

Consultation Document

Proposed Changes to the New Zealand Emissions Trading Scheme Regulations 2026

Ngā Huringa e Marohitia ana ki ngā Waeture
Kaupapa Hokohoko Tukunga o Aotearoa
2026



Ministry for the
Environment
Manatū Mō Te Taiao



Te Kāwanatanga o Aotearoa
New Zealand Government

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This document may be cited as: Ministry for the Environment. 2026. *Proposed Changes to the New Zealand Emissions Trading Scheme Regulations 2026: Consultation Document*. Wellington: Ministry for the Environment.

Published in June 2026 by the
Ministry for the Environment
Manatū mō te Taiao
PO Box 10362, Wellington 6143, New Zealand
environment.govt.nz

ISBN: 978-1-991404-47-3
Publication number: ME 1973

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About this consultation

This document outlines proposals for a range of updates to the regulations for the New Zealand Emissions Trading Scheme (ETS). The regulations are made under the Climate Change Response Act 2002.

The Ministry for the Environment is seeking the insight, evidence and perspectives of participants in the ETS who may be directly affected by the proposed changes.

This year, we are consulting on:

- technical updates relating to default emissions factors for 2027 that are based on recent data
- waste updates that affect waste sector participants and remediation projects for historic contaminated waste.

Table 1 lists the proposed updates to ETS regulations in 2026.

Table 1: Proposed regulatory changes

Proposed changes	Regulations
Technical updates Update the default emissions factors for: <ul style="list-style-type: none">• natural gas activities• geothermal activities• liquid fossil fuels	Climate Change (Stationary Energy and Industrial Processes) Regulations 2009 Climate Change (Liquid Fossil Fuels) Regulations 2008
Waste updates Update the default emissions factors for waste participants Remove the oxidation factor from unique emissions factor applications Increase information requirements for unique emissions factor applicants with high landfill gas capture rates	Climate Change (Waste) Regulations 2010 Climate Change (Unique Emissions Factors) Regulations 2009
Exempt the disposal of waste from remediation of historic contaminated sites	Climate Change (General Exemptions Order) 2009

We welcome submissions from anyone with an interest in the regulations on one or more of these matters.

Consultation on unit limits and price control settings

We are also consulting on a subset of the regulations for ‘unit limits and price control settings’ (ETS settings), which must be updated every year. These are presented in a separate consultation document: [Annual Updates to New Zealand Emissions Trading Scheme Limits and Price Control Settings for Units 2026](#).

How to have your say

The Government welcomes your thoughts on the proposals in this consultation. Your responses will help us to further understand the issues, options and impacts. Each section explains the problem and presents the analysis and proposed options. We have included questions about each proposal, but welcome all comments. To ensure your point of view is clearly understood, you should explain the reasons for your views and give supporting evidence if needed. See [appendix 1](#) for the full list of questions.

We are also seeking feedback on the impact of proposed changes on Māori

We recognise that Māori have a significant interest in climate change action and the ETS. In our assessment, there is unlikely to be any specific impact on Māori resulting from any of the proposed updates, but we acknowledge the possibility of gaps in our analysis. Therefore, as well as questions on each proposed update, we are seeking feedback on whether any of the proposals could have an impact on Māori, either positive or negative.

Submitting your views

For details on sending feedback to us, see '[How to have your say](#)' at the end of this document.

Consultation and proposals timeline

The consultation for the proposals in this document and for those about ETS settings will close at 11.59pm on 12 July 2026.

Once we have considered all submissions, we will put final proposals to the Minister of Climate Change and Cabinet for consideration. Following Cabinet decisions, any new regulations or amendments to existing regulations will be published in the *New Zealand Gazette* by 30 September 2026.

Background

Role of the ETS

The Emissions Trading Scheme (ETS) is the Government's main tool to help New Zealand meet:

- its international obligations under the United Nations Framework Convention on Climate Change and Paris Agreement
- 2050 targets: net-zero greenhouse gas emissions (except biogenic methane), and a 14 to 24 percent reduction in biogenic methane from 2017 levels
- emissions budgets: a set of 'stepping stones' to reach the 2050 target.

All parts of New Zealand's economy, except for agriculture, face costs for greenhouse gas emissions. The costs are from either:

- purchasing and surrendering New Zealand Units (NZUs) to meet ETS requirements, or
- paying a fee based on the value of the NZU, through the Synthetic Greenhouse Gas Levy.

Participating in the ETS

Businesses that undertake activities outlined in Schedule 3 of the Climate Change Response Act 2002 (CCRA) are mandatory participants of the ETS. They are required to register, file annual emissions returns, and surrender the corresponding number of NZUs.

Businesses undertaking activities outlined in Schedule 4 of the CCRA, such as forestry removals, can choose to participate in the ETS. Doing so may earn them NZUs for removing carbon from the atmosphere, or other eligible removals.

Reporting emissions and surrendering emission units

Businesses calculate their emissions from activities taking place over a calendar year (the reporting period). Emissions returns are reported to the Environmental Protection Authority (EPA) by the end of the following March. Businesses must then surrender the equivalent NZUs to pay for their emissions.

Many businesses use a default emissions factor or unique emissions factor in their emissions reporting. These are used to convert reported data (eg, on production) into an emissions value. Default emissions factors are set directly in regulations, but participants must provide additional evidence and seek approval from the EPA to use a unique emissions factor.

The regulations that sit under the CCRA outline the information that participants must collect, report on and use to calculate their emissions. Regular reviews of these regulations keep them up to date and fit for purpose.

Executive summary

Table 2 outlines seven proposals to amend regulations under the Emissions Trading Scheme (ETS). The objective is to maintain the accuracy of, and confidence in, the scheme.

