry for the unit in an account kept by the person in the electronic [Australian National Registry of Emissions Units] registry. Each ACCU issued represents one tonne of carbon dioxide equivalent (tCO2-e) stored or avoided by a project. An ACCU can only be issued to a person if the person has a Registry account. and SMC prices, and November is a pivotal month in its annual cycle: Reporting & compliance: Safeguard facilities (100 kt CO■-e+ p.a.) must submit preliminary 2024–25 data by 31 October , and have until 31 March to meet their Safeguard obligations. Demand driver: Facilities that haven't reduced emissions by the required 4.9% p.a. must surrender SMCs or ACCUs, creating demand for both units. Prices: The ACCU price climbed through October to around $38.65 , before easing over November to about $35.90 as obligations, expected SMC issuances, and existing holdings became clearer. Tightening baselines: The annual 4.9% decline in baselines continues to increase pressure to cut Scope 1 emissions and is likely to support ongoing demand for ACCUs and SMCs. ERF The Emissions Reduction Fund is a voluntary scheme that aims to provide incentives for a range of organisations and individuals to adopt new practices and technologies to reduce their emissions. Contract Permanent Exit Arrangement: The CER released (3 rd Dec) the permanent mechanism allowing ERF contracts to be exited with 25% delivery, and 60% discount on exit payment. Key 2024–25 Safeguard metrics (CER report, released 27 November): 207 facilities covered under the Safeguard. Aggregate emissions fell 2.4% , from 135.9 Mt to 132.7 Mt CO■-e . Eligible SMC issuance declined from 8.3 million to 7 million . Market balance & project activity: 2025 supply exceeded 2025 demand , but this balance may flip in future years as Safeguard obligations ratchet up. Voluntary demand in Q3 CY2025 was 45% higher than in Q3 CY2024 , highlighting growing corporate interest. Project registrations softened: 150 ACCU projects were registered in Q3 CY2025 , down from 180 in Q3 CY2024 . LGC Large-scale Generation Certificate under the Australian Renewable Energy Target. More Market – Oversupply Deepens, New GO Scheme Launches The LGC market continues to soften under substantial oversupply relative to the 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 , with voluntary demand still growing but not fast enough to absorb the surplus. The CER’s Q3 2025 report highlighted: A record 15.7 million LGCs were registered in Q3 2025. Over November, the LGC price fell further from $10, trading intraday as low as $6.50 before recovering to around $7.25 by November month-end. Cumulative supply and holdings are on track to exceed 70 million by the end of CY2025, compared with total demand just above 50 million, reinforcing the oversupply story. Project pipeline risk: The number of large-scale projects reaching FID plummeted in Q3, which is a concern for achieving 83% renewable electricity by 2030. Voluntary demand bright spot: Non-RET voluntary demand (including government) rose 132% year-on-year, reaching 3.5 million LGCs in Q3 2025, the highest on record. In November, the CER also launched the Guarantee of Origin (GO) A Guarantee of Origin (GO) is a European energy certificate that verifies electricity has been generated from a specific renewable source. GOs are used to track and substantiate renewable electricity claims and are the European equivalent of Renewable Energy Certificates (RECs). They can be traded independently of electricity and are widely used by RE100 companies to meet renewable energy targets. certificate framework – covering REGO (Renewable Electricity) and RGGO (Renewable Gas) – designed for voluntary surrender and positioned as the next step beyond the LGC scheme. VEEC Victorian Energy Efficiency Certificate Market – Volatile Trading Amid New Solar Activity The VEEC market has been highly volatile and difficult to read. Prices departed a steady $96 through September, with the introduction of Activity 47 (Deemed Solar PV Solar Photovoltaic) triggering a significant decline. Retailers are interpreting the target falling from 7.3 million VEECs in 2025 to 4.4 million in 2026 and 4.6 million in 2027 as signalling significantly more liquidity ahead. Key November developments: Activity 47 launched: Deemed Solar PV VEECs are now available for 30–200 kW C&I; solar systems. Price action: Substantial volatility remains; the spot VEEC price fell to start the month at $75.00, raced up to $86.00, only to drop to $83.00 by the end of the month, Retailer surrenders of 6.5M is well below the 2024 target of 7.1M, and has confused the market. It to fall to $80.50 in the first week of December. Shift in focus: It has been reported that some businesses are scaling back VEU Victorian Energy Upgrades is a Victorian government energy efficiency program that gives every Victorian household and business the opportunity to receive rebates or discounts on energy saving products. activity, with more attractive opportunities emerging under the Federal Cheap Homes Batteries Program (CHBP). ESC An energy savings certificate (ESC) is a tradeable certificate created under Division 7 of Part 9 of the Electricity Supply Act 1995. Each ESC represents one notional megawatt hour (MWh) of energy. Market – Lighting Phase-Out and Persistent Oversupply New 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. Rule changes for NSW commenced on 12 September 2025, with staged dates that wind down lighting and SONA ESC creation. SONA installations and ESC registration close on 30 November 2025, Commercial Lighting closes to new installations and ESC registration on 31 March 2026. This will see lighting – historically the major ESC volume driver – phased out over six months. The scheme remains in substantial oversupply, though it’s still not yet clear what will replace lighting as the main source of ESCs. ESC spot prices have generally traded in the $24-$25 for several months, before softening slightly to finish the month at $23.00 as creation volumes stayed higher than anticipated through November. Prices soften further in the first week of Dec to $22.65. STC Market – Remains in Tight Supply The Cheaper Home Batteries Program (CHBP) is now driving a large share of STC creation, but battery STCs Small-scale Technology Certificate under the Australian Renewable Energy Target. More are effectively quarantined from the main SRES Small-Scale Renewable Energy Scheme market, as the Australian Government buys an equivalent volume of STCs through the STC Clearing House at $40 and cancels them. This support, combined with tight supply from solar, is keeping prices pinned near the cap. The CER expects around 175,000 battery systems installed by end-2025, totalling ~3.9 GWh of storage – more than the five largest utility-scale batteries currently operating in the NEM. Equipment retailers have focused heavily on batteries, so small-scale solar installations softened. Total 2025 small-scale solar capacity is expected under 3 GW, down 13% on last year. 5.6 million STCs (excluding CHBP) were created in Q3, with YTD creations to 18.2 million, below the rate implied by the 2025 STP, keeping prices close to the $40 cap. Liable entities continue to rely heavily on the STC Clearing House, and this is expected to continue. For more information, call or email h.mcgovern@northmoregordon.com *(subject to change) ACCUs , Certificates , Energy Efficiency , Northmore Gordon , VEECs , VEU Program You may also like: Welcome to our August & September 2026 Compliance Update. Australian Certificate Markets – August 2026 Update Where's the value in renewable heat? Latest Updates ASRS Group 3: are you in scope and don't know it? Correct as at 13 September 2026. 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