



# Towards a new Energy Attribute Certificate Scheme

A Proposal by the Voluntary Carbon Markets Association

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## Contents

About the VCMA .....	2
Executive Summary .....	3
The Issues .....	3
Part 1 Renewable Energy Generation (RE) rollout continues to slow .....	3
Part 2 Renewable Energy usage claims lose credibility .....	3
Part 3 Emissions Reductions continue to slow .....	3
Recommendations .....	4
Buying renewable energy – a social construct .....	6
EACs Vs Carbon Offsets .....	8
Time for a new Model .....	9
Potential certificate demand .....	11
Potential certificate supply .....	11
Conclusion .....	12
Further considerations .....	12
Appendices .....	13

## About the VCMA

The [VCMA](#) promotes and supports voluntary action on climate change through creation and operation of mechanisms that encourage and formally recognise voluntary abatement by individuals and organisations beyond national targets and international obligations.

The VCMA is an independent not-for-profit organisation established in 2008 to represent all aspects of the voluntary market including businesses, local governments, traders, carbon accountants, communities, and government agencies taking action on climate change and making environmental claims by purchasing carbon abatement.

We are working to ensure the voluntary market is credible and accountable so that investment made by well-intentioned individuals and organisations in a low carbon future delivers real, additional abatement.

The following proposal is aimed at identifying and fixing issues in renewable energy markets and certification schemes in order to restore credibility to voluntary markets and incentivise the rollout of new renewable energy projects.

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## Executive Summary

### The Issues

#### 1 Renewable Energy Generation (RE) rollout continues to slow

- Government has a target of 80% renewable energy by 2030; however, development of large and medium-scale projects has slowed, and the target appears increasingly unrealistic.
- The Large-Scale Generation Certificates (LGC) wholesale price, which was supposed to incentivise new generation, has fallen from a high of \$90/MWh down to circa \$3/MWh. This is due to the government's mandatory target having been met, and legacy generators already passed their payback period continue to receive payments for LGCs thus reducing the contributions available for new generation. This price provides little to no support for new projects meaning taxpayer support will now be needed.

#### 2 Renewable Energy usage claims lose credibility

- Voluntary purchases of certified “renewable energy” use these same LGCs and now equate to 30% of all LGCs retired. But these contributions are having little or no effect on new projects or global emission reductions. As a result renewable energy claims are increasingly being treated with cynicism and seen as greenwashing. As per previous [VCMA paper](#) (Feb 2023), the government's Renewable Energy Guarantee of Origin ([REGO](#)) certificate, will broaden the supply base and, without placing limits on their use in the voluntary market, will exacerbate this issue. Further, the use of MWh denominated certificates to “back-calculate” GHG emissions under current reporting standards such as *Climate Active* is flawed and open to misuse.

#### 3 Emissions Reductions continue to slow

- Government has committed to 62-70% emission reductions by 2035 and requires new policy measures to achieve this target.
- Government has always claimed that the target was a minimum and expected community action to deliver greater emission reductions. The community is prepared to do this but there is currently no mechanism to allow it to happen. The requirement for government to adjust its own ambition in response to voluntary action disappeared with the end of the Kyoto period and its associated legislation.

## Recommendations

**The introduction of a hybrid Energy-Attribute-Certificate (EAC)** based on GHG reductions (tCO<sub>2</sub>-e) and co-denominated in units of electricity (MWh).<sup>1</sup> This certificate would be aimed at supporting emerging and effective GHG mitigating technologies and projects not otherwise supported by taxpayers. This could be done within the existing ACCU scheme providing the necessary price stability for new project finance. To provide legitimacy to voluntary markets, clarification of governmental “corresponding adjustments” when voluntarily surrendered would be required.<sup>2</sup>

The unit would initially be constrained to new medium scale projects between 100kW and 30MW, currently unsupported by the government’s Capacity Investment Scheme.