The amendments relate to:

- **default emissions factors (DEFs):** These allow participants to convert data about their operations into emissions totals, so that they can report under the ETS
- **the waste sector:** Landfill operators may use a unique emissions factor (UEF) if they can demonstrate that their disposal facility's emissions are materially different from the DEF, such as those with a landfill gas capture system (LFG system).

Table 2: Seven proposed regulatory amendments under the Emissions Trading Scheme

Proposal	Description	Who will it affect?
Default emissions factor (DEF) updates		
1. Update the DEFs for natural gas activities	Use the latest Environmental Protection Authority (EPA) data to calculate new DEFs for use in the next emissions reporting period. This will ensure that reporting remains accurate.	<p>Mainly businesses that buy natural gas in large quantities and opt into the Emissions Trading Scheme (ETS) for these emissions, and that may pass on the change in their emissions costs to the consumer.</p> <p>The change should result in a decrease in emissions costs, on average, for those who use DEFs.</p> <p>There are generally negligible broader economic implications (ie, the changes do not meaningfully influence the cost of living).</p>
2. Update the DEFs for geothermal activities	Use the latest EPA data to calculate new DEFs for the next emissions reporting period. This will ensure that reporting remains accurate.	<p>Mainly businesses that operate geothermal power plants, and that may pass on the change in their emissions costs to the consumer.</p> <p>The change should result in a decrease in emissions costs, on average, for those who use DEFs.</p> <p>There are generally negligible broader economic implications (ie, the changes do not meaningfully influence the cost of living).</p>
3. Update the DEFs for liquid fossil fuels	Use the latest Ministry of Business, Innovation and Employment data to calculate new DEFs for use in the next emissions reporting period. This will ensure that emissions reporting remains accurate.	<p>Mainly businesses that import liquid fossil fuels, and that may pass on the change in their emissions costs to the consumer.</p> <p>The change should result in a decrease in emissions costs, on average, for those who use DEFs.</p> <p>There are generally negligible broader economic implications (ie, the changes do not meaningfully influence the cost of living).</p>

Proposal	Description	Who will it affect?
Waste updates		
4. Update the DEF for waste	Use the most recent and accurate information to calculate the DEF for the next reporting period. There are four options: no change; a minor change using new evidence; and two moderate changes with a range of DEF options based on (a) activity source category or (b) landfill size and class.	Landfill operators, whether they use a unique emissions factor (UEF) or the default. Higher accuracy could change the reported emissions. The direction of change depends on the data and evidence that operators provide.
5. Remove the oxidation factor from UEF applications	Currently, landfills with a landfill gas capture system (LFG system) can reduce their ETS obligations by accounting for the quantity of gas captured underground. When doing so, operators can subtract up to 10 percent of their emissions using an oxidation factor, despite oxidation occurring through the landfill cap rather than under it. This proposal includes an option to change the oxidation factor to 0 because it has no impact on how much gas a system collects.	Landfill operators who have an LFG system and apply for a UEF. May result in higher UEFs and reported emissions, but these will be more accurate.
6. Increase information requirements for UEF applicants with high LFG capture rates	Introduce a tiered approach for waste sector UEF applicants, where a higher bar of information is required when reporting high-efficiency capture rates for their LFG systems. Some sites are already producing evidence of rates above 90 percent. This option would remove the current cap and allow claims of up to 100 percent capture in UEF applications. High-efficiency rates reduce ETS obligations, so it is important to have a high degree of confidence in the accuracy of these rates.	Landfill operators who have an LFG system and apply for a UEF. May result in higher UEFs and reported emissions, but these will be more accurate. For operators with evidence of high-efficiency rates over 90 percent, this change should reduce their reported emissions and thus reduce New Zealand Unit obligations.
7. Exempt the disposal of waste from remediation of historic contaminated sites	Create an exemption for historic contaminated waste, which will be treated differently from 'new' waste. Costs paid by landfill operators and passed on to landfill users will better reflect emissions. It will also reduce the risk that the charges discourage remediation that brings important environmental and public health benefits.	Landfill operators, because it reduces the ETS costs they would otherwise face when accepting historic contaminated waste. Organisations funding and carrying out remediation: any reduction in ETS costs is intended to be reflected in lower disposal costs for this material. There are negligible broader economic implications. It applies only to remediation waste, rather than general waste.

Technical updates

Proposals in this section focus on updating **default emissions factors (DEFs)** to reflect the most recent data.

A DEF is a standardised, preset value used to estimate greenhouse gas emissions when specific, measured or supplier-provided data is not cost-effectively available. DEFs are regularly updated and used in emissions calculation methodologies set out in the regulations.

Proposal 1: Update the DEFs for natural gas activities

Proposal summary

- Default emissions factors (DEFs) allow emitters to convert data about their operations (such as how much natural gas they mine, and its chemical composition) into emissions totals, so that they can report under the Emissions Trading Scheme (ETS).
- We propose to use the latest Environmental Protection Authority data to calculate new DEFs for use in the 2027 emissions reporting period. This will ensure that the reporting remains accurate.

Impacts

- This proposal mainly affects businesses that buy natural gas in large quantities and opt into the ETS for these emissions, and that may pass on the change in their emissions costs to the consumer.
- The change should result in a decrease in emissions costs, on average, for those who use DEFs.
- There are generally negligible broader economic implications (ie, the changes do not meaningfully influence the cost of living).

The prescribed DEFs for natural gas fields need regular updating due to changes in the composition of mined natural gas over time, and for the opening of new fields.

