



THE LEGACY WE LEAVE IS A TRACEABLE CHOICE

BRAVETRACE USER GROUP: Meeting 05, 26 November 2025

bravetrace.co.nz



Overview

- Welcome
- Administrative
- Software
- Updates in global carbon reporting and RECs
- NZECS Production Year change project





WELCOME

Shaun



ADMINISTRATIVE

Georgia

Approval of previous meeting minutes

- Shared 05 September 2025 to User Group Members
- On BraveTrace website in the [Resources section](#)
- Chance for feedback/corrections

Minor update to Terms of Reference

Claims guidance now online

<https://bravetrace.co.nz/resource;bravetrace-nz-ec-claims-guidance/>

NZECS price survey update

- There were few responses to the survey, and so no meaningful statistics can be derived.
- RE100 interest was moderate to high across all responses.
- The price of a RE100 NZ-EC (outside of a PPA) was typically priced in the \$4-\$8 range for volumes less than 5,000 NZ-ECs.
- Would like feedback on how to improve the survey next year and how to get a higher response rate
- Survey is still [open](#) if you'd like to fill it in



REGISTRY V2 and RELEASE SCHEDULE

Andy

REGISTRY v2

- Taken a bit more time than originally anticipated
- We're in a good position with having had extra time for internal testing and bug fixing
- Two month schedule for transition, fits with Christmas, New Year, and Production Year project
- Good position for other future projects

A close-up photograph of several large, green, ribbed leaves, likely from a fern or similar plant. Water droplets are scattered across the surfaces of the leaves, catching the light.

RELEASE SCHEDULE

Mid-Dec 2025:

Official Release

Use by Registrants and Participants

Dec 2025 - Feb 2026:

Transition Phase

Switch over to v2

Use of v2, with v1 still running

Mid-Feb 2026:

Transition Complete

Stop using v1, everyone using v2

Mid-Mar 2026:

Switch off v1

Only v2 available going forward



Updates in Global Carbon Reporting and Renewable Energy Certification

Delphine

UPDATES IN GLOBAL CARBON REPORTING AND RENEWABLE ENERGY CERTIFICATION

Multiple announcements and potential changes could have significant impact for New Zealand:

1. **RE100 2025 Technical Criteria**
 - Key changes and implications for organisations
2. **GHG Protocol Scope 2 Guidance**
 - Expected updates, rationale, and potential impact
3. **SBTi Corporate Net-Zero Standard V2**
 - Introducing criteria for purchasing zero carbon electricity
4. **CBAM (Carbon Border Adjustment Mechanism)**
 - Overview of the regulatory trajectory

1. RE100 2025 Technical Criteria (already released)

BraveTrace NZ-EC tracking set to become mandatory for all renewable electricity purchased from the NZ grid

- From 1st January 2027, RE100 requires all renewable electricity purchased from the grid to be backed with EACs
- RE100 recognises BraveTrace's NZECS as the EAC system in common use in the New Zealand market
- RE100 confirms that NZ-ECs offer the highest level of assurance of claim credibility for New Zealand
- RE100 Technical Criteria are the rules members must observe when procuring renewables and reporting against targets
- It also serves as a guide for any corporate buyer aiming to make credible renewable claims

RE100 2025 TECHNICAL CRITERIA



RE claims supported by EAC cancellation offer the highest level of assurance of claim credibility. Moreover, EACs are critical tools for a functioning voluntary renewable energy market and for enabling accurate energy-related emissions accounting.

Results of public consultation on proposed changes to the RE100 technical criteria March 2025 (page 5) - Climate Group RE100

Requiring energy attribute certificates (EACs) for all RE purchasing from the grid in markets where EACs are available

Resultant decision

RE100 will **adopt a modified version** of the proposal to require EACs to track all RE purchasing from the grid in markets where EACs are available. Evidence received in the consultation revealed no instances where RE purchasing tracked contractually could not reasonably be expected to start issuing the RE with EACs.

Results of public consultation on proposed changes to the RE100 technical criteria March 2025 (page 5) - Climate Group RE100

2.1 Entry into force

The rule requiring EAC cancellation for renewable electricity procurement will be applied to RE100 companies' reporting in the 2027 CDP disclosure cycle. The list of markets where the rule will apply is given in Appendix C.