Emissions intensity for the proposed Australian unit would be calculated twice daily. Dusk to dawn (Peak) and daytime (Off-Peak) due to high solar penetration. The GHG values set annually would currently approximate the 0.8 tCO<sub>2</sub>e/MWh for Peak, and 0.4 tCO<sub>2</sub>e/MWh for Off-peak. This will reward and encourage load shifting projects such as solar with storage while maintaining simplicity.

**An immediate review of Australian GHG accounting and reporting standards** with respect to scope 2 emissions, to more accurately reflect the nexus between electricity consumption, generation, and global emissions. This should include:

- **In the short-term**, restrict the use of certificates from generators more than 5 years old for voluntary renewable energy claims. This will result in a premium for certificates (LGCs and REGOs) from newer generators differentiating the voluntary LGC market (GreenPower / Climate Active/RE100 etc.) from mandatory compliance (RET) markets. It will improve the potential return available to new projects and return some credibility to certificate-based claims.
- **Overtime**, mandatory inclusion of hybrid certificates to an increasing percentage in renewable energy claims. This will providing the necessary support for new projects whilst balancing demand and supply, ensuring a manageable transition with little disruption to existing ACCU markets.

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<sup>1</sup> A hybrid certificate is not without precedent internationally. The Japanese J-Credit (Renewable Energy) is denominated in both GHG and electricity units. Significantly this unit currently sells at a 40-50% market premium to other Japanese GHG based credits, having become the certificate of choice for foreign corporations making RE:100 and Carbon Disclosure Project claims in Japan.

<sup>2</sup> as was already the case under the ANRUE act 2011. (Part 6. 64B) during the Kyoto period.

## Background

### The Voluntary Renewable Market in Australia

Voluntary renewable markets comprise individuals and businesses that wish to ensure that their energy use and consequent emissions are minimised. They are prepared to pay a premium for their electricity to ensure that the energy they consume has a benign impact on the planet.

Based on 2024 figures, voluntary surrender of LGCs equalled circa 10.5 million MWh, being approximately 30% of all LGCs surrendered for that year. This investment, circa \$450 Million p.a., provided significant support for new renewable generation in Australia.

### Renewable Rollout Flatlines

In Australia, the growth rate for renewable generation capacity commissioned peaked in 2024. Following that, there was a 24% decrease in 2025. New capacity projected to come on-line in 2026 looks set to fall another 47%.

The decline in new projects can be attributed to numerous factors. In part, the extension to the lives of coal generators is suppressing the electricity (AEMO) price signal. For large projects the slow rollout of transmission infrastructure is another problem. However, projects above 30MW already have access to the government's Capacity Investment Scheme. Medium scale projects, on the other hand, have been severely impacted by a decline in the available income from all sources.

### Supporting Renewables

Renewable Energy (RE) projects receive their income primarily from two sources:

1. Wholesale electricity payments from AEMO available to all generators and,
2. A renewable subsidy only available to renewable generators.

Since 2001 the RE subsidy has come from the sale of Large-Scale Generation Certificates (LGCs)<sup>3</sup> These are issued to renewable generators by the Clean Energy Regulator for each MWh produced, and are purchased by:

- Electricity retailers who use them to fulfill their obligations under the government's Renewable Energy Target (RET), and,
- Voluntary buyers who purchase LGCs in proportion to their electricity consumption for environmental reasons, and to then make renewable energy claims.

Historically, the LGC income provided the subsidy required to make the renewable project viable, i.e. without it, new projects could not compete against pre-established coal and gas generators. As a result, the LGC was therefore considered to represent the environmental attribute of that unit of electricity, thus conferring upon its final owner the right to claim they had purchased "renewable electricity"<sup>4</sup> once the certificate was surrendered.

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<sup>3</sup> Previously known as Renewable Energy Certificates (RECs)

<sup>4</sup> **Australia** is widely recognized as the country that first established a comprehensive, national, legally mandated system where Renewable Energy Credits (RECs) conferred explicit legal ownership of the environmental attributes. The National GreenPower program was again a world leading scheme for codifying and recognizing voluntary action which provided the necessary support for **additional** renewable generation. Since then, however, the scheme has fallen in line behind international standards with lower thresholds for additionality.