To calculate their emissions, natural gas miners, along with gas-purchasing (opt-in) ETS participants who buy more than two petajoules of natural gas in a year, use the methodologies and emissions factors in the Climate Change (Stationary Energy and Industrial Processes) Regulations 2009 (SEIP Regulations).

Gas miners must run tests on their gas to calculate emissions specific to their field, and report this data in their emissions returns. Their ETS obligation is based directly on their total emissions (as opposed to estimated, using a DEF). The emissions data from gas miners is used to set the table of DEFs in [table 10, Schedule 2](#) of the SEIP Regulations.

The DEFs are available for opt-in participants to calculate their ETS obligations. Unlike gas miners, opt-in participants are not required to perform the same tests on the gas they purchase.

The SEIP Regulations also provide for a [national average DEF](#) in section 50(7). This is used to estimate emissions associated with the storage and purchase of natural gas. Once stored, quantities extracted from storage cannot be associated back to a specific natural gas field, creating the need for a national average DEF.

Proposal

We propose to update the DEFs for natural gas activities in table 10, Schedule 2 of the SEIP Regulations, to reflect the most recent data. Table 3 shows the existing and proposed DEF values.

Table 3: Existing and proposed default emissions factors (DEFs) for natural gas activities¹

Field	Current DEF (tCO ₂ e/TJ)	Proposed DEF (tCO ₂ e/TJ)	Change (%)
Cheale	51.90	51.29	-1.18
Cheal and Cardiff	52.46	51.24	-2.33
Copper Moki	55.81	55.81	0.00
Kapuni	53.40	53.40	0.00
Kapuni LTS	83.34	83.92	0.70
Kowhai	55.35	54.55	-1.45
Kupe	53.46	53.29	-0.32
Maari	53.48	53.48	0.00
McKee	54.41	54.66	0.46
Mangahewa	54.41	54.68	0.50
Maui	53.52	53.52	0.00
Ngatoro-Kaimiro	54.61	54.82	0.38
Pohokura	55.44	55.41	-0.05
Radnor	61.46	61.46	0.00
Rimū/Kauri	50.89	50.89	0.00
Sidewinder	53.19	53.22	0.06
Supplejack	49.46	49.46	0.00
Tariki	42.80	41.95	-1.99
Turangi	55.34	54.57	-1.39
Waihapa	52.47	52.47	0.00
National average	53.71	54.39	1.27

Note: In table 3, the DEFs for Kupe, McKee, Mangahewa and Maui are not the same as those printed in the current SEIP Regulations. The table lists the corrected figures that will be published in the SEIP Regulations by the end of September 2026 and apply to the 2026 calendar year emissions reported in 2027. We notified affected parties earlier this year.

¹ tCO₂e/TJ = tonnes carbon dioxide equivalent per terajoule.

Impacts

This proposal will affect opt-in participants who use the DEFs to the degree indicated by the percentage change in table 3. We do not expect it to have broad economic impacts.

Implementation

The proposed DEFs will apply to activities that take place in the 2027 calendar year, reported in 2028.

Questions

1. Do you support updating the natural gas DEFs as shown in table 3? Please explain your response.
2. Do you have any feedback or relevant evidence about the proposed update to DEFs for natural gas fields in the SEIP Regulations?

Proposal 2: Update the DEFs for geothermal activities

Proposal summary

- Default emissions factors (DEFs) allow emitters to convert data about their operations (such as how much geothermal fluid they extract, and its chemical composition) into emissions totals, so that they can report under the Emissions Trading Scheme.
- We propose to use the latest Environmental Protection Authority data to calculate new DEFs for use in the 2027 emissions reporting period. This will ensure that the reporting remains accurate.

Impacts

- This proposal mainly affects businesses that operate geothermal power plants and that may pass on the change in their emissions costs to the consumer.
- The change should result in a decrease in emissions costs, on average, for those who use DEFs.
- There are generally negligible broader economic implications (ie, the changes do not meaningfully influence the cost of living).

The DEFs for geothermal activities require updating annually to:

- include new geothermal plants that have begun operation since the previous update to regulations
- account for changes in the concentration of greenhouse gases in extracted geothermal fluid
- reflect any changes in how existing plants operate, which may affect their emissions.

Geothermal electricity generation involves extracting geothermal fluid from a reservoir. The typical composition of the fluid includes brine and several greenhouse gases. These gases can be emitted as part of the electricity generation process, reducing the gas content of the reservoir over time and therefore changing the composition of the fluid.

Many geothermal participants apply for and use unique emissions factors (UEFs) because they are reinjecting at least part of the fluid back into the reservoirs. This process significantly reduces emissions from geothermal activities.

The DEFs for geothermal activities are set out in [table 6 of Schedule 2](#) in the SEIP Regulations. Last year, we calculated the DEFs using a new methodology that we consulted on in 2025². In this approach, DEFs are recalculated annually using a rolling average of UEFs, or the DEF where there is no UEF, across the previous three years. This makes using the DEF a more viable option for participants because it more accurately reflects their emissions. It also reduces costs and administration for both the Government and participants.

Proposal

We propose to update the DEFs for geothermal activities in table 6, Schedule 2 of the SEIP Regulations, to reflect the most recent data. Table 4 shows the existing and proposed DEF values.