*RE100 Technical Criteria 24 March 2025
page 16 + Appendix C - Climate Group RE100*

Market	EAC system(s) in common use	Other EAC system(s) not in common use
Japan	NFC; GEC (Japan); J-Credit (Renewable)	I-REC
Malaysia	I-REC; TIGR	
Mexico	I-REC	CEL
Morocco	I-REC	
New Zealand	NZECS	

2. GHG Protocol Scope 2 Guidance Consultation

- Two GHGP public consultations are actively underway:
 1. **Updates to the Scope 2 Guidance (2015) which addresses Inventory Accounting**
 2. Consequential Impact complementary metrics for estimating avoided emissions from electricity-sector actions (Actions & Market Instruments)
- Feedback on Scope 2 Guidance to be provided via the 165-question online survey
- Consultation period ends 19 December 2025
- Second public consultation on Scope 2 topics will follow in 2026
- Final publication of the new standard anticipated late 2027
- [GHGP link to 2025 consultation material and survey](#)
- [GHGP Consultation FAQ](#)

GHG Protocol Scope 2 - Definitions

Proposed Changes

- **Proposed Location-Based Method definition update:**

Emissions should reflect generation physically delivered at the times and locations where consumption occurs and explicitly recommend that imported electricity should be included in location-based emission factor calculations.

- **Proposed Market-Based Method definition update:**

Retain contractual instruments as the basis for allocation, while specifying temporal correlation and deliverability requirements to match the reporter's electricity consumption.

GHG Protocol Scope 2 - Location Based Method

Proposed Changes

1. Update to the location-based emission factor hierarchy
2. Addition of definition for “accessible”
3. Requirement to use the most precise location-based emission factor accessible for which activity data is also available
4. Include feasibility measures: load profiles and phased implementation

GHG Protocol Scope 2 - Market Based Method Proposed Changes

1. **Quality Criteria 4:** Require contractual instruments to match the same hour as the associated energy use, except in certain cases of exemption.
2. **Quality Criteria 5:** Require contractual instruments to come from the same market boundary as the electricity use, or meet deliverability criteria.
3. **Standard Supply Service:** Add guidance and restrict claims to a reporting entity's pro-rata share.
4. **Residual Mix Factors:** Redefine to reflect unclaimed electricity emissions within the market boundary and time interval - including voluntary purchases or Standard Supply Service allocations.
5. **Fossil-based emission factors:** Required where no Residual Mix factor is available.
6. **Feasibility measures:** Load profiles, Criteria 4 exemption thresholds, phased implementation and a legacy clause.

3. SBTi Corporate Net-Zero Standard V2

The SBTi has released a revised draft of its Corporate Net-Zero Standard V2 for a second public consultation:

- Introducing a scope-specific target approach to enhance integrity and actionability
- Setting clear criteria for scope 2 decarbonisation, including the use of:
 - Credible contractual instruments (accuracy, exclusivity, traceability, transparency, and expiry)
 - Geographic and temporal matching (for the largest users) to align with forthcoming GHGP revisions
 - Project age limit of 10 years
 - 100% of Scope 2 emissions covered
- Consultation period extended to 12 December 2025
- [SBTi Corporate Net-Zero Standard V2 Consultation](#)

4. CBAM - Carbon Border Adjustment Mechanism

- Introduced 1st October 2023 (transitional phase ends Dec 2025)
- Implementation 1st January 2026
- Mechanism that puts a carbon price on imported goods to:
 - Ensure fair competition by taxing imports with higher emissions than producers meeting EU standards
 - Support global progress towards net zero by reducing GHG emissions
- Currently covers the following six "CBAM Goods":* Iron & Steel, Cement, Fertilisers, Aluminum, Hydrogen, and Electricity
 - Cement and Fertilisers products should include direct and **indirect** embedded emissions released during the production of goods that are imported into the EU.
 - Iron & Steel, Aluminium, Hydrogen, Electricity should only report direct embedded emissions.

CBAM - What it means for electricity embedded emissions

- Cement & Fertilisers importers will need to report on the Scope 2 embedded emissions of their goods
- To avoid CBAM levies, companies will need to both:
 - Procure renewable energy in respect of their production and
 - Demonstrate this via a methodology recognised by the CBAM legislation by either:
 - Using a recognised National Supply Factor, or
 - Applying actual indirect emissions from a direct physical link (bypassing the public grid), or
 - Entering a PPA with a renewable electricity generator

(there is significant international pressure for CBAM to only accept PPAs backed by **EACs**)



NZECS Production Year (PY) change project

Tim

PROBLEM DEFINITION & PURPOSE

Problem definition:

- Generation needs not being fully met
 - Early in the PY there is insufficient production to meet customer requests
 - Late in the PY the PY ends before production can be sold
- Energy User needs not being fully met
 - Start Date of Certification too restrictive
 - Multiple reports required if Energy User reporting period straddles PYs
- Resource intensive
 - Time required to provide solutions

Purpose:

- enable **greater flexibility to trade NZ-ECs**
- provide an **improved service to Energy Users**
- provide a more **efficient service to Participants**, and
- maintain current alignment with **relevant international standards**.