During the period when the government's mandated renewable energy target of 20% was still to be met, LGC prices sat between \$40 and \$90 per MWh and provided a market-based indicator of the *required level of support* for new projects. However, with the mandated target now met, the market is oversupplied with certificates from existing generators, many well past their capital payback period. Voluntary buying, whilst increasing, is so far failing to take up the surplus. Wholesale LGCs spot prices have consequently crashed to circa \$3.00/MWh, well below what could legitimately be called *the required level of support*.

Furthermore, other certificates e.g. IRECs and Renewable Guarantee of Origin certificates (REGO) that will shortly be available to voluntary consumers will add to the available supply and further suppress prices. REGO prices in other international jurisdictions tend to stabilise around USD2.00/MWh.

For some buyers the crash of the LGC price will be met with delight, given that they can now brand themselves with government accredited GreenPower or meet their RE100 / or Carbon Disclosure Project commitments at around 10% of the price they paid a few years ago.

However, this delight may be short lived once the implications of the price drop on their environmental claims and branding are understood.<sup>5</sup>

## Buying renewable energy – a social construct

Importantly the provision of the LGC subsidy has historically preceded the right to claim ownership of the renewable attributes, as without the subsidy, the energy would not have been generated.

From a physical point of view most users receive their power from a common grid. Claiming to be purchasing a specific percentage of "renewable" energy is therefore a social construct based on the premise of the user providing the required subsidy for new generation.

Consumers of products tend to feel assured that products branded as *100% Renewable* or *Carbon Neutral* have a benign impact on the planet. As such they will prefer those products over competitors. Like buying free range eggs, our instincts tell us the purchase will have a real-world *consequence*, e.g. by stimulating more environmentally friendly practices and suppressing the harmful generic ones.

Free Range Eggs cost more than generic because there is more effort and additional financial resources required to meet the consumer branding standards. If that were not the case, then no one would bother creating generic.<sup>6</sup>

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<sup>5</sup> "REGO certificates give consumers confidence that the electricity they use comes from renewable sources"

Statement from government website. The VCMA believes that this is based on an increasingly invalid construct.

<sup>6</sup> While on a new build basis renewables are now cheaper than new coal plant, replacing existing coal plant earlier than their scheduled retirement date will require more renewables generators to be built before the coal generators retire, so that they suppress the wholesale price the existing coal generators receive. The Commonwealth Capacity Investment Scheme (CIS) should be able to provide sufficient support to new renewables projects to achieve financing but only for large projects circa >30MW.

For renewable electricity purchasing this may have been a valid consumer response when the LGC prices were material, but increasingly it is no longer the case.

With the LGC market now in oversupply, the certificate is simply providing a small legacy payment to existing renewable generators, many of which have already met their financial payback. It is certainly not incentivising new ones. Thus, any product claiming 100% renewable energy use, where the subsidy is too small to create new generation is arguably misleading consumers.

Renewable energy labelling schemes such as RE100 and GreenPower have tried to overcome this problem by restricting eligible projects to those created less than 15 years ago. However, this has had no impact on the LGC price as most existing projects are less than 15 years old anyway.

As a result, in order to expand renewables and deliver on its emission targets the government is providing support through minimum price guarantees such as the Capacity Investment Scheme. However, this support further erodes voluntary renewable energy claims, as it is the taxpayer rather than the LGC purchaser, who is incentivising the new projects.

This then raises a fundamental question:

**Should an entity have the right to claim the environmental attribute of energy which has been paid for by others?**

This problem isn't confined to Australia. In most of the world, similar Energy Attribute Certificates (EACs) now sell for around USD \$2. This includes IRECS, UK REGOs, EU REGOs, US RECs etc. Despite the credibility such standards are designed to confer, the reporting standards themselves seem more concerned about the legal property rights of the certificates' owners, i.e. the right to claim use of a packet of *renewable* energy, rather than the real-world consequence of purchasing them. This is the case with the government's new Renewable Guarantee of Origin certificate (REGO)

*"REGO certificates give consumers confidence that the electricity they use comes from renewable sources."* [Source](#)

... but apparently no confidence that it will have any impact on the environment or increase in RE generation.