Table 4: Existing and proposed default emissions factors (DEFs) for geothermal activities³

Part A			
Class – Geothermal fluid used by	Current DEF (tCO ₂ e/t steam)	Proposed DEF (tCO ₂ e/t steam)	Change (%)
Kawerau II	0.0147	0.0143	-3
Kawerau Industrial	0.0174	0.0174	0
Kawerau KA24	0.0123	0.0119	-3
Miraka Milk	0.0053	0.0053	0
Mokai I and II	0.0041	0.0038	-7
Nga Awa Purua	0.0085	0.0083	-2
Ngā Tamariki	0.0070	0.0061	-13
Ngāwhā I and II	0.0185	0.0000	-100
Ngāwhā III	0.0218	0.0000	-100
Ohaaki	0.0329	0.0332	1
Poihipi Road	0.0051	0.0051	0
Rotokawa I	0.0102	0.0099	-3
Tauhara	0.0137	0.0048	-65
Te Ahi o Maui	0.0117	0.0119	2
Te Huka	0.0016	0.0004	-75
Te Huka III	0.0300	0.0200	-33
Te Mihi	0.0044	0.0045	2
TOPP 1	0.0094	0.0088	-6
Wairakei Station Site	0.0022	0.0022	0

² [Proposed-changes-to-the-NZ-ETS-regulations-2025-consultation-document.pdf](#).

³ tCO₂e/t = tonnes carbon dioxide equivalent per tonne.

Any other plant or process using geothermal steam to produce electricity or industrial heat	0.0300	0.0300	No change
Part B			
Class – Geothermal fluid used by	Current DEF (tCO ₂ e/t2-phase fluid)	Proposed DEF (tCO ₂ e/t2-phase fluid)	Change (%)
Mokai Greenhouse	0.0000	0.0000	0
Tauhara Tenon	0.0000	0.0000	0
Any other plant or process using geothermal fluid to produce electricity or industrial heat through a process other than production of geothermal steam	0.0009	0.0009	No change

Note: In table 4, the DEFs for Kawerau KA24, Mokai I and II, Nga Awa Purua, Ngāwhā I and II, Ohaaki, Tauhara, Te Huka III, Te Mihi and Wairakei Station Site are not the same as the DEFs printed in the SEIP Regulations. The table lists the corrected figures that will be published in the SEIP Regulations by the end of September 2026 and apply to the 2026 calendar year emissions reported in 2027. We notified affected parties earlier this year.

Impacts

This proposal will affect geothermal participants who use the DEFs, to the degree indicated by the percentage change in table 4. We do not expect this proposal to have broad economic impacts.

Implementation

The proposed DEFs will apply to activities that take place in the 2027 calendar year, reported in 2028.

Questions

- Do you support updating the geothermal DEFs as shown in table 4? Please explain your response.
- Do you have any feedback or relevant evidence about the proposed update to DEF values for geothermal activities in the SEIP Regulations?

We are seeking information and feedback on the geothermal DEF table

We are taking this opportunity to outline the Ministry for the Environment's (the Ministry's) approach to incorporating new plants into the geothermal activities DEF table and three-year rolling average methodology for calculating new DEFs.

When a new plant opens, it will not have the three years of data that the geothermal DEF rolling-average methodology requires. Therefore, in their first emissions return, new plants are required to use the 'any other plant' DEF from table 6, Schedule 2 of the SEIP Regulations, or they may use a UEF if they have obtained one.

If businesses contact the Environmental Protection Authority ahead of a new plant opening, the Ministry can plan to publish the new plant in the next annual update of the geothermal

DEF table. This way, the plant will have its own DEF before it has to submit an emissions return. Alternatively, the plant will be added to table 6 of Schedule 2 in time for its second emissions return.

When a new plant is added to the regulations, its DEF will be the same as that for 'any other plant', and therefore will not accurately reflect the new plant's emissions. Over time, accuracy improves as approved UEFs for the plant are incorporated into the rolling-average methodology.

We have also identified inconsistencies in how plants are named in table 6 of the SEIP Regulations. In some cases, the class name in the regulations does not align with the location for which participants apply for UEFs. Plant names were originally taken from consultant reports.

We are seeking feedback from businesses on the preferred naming convention for each plant in table 6 of Schedule 2 (such as location and business name).

Questions

5. Do you agree with the approach to calculating a DEF for new plants? Please explain your views and provide supporting information or alternative suggestions.
6. Is the name of your plant/plant location reflected accurately in the regulations? If not, what is your preferred approach to class names in table 6 of Schedule 2 in the SEIP Regulations?

Proposal 3: Update the DEFs for liquid fossil fuels

Proposal summary

- Default emissions factors (DEFs) allow emitters to convert data about their operations (such as how much they import of different fuel types, and their chemical composition) into emissions totals, so that they can report under the Emissions Trading Scheme.
- Our proposal is to use the latest Ministry of Business, Innovation and Employment data to calculate new DEFs for use in the 2027 emissions reporting period. This will ensure that the reporting remains accurate.

Impacts

- This proposal mainly affects businesses that import liquid fossil fuels and consumers, where the change in emissions cost is passed on by businesses.
- The change should result in a decrease in emissions costs, on average, for those who use DEFs.
- There are generally negligible broader economic implications (ie, the changes do not meaningfully influence the cost of living).

The DEFs for liquid fossil fuels are listed in the [Schedule](#) of the Climate Change (Liquid Fossil Fuels) Regulations 2008 (LFF Regulations). Since the establishment of the ETS, the DEFs for liquid fossil fuels have been regularly reviewed to ensure they accurately represent the average quality⁴ of fuel consumed in New Zealand.

⁴ This is based on data from the Ministry of Business, Innovation and Employment.

Since the closure of the Marsden Point Oil Refinery, all liquid fossil fuel consumed in New Zealand has been imported. DEFs are now adjusted to solely reflect imported fuel quality, using the most recent data.

Proposal

We propose to update the Schedule of DEFs for each category of fuel in the LFF Regulations using the latest data on imported fuel quality. Table 5 shows the existing and proposed DEF values.