PROJECT UPDATE

If we decide to proceed, we are on track for the proposed solution to come into effect on 1 April 2026

The User Group provided valuable feedback at the 31 July 2025 meeting

Since the User Group meeting we have:

- drafted proposed NZECS Rule changes
- prepared a consultation paper due for release early December
- begun defining the required software and process changes
- made important design changes to the proposed solution

In advance of the release of the consultation paper, today we seek your feedback on:

- the design changes to the proposed solution
- the timeline for consultation and implementation (if we decide to proceed)
- Any other feedback.

TRIGGERS FOR DESIGN CHANGES

Since the last User Group meeting we have amended the proposed solution in response to:

- **Developing the design in more detail**
- **User Group feedback, support for:**
 - facilitating a single report to match an Energy User's reporting period
 - enabling an earlier start date of certification for Energy Users
 - eliminating the need for early cancellation
- **Consultation on relevant industry standards (GHG Protocol Scope 2)**
 - cognisant of potential future changes

DESIGN CHANGES

Transaction Period is the period transactions can be performed: issuance, transfer and redemption

Transaction Period has increased to eight quarters

- Issuance is restricted to months where production has occurred and volumes are known
- Redemption is restricted by a matching period of one year (as in current system)

The month of the electricity consumption for which an NZ-EC is to be Redeemed is specified, but there are no requirements for quarterly or monthly matching.

Energy User Reporting Period specified by the Participant

ORIGINAL PROPOSAL

- Change 1:** Enable an earlier Start Date of Certification
- Change 2:** Enable reporting over a specified period of time
- Change 3:** Enable Redemption for future quarters

Closed RSM published



30 Apr-26 30 Jun-26

First matching period, tradeable until 31 Jul-25

Second matching period, tradeable until 31 Oct-25

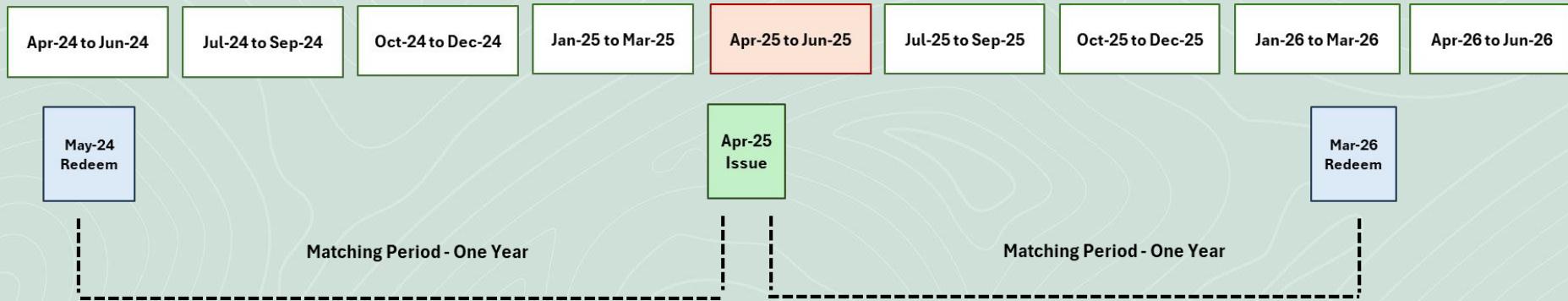
Third matching period, tradeable until 31 Jan-26

Fourth matching period, tradeable until 30 Apr-26

REVISED PROPOSAL - CHANGE 1

Enable an earlier Start Date of Certification

Solution: An earlier quarter has been added to the Transaction Period
Matching Period remains at one year.