At this point a distinction should be made between EACs denominated in MWh and Carbon Offsets denominated in tCO<sub>2</sub>-e.

## EACs Vs Carbon Offsets

Behind the premise of carbon offset claims are the concepts of “additionality” and “consequence”.

Carbon Credits used for offsetting emissions and making Carbon Neutral claims are denominated in tCO<sub>2</sub>-e using calculation methodologies which consider the real-world consequence of the offset project. During the assessment period, auditors must take into account **financial additionality** i.e. would this project have gone ahead in the absence of the income from sale of the credit, and **mandated additionality**, i.e. is this project required to meet a compliance requirement upon the developer and would therefore have happened anyway, regardless of the income.

There is also a further and often aspirational additionality consideration since the introduction of country specific emissions caps, that of Overall Mitigation of Global Emissions (OMGE). This test requires that any emission mitigation claimed by a project cannot be also claimed by the government of the host country to meet its own international liabilities. In other words, if the project did not happen would the government need to take some other action of its own, to meet its Nationally Determined Contributions (NDC) under the Paris agreement, perhaps again funded by taxpayers. Potentially this requirement over-rides all others because it is the culmination of all real-world consequences of the project vis a vis climate change.

It is worth noting that in some countries CO<sub>2</sub>-e denominated Carbon Offsets can be created from Renewable Energy projects, but in such cases the project must show emissions savings which pass all the additionality tests. However, as confirmed by RE100 guidance for renewable energy claims, no such additionality tests are required for certificates primarily denominated in MWh. (See App. 2).

As such we could argue that purchases of LGCs, REGOs and other MWh based EACs get a *free pass* when making environmental claims.

### **The problem of back-calculating for GHG claims.**

This issue is particularly significant when we consider that under current carbon accounting methods, consumption of MWh based “Renewable Energy” is treated as *zero emissions electricity* on the consumers’ emissions report and therefore will **back-calculate** (see App. 3) to a net emissions reduction without any additionality test. This form of calculation can be mis-used especially when emissions claims use the average grid factor. In other words, LGCs generated in the middle of the day when emissions are already low, can be used to offset emissions created during the evening when emissions are high. This effectively results in a form of environmental arbitrage.

It is the VCMA’s opinion that this *free pass* will soon be taken away one way or another, as an increasingly sophisticated and cynical public, supported by consumer and environmental advocates hold such claims to the fire. Further, government accreditation schemes no longer guarantee that a claim will not be challenged. See [Parents for Climate vs Energy Australia](#).<sup>7</sup>

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<sup>7</sup> Energy Australia discontinued its [Go Neutral product acknowledging misleading advertising](#), even though the product was verified under the government’s Climate Active standard.

## Time for a new Model.

### **Additionality Issue - Overall Mitigation of Global Emissions (OMGE).**

In 2007, one of the earliest acts of the incoming federal government was ratification of the Kyoto agreement which mandated a national emissions limit.<sup>8</sup>

Whilst welcomed by environmentalists, this limit created a dilemma for voluntary RE customers. The government's new limit meant that any emissions savings from voluntarily subsidized RE generation would be counted towards the government's own target. In effect voluntary action would simply reduce the financial burden on the government and/or large emitters to achieve their own mandated targets but would see no **additional** reduction in overall global emissions.

In response, advocacy groups such as the VCMA pressured the government to surrender an equivalent amount of Assigned Amount Units (AAUs), certificates which represented the government's allocation of permitted emissions under the Kyoto agreement.<sup>9</sup>

In acknowledging and acceding to this request, the government began surrendering AAUs in response to GreenPower sales also creating the CFI and ANREU acts which required the government to surrender AAUs or other Kyoto units, in response to voluntary surrender of Australian Carbon Credit Units (ACCUs).