Table 5: Existing and proposed default emissions factors (DEFs) for liquid fossil fuel categories⁵

Category	Emission source	Current DEF (t CO ₂ e/kl)	Proposed DEF (t CO ₂ e/kl)	Change (%)
Petrol	Regular petrol	2.319	2.311	-0.34
	Premium petrol	2.322	2.321	-0.04
Diesel	Automotive and marine diesel	2.665	2.656	-0.34
Aviation	Aviation spirit	2.252	2.249	-0.13
	Jet fuel	2.519	2.519	0.00
Fuel oil	Light fuel oil	3.003	3.003	0.00
	Heavy fuel oil	3.119	3.121	0.06
Any other fuel		3.299	3.299	0.00

Impacts

This proposal will have minor impacts on participants who use the DEFs, as indicated by the percentage change in table 5. We do not expect this change to meaningfully influence the cost of living.

Implementation

The proposed DEFs will apply to activities that take place in the 2027 calendar year, reported in 2028.

Questions

7. Do you support updating the DEFs for liquid fossil fuels as shown in table 5? Please explain your response.
8. Do you have any feedback or relevant evidence to inform the proposed update to DEFs for liquid fossil fuels in the LFF Regulations?

⁵ tCO₂e/kl = tonnes carbon dioxide equivalent per kilolitre.

Waste updates

The four separate proposals in this section affect the waste sector. The default emissions factor (DEF) for participants is in the Climate Change (Waste) Regulations 2010. Two proposals affect waste participants applying for a unique emissions factor (UEF) in the Climate Change (Unique Emissions Factors) Regulations 2009 (UEF Regulations). The DEF is used in UEF applications, so the first proposal is interconnected with these two UEF proposals.

Waste sector participants can apply for a UEF if they have evidence that their waste composition differs from the national average, or if they capture and destroy landfill gas (including methane). Using a UEF will usually mean that the emissions total is lower. UEF applications are made to the EPA, with a statement verifying the accuracy of the submission.

The proposed exemption for historical contaminated waste would amend the Climate Change (General Exemptions) Order 2009. This has no direct dependency on the three other proposals.

In tandem with this consultation, we are seeking views on a suite of proposals to further address emissions from organic waste. This includes proposals to:

- broaden participation in the Emissions Trading Scheme (ETS) for the waste and resource recovery sectors
- update the National Environmental Standards for Air Quality to best manage landfill gas when the standards transition to the new resource management system
- manage organic waste and encourage biogas production.

We have published a sector feedback document to guide this discussion. Engagement ends on 12 July 2026. You can have your say on the [Ministry for the Environment website](#).

Proposal 4: Update the DEF for waste

Proposal summary

- Default emissions factors (DEFs) allow emitters to convert data about their operations (such as the volume of waste received in their landfill) into emissions totals, so that they can report under the Emissions Trading Scheme.
- We propose to use the most recent and accurate information available to calculate the DEFs for the next reporting period. There are four options: no change; a minor change using new evidence; and two moderate changes providing a range of DEF options based on (a) activity source category, or (b) landfill size and class.

Impacts

- This proposal affects landfill operators participating in the ETS, whether they use a unique emissions factor or the default.
- Improved accuracy could result in a change to reported emissions. The direction of change depends on the data and evidence that operators provide.

The current DEF for waste participants (disposal facility operators) is set at 1.023 tonnes of carbon dioxide equivalent per tonne of waste. This figure is derived in part from a national average composition figure.⁶ This represents the portions of different types of waste collected by facility operators, in line with the categories in the current [Solid Waste Analysis Protocol](#) process.

The DEF for waste participants is used (and referred to in regulations) in two ways:

1. as the DEF for each class of waste where no UEF is approved by the Environmental Protection Authority. In these cases, it is an important piece of information used directly to calculate emissions for each facility
2. as an input into the formula to calculate a UEF for a disposal facility or other site where landfill gas (LFG) is destroyed:

UEF = 1.023 x (1 – C), where C (the capture efficiency rate) is the lesser of 0.9 or the estimated efficiency of the LFG collection and destruction system.

The problem

For the estimate of the current national average waste composition, the data used to inform the current DEF was largely collected between 2017 and 2019. More recent data⁷ indicates that the composition of the waste stream, including the organics component, may have changed since then. The current approach to calculating a DEF assumes that different waste compositions similarly impact emissions, without other landfill characteristics having much influence. We may therefore need to update the DEF, or the information a DEF is based on, to better reflect waste emissions.

Options

We propose a range of options for improving the accuracy of the DEF for waste (table 6).

Table 6: Options for improving the DEF accuracy for waste

Option	Description	Assumed impact
Option 1: Status quo	The data we have analysed suggested that any update based on existing data would be minor and may not justify requiring operators to apply for an updated unique emissions factor (UEF) based on an amended default emissions factor (DEF) alone.	No change.
Option 2: Minor increase to organics component of national composition, impacting DEF	Publicly available data (eg, contained in waste assessments required as part of regional Waste Management and Minimisation Plan preparation) suggests there may be minor changes to the national composition average, because these sources show a larger organic component.	This could mean operators would need to reapply for UEFs using the DEF (those approved under section 23C of the Climate Change (Unique Emissions Factors) Regulations), if the updated DEF presented a material change to their emissions. We expect minimal impact on actual emissions, but it may increase confidence in

⁶ The default emissions factor calculation also includes assumptions about the methane generation potential of different waste types, oxidation, and that no gas is collected and destroyed.

⁷ This data includes publicly available datasets through the waste assessments required for six-yearly Waste Management and Minimisation Planning, as well as plant-specific composition data submitted by operators.

