



Community Climate Chest (C3) GreenPower® additionality

Due to a lack of transparency surrounding the surrender of international emissions units by the federal government, the environmental *additionality* of GreenPower® which is purchased through C3, will be assured through the surrender of an additional international credit by C3 itself.

“Additionality” explained

Since countries started committing to mandatory limits on their total emissions, governments have generally separated emission reductions resulting from voluntary actions such as the purchase of GreenPower®, from the government’s own emissions accounting. To do otherwise would mean that any voluntary action will simply increase the amount of surplus credits which a government can bank, thereby reducing the need for greater efforts by that government to reduce domestic emissions in the future (via a carbon price etc.).

To give effect to this separation, the Australian government up until 2013, surrendered international credits in response to sales registered under the National GreenPower® program. However a recent investigation by the Voluntary Carbon Markets Association can find no record of surrenders since the coalition government came to power in late 2013.

Statements by the federal Department of the Environment indicate that the government is committed to ensuring the additionality of GreenPower®, however despite various requests they have been unable to provide any evidence of recent cancellations, or provide any detail on whatever other mechanism they may have in mind.

By contrast many other countries’ governments have schemes where international permits equating to estimated voluntary sales are surrendered at the beginning of each year and any difference reconciled once actual figures are known. Currently Australian government surrenders are running at least 4 years behind, leading to the fear that a change in government policy may render voluntary action over the preceding 4 years as environmentally pointless.

This has led to the concern that future GreenPower® sales may have no overall environmental benefit but be simply reducing the need for other polluting entities within Australia to take appropriate action themselves.

While Community Climate Chest acknowledges that the purchase of GreenPower® increases the uptake of renewable energy in Australia, it believes that customers would also wish to know that their individual purchases will lead to a commensurate and direct reduction in global emissions. As a result C3 now surrenders an additional [Verified Carbon Unit](#) equating to 1 tonne of CO2 equivalent for every MWh of GreenPower purchased.

Community Climate Chest will continue to sell offsets using internationally sourced Verified Carbon Standard and Gold Standard credits, as well as locally based Australian Carbon Credit Units (ACCUs). ACCUs are globally “additional” as their voluntary surrender is required by law¹ to be met with a commensurate cancellation of an international units by the Australian government.

¹ [Australian National Registry of Emissions Units Act 2011](#)