As result, for a brief period GreenPower and other LGC based voluntary RE purchases, had the desired real-world consequence of ensuring a lowering of overall global emissions by ensuring renewably generated electricity and other voluntary action was **additional** to the status quo.

The Kyoto period ended in 2020, but RE and offset practices have not been updated to reflect its passing. And while governments have abandoned the practice of adjusting their own targets in response to GreenPower sales, RE branding schemes have continued, seemingly ignoring the fact that both ACCU and LGC based voluntary purchasing is no longer having an impact on either RE generation capacity or on the global environment.

It is the contention of the VCMA that a new form of EAC which satisfies both financial and OMGE additionally tests is required before a public outcry destroys the remaining credibility of RE claims.

### **Enter the Hybrid**

The VCMA proposes that a hybrid certificate which is denominated in both MWh and tCO2 could solve this issue. Such a certificate would have the advantage of being insulated against volatile market price fluctuations by being tradable in both carbon and renewable electricity markets and sold at whichever price is higher. This would provide a form of price stability which is often missing from market-based incentives particularly in low liquidity markets like Australia.<sup>10</sup>

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<sup>8</sup> Now replaced by Paris Agreement Nationally Determined Contributions (NDCs)

<sup>9</sup> Now replaced by Paris Agreement Internationally Traded Mitigation Obligations (ITMOs)

<sup>10</sup> Price volatility reduces the value of market-based incentives/certificates, meaning the consumer pays a higher cost than would otherwise be the case.

The methodology for co-stamping the certificate could remain flexible and take into account the emerging principles of GHG Protocol scope 2 guidance when applying the locally appropriate grid factor to assign the amount of CO2 mitigated.

While the existence of such a certificate has been a long-held aspiration of the VCMA, a similar certificate already exists internationally, this being the Japanese J-Credit which is now the EAC of choice for international companies located in Japan. It is trading at AUD\$60 tCO2 or \$24 per MWh at the current national grid factor of 0.4tCO2 per MWh and represents a significant premium to other Japanese EACs and carbon-based certificates more commonly traded at AUD\$40 tCO2.

The VCMA is recommending an Australian hybrid certificate preferably ACCU based, and only applicable to generation not otherwise subsidized. This would apply to technologies and projects not eligible for STCs i.e. generators (<100kW) currently receiving circa \$39.00/MWh subsidy, and those above 30MW which can seek support under the government’s Capacity Investment Scheme.

Using energy generation is not without precedent in the ACCU scheme either under the Industrial Commercial Emissions Reduction (ICER) methodology, but only when applied behind the meter i.e. not released into the grid. The proposed methodology would simply count both sides of the meter.

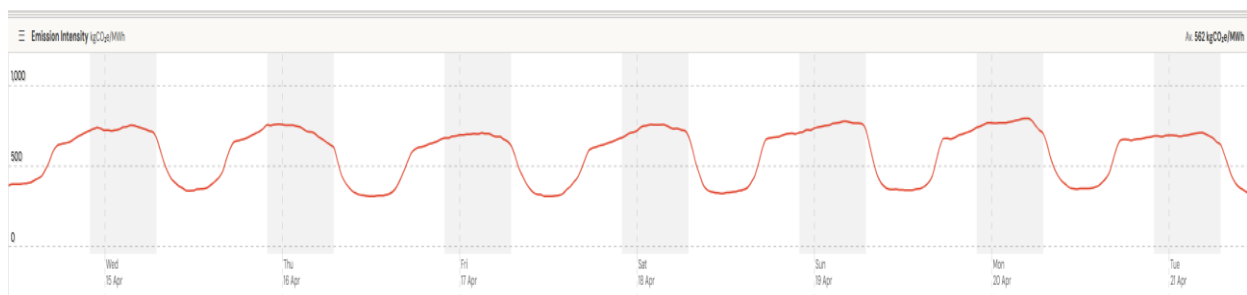
**Calculation methodology.**

Current thinking internationally around scope 2 electricity guidance (GHG Protocol et al.) is encouraging **timestamping** of generation certificates hoping to provide a way to match the GHG intensity of the local grid with both generation and users’ consumption. This is expected to improve the financial return for technologies such as solar linked with batteries that offer **load-shifting** dispatch capabilities towards peak consumption/ peak emissions periods. This is also a focus of the proposed REGO electricity methodology.