Option	Description	Assumed impact
		<p>reported emissions by ensuring we calculate the most recent information in the adjusted figure.</p> <p>Refining this figure will require further work. We would seek input from all landfill operators to ensure we include the most recent information.</p>
<p>Option 3: Introduce a range approach to DEFs based on activity source categories accepted at site</p>	<p>The activity category information they are already collecting would be used as a proxy for better estimating overall composition. This would involve developing an average composition for each category.</p> <p>Since 1 July 2024, all disposal facility operators and transfer stations must report the activity source that generated each tonne of waste received at their facility,⁸ across seven possible categories:</p> <ul style="list-style-type: none"> • construction and demolition • mixed industrial, commercial, and institutional • heavy industrial • residential drop-off • residential kerbside collections • unusual activity • transfer station – mixed activities. <p>These requirements cover all Class 1 landfills that are current ETS participants.</p>	<p>Operators are already assigning activity categories to each tonne of waste, due to mandatory reporting. With very high compliance, we expect minimal operational change on site.</p> <p>We expect this option to increase the accuracy of emissions reported by refining composition using activity categories as a proxy for composition categories. We would seek input from all landfill operators to assign DEF values for each activity category.</p> <p>A single operator could therefore have several relevant DEFs. Class 1 sites can collect waste from any of the activity sources in the regulations. A new formula would be required in section 23C of the regulations (currently $UEF = 1.023 \times (1-C)$, in which C is the estimated efficiency of the landfill gas collection and destruction system).</p> <p>Having a range of DEFs makes it unlikely that sites with variable waste flows (eg, Class 1 landfills, that can accept most types of waste) would have a static DEF year to year. This may mean that operators are more frequently required to apply for UEFs to maintain accuracy, if volumes in each of the activity categories change year to year.</p> <p>This would more closely resemble the equation currently used for waste composition-based UEF applications in section 23D of the regulations, where an emissions factor is applied by class of waste (eg, garden waste, paper waste, all putrescible waste other than garden waste, textile waste).</p>
<p>Option 4: Introduce a range approach to DEFs based on landfill size and class</p>	<p>Different landfill conditions have different impacts on emissions. Higher volume landfills receive more waste, and can have a more anaerobic environment, which leads to greater anaerobic decomposition and thus larger volumes of methane. Larger landfills are also generally able to have higher rates of gas capture due to a higher volume-to-</p>	<p>Like option 3, this would introduce a range of DEFs that operators can choose from. Unlike option 3, it would result in a process more like the current one, where only one DEF needs to be used when applying for a UEF.</p> <p>Operators would be responsible for choosing the most accurate DEF for their site, but this will be reasonably straightforward, based on</p>

⁸ Ministry for the Environment. [Waste data – Overview of activity category reporting](#). Retrieved 14 May 2026.

Option	Description	Assumed impact
	<p>surface area, and ability to invest in more sophisticated gas capture systems.</p> <p>Although size is not the only condition that affects emissions, it is the most straightforward and consistent one that operators have certainty over.</p>	<p>their consented size and their registered class in the Online Waste Levy System.</p> <p>We would seek input from all landfill operators to assign DEF values based on landfill size. Including the landfill class future proofs the regulations if ETS participation expands to more classes of landfill. We would not introduce new requirements for other classes at this stage.</p>

Implementation

Options 1 or 2 in table 6 would apply to disposal activities that take place in the 2027 calendar year. This means that it will not affect calculations of UEFs in January 2027 for activities that took place in the 2026 calendar year. The aim is to minimise disruption to business planning by avoiding unanticipated costs.

For options 3 and 4 in table 6, which introduce a range of DEFs based on landfill or waste characteristics, we will work with stakeholders to ensure the figures reflect current operations. This would include seeking supporting data and evidence to inform the parameters. The ETS Register cannot currently accommodate these changes. Bringing in options 3 or 4 would, therefore, depend on future enhancements to the ETS Register, the timing of which is uncertain at this stage.

Final policy decisions will be reflected in amendments to both the Climate Change (Waste) Regulations 2010 (section 5(1a)) and the UEF Regulations (section 23C).

Questions

9. Which option do you prefer for improving the accuracy of the DEF for waste? Please explain why. If you prefer an option that is not presented in this document, please explain why.
10. Do you have information on waste composition, or other data, that could support refinement of the final DEF proposal, which you can share with the Ministry for the Environment?

Proposal 5: Remove the oxidation factor from UEF applications

Proposal summary

- Operators with a landfill gas capture system (LFG system) can reduce their Emissions Trading Scheme obligations by accounting for the quantity of gas captured underground. When doing so, they can subtract up to 10 percent of their emissions using an oxidation factor, despite oxidation occurring through the landfill cap rather than under it.
- This proposal includes an option to change the oxidation factor to 0 because it has no impact on how much gas the system captures.

Impacts

- Affects landfill operators with an LFG system who apply for a unique emissions factor.
- May result in higher unique emissions factors and reported emissions, but these will be more accurate.

The DEF for the disposal of waste is set in the Climate Change (Waste) Regulations 2010. It assumes that no emissions generated by waste decomposing at a municipal landfill have been captured by a landfill gas capture system (LFG system).

Most municipal landfills have an LFG system that collects and destroys landfill gas, which results in lower emissions. The ETS allows eligible landfills to apply for a UEF to account for these reductions. Landfills will then use their approved UEF for emissions reporting, instead of the waste DEF.

