



Climate Change (Unit Register) Amendment Regulations 2011

Jerry Mateparae, Governor-General

Order in Council

At Wellington this 19th day of December 2011

Present:

His Excellency the Governor-General in Council

Pursuant to sections 30G and 30H(4) of the Climate Change Response Act 2002, His Excellency the Governor-General makes the following regulations, acting—

- (a) on the advice and with the consent of the Executive Council; and
- (b) on the recommendation of the Minister for Climate Change Issues.

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Regulations

1 Title

These regulations are the Climate Change (Unit Register) Amendment Regulations 2011.

2 Commencement

These regulations come into force on 23 December 2011.

3 Principal regulations amended

These regulations amend the Climate Change (Unit Register) Regulations 2008.

4 New regulation 8A inserted

The following regulation is inserted after regulation 8:

“8A Certain industrial gas certified emission reduction units not to be transferred to surrender account

“(1) In this regulation, **industrial gas certified emission reduction unit** means a certified emission reduction unit generated from—

- “(a) the destruction of hydrofluorocarbon-23 (HFC-23); or
- “(b) the destruction of nitrous oxide (N₂O) resulting from the production of adipic acid.

“(2) An account holder may not, after 23 December 2011, transfer an industrial gas certified emission reduction unit to a surrender account.

“(3) The prohibition in subclause (2) does not apply to the following:

- “(a) an industrial gas certified emission reduction unit held in an account in the Registry immediately before 24 December 2011;
- “(b) an industrial gas certified emission reduction unit purchased by an account holder under a forward contract if—
 - “(i) the forward contract was entered into before 23 December 2011; and
 - “(ii) the account holder has complied with subclause (4); and

- “(iii) the industrial gas certified emission reduction unit purchased under the forward contract is transferred to a surrender account by the account holder on or before 1 June 2013.
- “(4) An account holder complies with this subclause if the account holder provides to the Registrar by 10 February 2012—
- “(a) a copy of the forward contract; and
 - “(b) a statutory declaration by the account holder that the forward contract was entered into before 23 December 2011.
- “(5) If at any time the Registrar discovers that an industrial gas certified emission reduction unit appears to have been transferred to a surrender account in contravention of subclause (2), the Registrar must notify the account holder and the Environmental Protection Authority accordingly and set out in the notification the terms or effect of subclauses (6), (7), and (8).
- “(6) If, within 20 working days after the notification under subclause (5), the account holder does not satisfy the Registrar that the transfer of the industrial gas certified emission reduction unit to a surrender account was permitted under subclause (3)(a) or (b), the Registrar must reverse the transfer of the unit.
- “(7) If a transfer of a unit is reversed under subclause (6), the transfer is to be treated as if it had never taken place for the purpose of assessing whether the account holder has surrendered the required number of units by the due date as required under the relevant section of the Act.
- “(8) If, within 20 working days after the notification under subclause (5), the account holder transfers a unit (a **replacement unit**) to a surrender account for the purpose of replacing the unit to which the notification relates (the **original unit**), the replacement unit is to be treated as if it had been transferred to the surrender account on the date on which the original unit was transferred to the surrender account.”

Rebecca Kitteridge,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 23 December 2011, amend the Climate Change (Unit Register) Regulations 2008.

The amendment inserts *new regulation 8A*, which applies to industrial gas certified emission reduction units generated from—

- the destruction of hydrofluorocarbon-23 (HFC-23); or
- the destruction of nitrous oxide (N₂O) resulting from the production of adipic acid.

New regulation 8A provides that an account holder may not, after 23 December 2011, transfer any of these units to a surrender account (subject to certain exceptions). If a unit appears to have been transferred to a surrender account in contravention of this prohibition, the Registrar must notify the account holder concerned and the Environmental Protection Authority. If, within 20 working days after the notification, the account holder does not satisfy the Registrar that the surrender was permitted under an exception, the Registrar must reverse the transfer of the unit. The transfer of a unit that is reversed is to be treated as if it had never taken place for the purpose of assessing whether the account holder has surrendered the required number of units by the due date.

If, within 20 working days after the notification, the account holder transfers a unit to a surrender account to replace the unit to which the notification relates, the replacement unit is to be treated as having been transferred on the date of the transfer of the unit it is replacing.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 22 December 2011.

These regulations are administered by the Ministry for the Environment.