However, the complexity of this task from a certificate issuer and consumer’s reporting point of view is potentially onerous, particularly given the low levels of liquidity expected from the Australian certificate market.

A more practical outcome could be achieved with the CER simply publishing GHG intensity using emission intensities for peak vs off peak periods. These periods are clearly defined in the NEM and can be easily approximated to a current peak of 0.8 and off peak of 0.4 tCO2-e/MWh.

See below emissions intensity by time-of-day graph (Apr 2026)



Source: openelectrcity.com.au

Using this method generators would receive 4 certificates (4 tCO<sub>2</sub>) for 10MWh of renewable energy released into the grid between 10:00 to 16:00 (off-peak) when the GHG grid factor is generally 0.4 tCO<sub>2</sub>/MWh, and 8 certificates for the 10MWh between 16:00 and 10:00 (peak) when the grid factor is 0.8 tCO<sub>2</sub>/MWh. Each certificate would have a face value of 1 tCO<sub>2</sub> but be co-stamped as 2.5 MWh (off-peak) and 1.25 MWh (peak) respectively.

Depending upon the reporting standard, the MWh value could be applied to renewable energy claim claims. Alternatively, the CO<sub>2</sub>-e value could be applied to carbon neutrality claims. Either way there would be no discrepancy in the final tCO<sub>2</sub>-e figure and the MWh value back-calculating to a tCO<sub>2</sub> value higher than its face value. (See App. 3).

The ideal method would see reporting where the consumer separates their consumption into the same peak and off-peak periods and surrenders an appropriate number of both.

## Potential certificate demand

Assuming that the public backlash against non-additional certificates escalates, there appears no reason why demand for legitimate credits of the type advocated would not eventually reach the numbers previously seen when LGCs were trading at above A\$40/MWh, the price where this credit could potentially trade.

This was the case prior to October 2024 where the previous 2 years has seen the spot price fall gradually from \$66/MWh. Even though LGCs retired during this period were not additional to the Federal government’s international obligations, the price itself was considered sufficient to incentivise new projects and would therefore be additional to current new build rates.

Voluntary surrenders during this period are shown below.

Year	LGC Wholesale Price	Total Voluntary Surrenders (All Australia)
2022	\$45 - \$66	7.411 M
2023	\$45 - \$57	8.718 M
2024	\$28 - \$49	10.445 M

## Potential certificate supply

New RE projects < 30 MW since 2018 have averaged 306 MW added capacity per annum. These projects were committed during a period when the LGC was above \$30/MWh. This has resulted in annual increase of 400GWh of renewable energy, a subsequent increase in LGC supply of 400,000 certificates. However, since the drop in the LGC price mid 2025 the number of projects committed has fallen sharply. Assuming the same amount of new capacity is stimulated by the proposed certificate, this would return supply to an **annual increase** of 400,000 MWh<sup>11</sup> equal to 320,000 ACCUs (peak) e.g. solar with storage or: 160,000 ACCUs (off-peak) (solar with no storage).

Note that \$40 per ACCU would equate to a subsidy of \$32/MWh peak and \$16/MWh off-peak.

<sup>11</sup> Equal to 5% of the current voluntary LGC market in year 1, and 10% in year 2 etc. Requirements for similar min percentages in voluntary claims/GreenPower would absorb this supply.

## Conclusion

The VCMA contends that MWh based branding schemes will increasingly be held to account by sophisticated community and business advocates when making emissions claims such as “Carbon Neutral” or “Zero Emissions Electricity”, where both environmental and financial additionality tests are not met. Any scheme which cannot show a genuine connection between its price and the creation of energy infrastructure with consequent emissions reductions is likely to be short lived and result in greater public cynicism. Currently GreenPower and RE100 do not satisfy either of these tests.

The tightening of generation age rules for RE claims and the gradual introduction of hybrid certificates if carefully designed will go a long way to fixing this.