The requirements for landfills calculating a UEF are set out in sections 23A to 23D of the UEF Regulations. The calculation allows landfills to include the gas collected by the LFG system when calculating the UEF. To ensure accurate accounting, landfills use a first order decay model to determine gross methane generated in the calendar year, along with how much methane the system collected.

The UEF Regulations also allow additional inputs for use in the models. One input is an oxidation factor of 10 percent (section 23C(2)(e)). Oxidation occurs when methane generated by the landfill has not been captured by the LFG system and passes through the soil of the landfill cap.

In 2025, we consulted on where the oxidation factor should be placed in the formula for determining a UEF for landfills with an LFG system. No decision was made after consultation and upon further analysis, this proposal was developed.

The problem

The way landfill gas UEFs are currently calculated includes an 'oxidation factor' that does not fit with how the system actually works. The calculation method looks at methane collected *under* the landfill cap, but the oxidation factor is meant for methane that passes through the cap. Including it in the calculations could mean emissions are reported as being 10 percent lower than they really are. This could make gas collection seem more effective than it is, and result in under-reporting of landfill emissions.

Options

Table 7 outlines the options for addressing this problem.

Table 7: Options for addressing use of oxidation factor in emissions calculations

Option	Description	Assumed impact
Option 1: Status quo	Unique emissions factor (UEF) regulations allow the use of a 10% oxidation factor when modelling methane generation.	Risk remains of inflating landfill gas efficiency rates, and of under-reporting emissions.
Option 2	Amend the oxidation factor value in the Climate Change (Unique Emissions Factors) Regulations 2009 to 0%.	May require participants to reapply for UEFs. May result in higher UEFs and reported emissions, though these will be more accurate.

Impacts

Impacts from option 1: status quo: It is not known how many landfill gas UEFs have used a 10 percent oxidation factor. Detailed UEF calculations are only provided to authorised verifiers, and not to the Ministry or Environmental Protection Authority (EPA).

Assuming all landfill UEFs have used a 10 percent oxidation factor, setting the value to zero will most significantly affect landfills collecting 80 to 90 percent of generated methane.

Implementation

A participant applies for a UEF in January using data from the previous calendar year. If approved, they can use that UEF to report emissions for the previous year in their return, which is due by the end of March.

We propose that this change applies to UEFs calculated in January 2028 for activities that took place in the 2027 calendar year. This means it will not affect calculations of UEFs in January 2027 for activities that took place in the 2026 calendar year.

Questions

11. Which option do you prefer for the oxidation factor? Please explain your answer.
12. Do you support a one-year delay in implementing the oxidation factor change?

Proposal 6: Increase information requirements for UEF applicants with high LFG capture rates

Proposal summary

- Emissions Trading Scheme (ETS) participants have the option of applying for a unique emissions factor (UEF) to reflect site-specific waste and gas information.
- Our proposal is to introduce a tiered approach for these applicants. A higher bar of information would be required when operators are reporting high-efficiency capture rates for their landfill gas systems, because these rates reduce ETS obligations. We must, therefore, ensure there is a high degree of confidence in the accuracy of these rates.
- This change would enable landfill operators to claim up to 100 percent capture efficiency rates when calculating their obligations under the ETS. This could be a significant financial benefit for some operators.

Impacts

- Affects landfill operators with a landfill gas system who apply for a UEF.
- May result in higher UEFs and reported emissions, but these will be more accurate.

Waste sector participants can apply for a UEF if they have evidence that their waste composition differs from the national average, or if they capture and destroy landfill gas (including methane). Using a UEF will usually mean that the emissions total is lower. UEF applications are made to the EPA, with a statement verifying the accuracy of the submission.

The problem

The regulations cap the total amount of landfill gas that can be claimed at 90 percent, preventing operators from claiming 100 percent efficiency rates. At the time that the regulations were created, this was considered the highest efficiency technically possible for LFG systems.

Disposal facility operators report they can now achieve very high efficiency rates and would be motivated to continue to work at maximum efficiency if they could claim 100 percent capture in calculating their ETS obligations. This would reduce their liability under the scheme.

Although lifting the cap is a further incentive for lowering emissions, it must also require more evidence. A more accurate approach to the UEF benefits both emissions reporting and operators by:

- improving their understanding of their impact on the environment, and what they need to do to address this
- ensuring business planning can accurately assess the costs of ETS obligations.

A 2022 United Nations Framework Convention on Climate Change (UNFCCC) review of New Zealand's Greenhouse Gas Inventory found New Zealand's methane recovery rates (landfill gas capture efficiency) required further justification. It recommended quantifying methane recovery based on site-specific measurements provided by landfill operators.

The Ministry commits to continuous improvement in inventory modelling and methodologies. One barrier to justifying higher landfill gas capture efficiencies in the inventory is that underlying sector data and assumptions have not been made available to the Ministry, the EPA or the UNFCCC expert review teams.

Transparency is essential for ensuring the quality of the inventory in accordance with the UNFCCC guidelines. More direct evidence of landfill gas recovery is needed to satisfy these requirements. This proposal aims to continue to improve transparency and certainty in New Zealand’s reported emissions.

Proposal

Table 8 outlines a two-tiered approach that enables operators to report capture efficiencies of up to 100 percent if they submit supporting evidence. This approach removes the current 90 percent capture limit, which the sector has argued penalises high-performing LFG systems.

This proposal will also help to improve confidence in New Zealand’s reported waste emissions: it will directly build an evidence base, so that the standard of evidence aligns with the anticipated fiscal benefits from claiming high gas capture efficiencies.