REVISED PROPOSAL - CHANGE 2

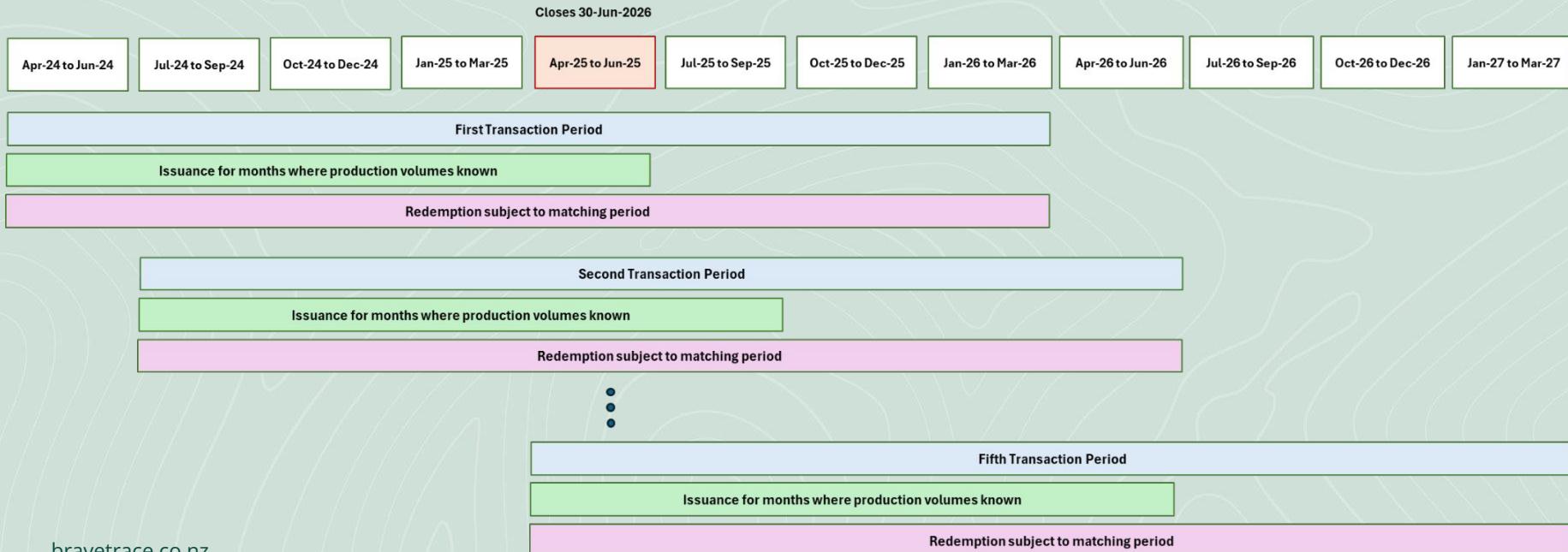
Enable reporting over a specified period of time

Solution: The month of the associated electricity consumption for which the NZ-EC is to be Redeemed is specified, but there are no requirements for quarterly or monthly matching.

REVISED PROPOSAL - CHANGE 3

Retain the ability to Redeem for future quarters (as in the current system)

Solution: Three extra quarters added to the end of the Transaction Period



REVISED PROPOSAL - PRACTICAL APPLICATION

To make this easier to understand and apply in practice we intend to update the NZECS Registry interface so that it provides:

- up to the minute visual information on the Transaction Period (open Quarter Periods)
- checks to ensure that a Redemption meets the matching period requirements
- an easy to use mechanism to enter the information required

REVISED PROPOSAL - NZECS REGISTRY MOCKUP

Screen 1

Redemption: Select Energy User and Reporting Period

Energy User	Street Bottling Co.
Account Number	XJ74452
Reporting Period	<input type="radio"/> 1 July 2023 to 30 June 2024 <input checked="" type="radio"/> 1 July 2024 to 30 June 2025 <input type="radio"/> 1 July 2025 to 30 June 2026

REVISED PROPOSAL - NZECS REGISTRY MOCKUP

Screen 2

Redemption Specification

Energy User	Street Bottling Co.																
Account Number	XJ74452																
Total	455 80 375																
Month	Production Device	NZ-ECs Available	Redeemed	Previously Redeemed	Additional Redemption	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
Apr-24	Solar Farm A	150	150	80	70	15	15	15	15	20	15	15	20	20	15	15	15
May-24	Solar Farm A	120	100	0	100	5	25	35	25	10	0	0	0	0	0	0	0
Jun-24	Solar Farm A	60	60	0	60	0	0	0	0	0	15	15	15	15	15	0	0
Dec-24	Solar Farm B	40	30	0	30	0	0	0	0	0	0	0	0	0	30	0	0
Apr-25	Hydro Y	80	80	0	80	0	0	0	0	0	0	0	0	0	0	50	30
Apr-25	Wind Farm Z	35	35	0	35	0	5	5	10	5	0	0	0	0	0	0	10

SUBMIT



Timeline for consultation and implementation

Early December 2025: Publish consultation paper and proposed Rule changes

Late January 2025: Submissions close

Late February 2026: Publish decision paper and Rules

1 April 2026: Changes come into effect



THANKS FOR YOUR TIME.

ANY QUESTIONS?

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