## Further considerations

1. The government is unlikely to support a removal of ITMOs if the certificate doesn't actually support new generation and lead to real emissions reductions. Nor will it do so if there is double claiming say in crossover with another support scheme such as the Capacity Investment Scheme. The ACCU methodology will need to explicitly show that.
2. To what extent should the methodology (i.e. specification of grid intensity) align with GHG Protocol rules due out in 2027? The hybrid ACCU time-of-day methodology may avoid some complexities of carbon accounting where time matching is required. It is unlikely that GHG Protocol/RE:100 etc will insist that Australian entities must follow their guidance to the letter. Even now in most cases they defer to local practices as local conditions differ.
3. The co-stamping MWh and tCO<sub>2</sub> may create issues for reporting and branding under existing methods which allow for back-calculation. This should be handled by a revision to Climate Active or its successor's technical guidance. These issues are set to arise anyway in respect to the new REGO and other RE100 GHG Protocol carbon reporting.

## Appendices

### 1. The REGO claim ([Government Website](#))

The REGO allows renewable energy facilities to:

- prove how and when renewable electricity was generated
- reach their own environmental or sustainability goals
- sell or transfer certificates
- use REGO certificates to lower the electricity-related emissions reported on Product Guarantee of Origin certificates, the National Greenhouse and Energy Reporting Scheme or other market-based emissions accounting frameworks.

REGO certificates give consumers confidence that the electricity they use comes from renewable sources.

Renewable Electricity GO certificates provide information on when, where and how renewable electricity was produced. This allows users to make verifiable claims about renewable electricity use.

### 2. From RE100 technical guidance **Distinction from offsetting claims**

The GHG emissions claims described above relate to a company's own electricity use and its corresponding GHG emissions impact or "footprint", and are not equivalent to claims about the amount of RE or greenhouse gas emissions on the grid or globally. In other words, they are not equivalent to carbon offset claims, which demonstrate global emission reductions on the grid beyond a baseline.

Without testing for offset quality criteria such as "additionality", renewable generation and avoided grid emissions are not necessarily caused by the consumer's purchase and are not necessarily occurring beyond a baseline. Additionality is not required to claim use of RE that avoids emissions on the grid. Hence, RE usage can only be used to reduce the portion of one's corporate carbon footprint associated with purchased electricity (Scope 2 marketbased method), whereas a carbon offset is a standalone, global emissions reduction beyond a baseline that can be used to address any emissions in the gross corporate GHG inventory.

### 3. Back calculation example.

Emissions Sources Company A		Gross	Nett
<b>Scope 1</b>			
	Refrigerant Gases	20 tCO <sub>2</sub>	
	Diesel for Trucks	55 tCO <sub>2</sub>	
<b>Total Scope 1</b>		<b>75 tCO<sub>2</sub></b>	
Offsets	75t ACCUs retired	-75 tCO <sub>2</sub>	<b>0 tCO<sub>2</sub></b>
<b>Scope 2 (Grid Electricity)</b>			
	Warehouse	30 MWh @ 0.7tCO <sub>2</sub> /MWh	21 tCO <sub>2</sub>
	Office	10 MWh @ 0.7tCO <sub>2</sub> /MWh	7 tCO <sub>2</sub>
<b>Total Scope 2</b>		<b>28 tCO<sub>2</sub></b>	
Renewable Credits	40 MWh LGCs retired	-28 tCO <sub>2</sub>	
Net Electricity Emissions	<b>40MWh @ zero emissions</b>		<b>0 tCO<sub>2</sub></b>
<b>Total Gross Emissions</b>		<b>103 tCO<sub>2</sub></b>	
<b>Total Nett Emissions</b>			<b>0 tCO<sub>2</sub></b>

I.e. In this case as each LGC is deemed to represents a MWh of “zero emissions electricity”. Therefore, an LGC retired has an effective offset value of -0.7 tCO<sub>2</sub> despite having no additionality test and currently being 10% of the price of an ACCU offset.