Table 8: Proposed tiered approach to information requirements for UEF applicants

Tier	Information requirement	Suggested emissions factor
B: Sites reporting capture efficiencies up to and including 60 percent	Estimated efficiency of landfill gas (LFG) collection and destruction system as outlined in section 23C(1) of the Climate Change (Unique Emissions Factors) Regulations 2009	The section 23C Climate Change (Unique Emissions Factors) Regulations 2009 calculation for unique emissions factors (UEFs) (in relation to LFG collection and destruction): UEF = 1.023 x (1-C) where C represents the estimated efficiency of an LFG system (in this case, between 0 – 0.6)
A: Sites reporting capture efficiencies over 60 percent and up to 100 percent	As above, plus the following. Two verified waste composition surveys (aligned with Solid Waste Analysis Protocol waste classes), in two separate quarters, on waste received in the calendar year prior* to UEF application, submitted to the Ministry for the Environment. These must be repeated at least every three years or when a material change is expected to the UEF (triggering a new application). Verified measurement of total gas captured and total gas destroyed or recovered, where applicable, and submitted to the Ministry for the Environment. <i>*Received in the calendar year prior means, for example: a 2028 UEF application for activities that took place in the 2027 calendar year would need to include two composition surveys completed in the 2027 calendar year; and measurements of gas captured,</i>	Operators currently have two options in the Climate Change (Unique Emissions Factors) Regulations 2009 when applying for a UEF. The calculations are outlined in: <ul style="list-style-type: none"> section 23C, for UEF in relation to LFG collection and destruction: <ul style="list-style-type: none"> Calculation as above OR section 23D for UEF in relation to waste composition and LFG collection and destruction: UEF = UEF_{wc} x (1-C) where C is as above (in this case, between 0.6 and 1.0), and UEF_{wc} is the UEF relating to the composition of each class of waste disposed. Section 23D provides the most site-specific calculation of emissions from the options available. Because operators reporting efficiencies above 60 percent will now be required to collect composition data, it makes sense to

Tier	Information requirement	Suggested emissions factor
	<i>destroyed and recovered for the 2027 calendar year.</i>	<p>require this to be used in their emissions calculations.</p> <p>If not mandatory, operators with high organic proportions compared with the default might opt to use the default, compromising accuracy.</p>

Impacts

Disposal facility operators are not required to reapply for a UEF every year. A new UEF is only required when there is a material change to the information or factors on which an approval is based, or the EPA conditions cease to be met or complied with.⁹

Any operator who currently has a UEF based on a gas capture efficiency over 60 percent must provide the required information and reapply for a UEF, using the section 23D formula from the UEF Regulations, which includes their composition data.

If LFG efficiency claims exceed 60 percent, the operator must invest in gaining information on waste composition. We understand that operators already measure and record total gas captured and destroyed, and some are already regularly surveying composition. They will have to submit evidence directly to the Ministry for the Environment, separately from their UEF application to the EPA. This would be through systems they already use to meet information requirements under the waste disposal levy.

The main benefit of this proposal is increasing certainty and accuracy in New Zealand's reported emissions. An inaccurate UEF, where the gas capture efficiency is set too high, could artificially reduce ETS liabilities and ETS revenue, while not actually lowering emissions. Using a capture efficiency that is too low could create undue costs through the ETS for landfill operators, while not reflecting their achievement in lowering emissions.

It is possible that this change would, at first, see an increase in reported emissions as reporting starts to capture emissions that had previously not been accurately accounted for. Over time, operators will likely take action to cut emissions, to reduce the fiscal cost of surrender obligations, and achieve 100 percent efficiency rates.

Implementation

A participant applies for a UEF in January using data from the activities that took place in the previous calendar year. If approved, they can then use that UEF to report emissions for that previous year in their return, which is due by the end of March.

This change would first be used by operators to calculate UEFs in January 2028, for activities that take place in the 2027 calendar year. This means it will not affect UEF calculations in January 2027 for activities that took place in the 2026 calendar year.

This change would involve adding an information requirement to section 4 of the Climate Change (Waste) Regulations 2010, which outlines the information required to calculate emissions for operating disposal facilities.

⁹ Section 91(2), [Climate Change Response Act 2002](#). Retrieved 14 May 2026.

Questions

13. The tiered approach to information requirements introduces a higher standard of evidence for higher LFG efficiency rates used in UEF calculations. Do you support this? Please explain why/why not.
14. Do you support the removal of the 90 percent cap on efficiency rates claimable in ETS emissions reporting? Please explain why/why not.

Proposal 7: Exempt the disposal of waste from remediation of historic contaminated sites

Proposal summary

- Waste is generated during the remediation of historic contaminated sites. It often has much lower emissions than 'new' waste in landfills.
- We propose to create an exemption for this waste stream, so that it is treated differently from new waste. This will improve the accuracy of how the ETS accounts for historic waste emissions and make the costs that operators pass on to landfill users fairer.

Impacts

- Directly affects participating landfill operators because it reduces the ETS costs they would otherwise face when accepting this material.
- Affects organisations that are funding and working on remediation projects. If operators are exempt from paying costs for emissions from this waste, we expect them to pass on the savings to landfill users through lower disposal charges.
- There are negligible broader economic implications. The change targets a specific waste stream rather than general waste.

To reduce risks to human health and the environment, local authorities and central government agencies remediate sites containing historic contaminated soil and waste. Climate change and land-use change are accelerating the need to remediate high-risk legacy sites. At least 20,000 contaminated sites are located nationwide.¹⁰ The Government has prioritised this work by refocusing funding to address financial barriers.

Landfills contribute to methane emissions from decomposing organic waste. Emissions reduce over time until little to no methane is emitted. Historic waste, or waste that does not include organic matter, has considerably fewer emissions than new organic waste.

Under current ETS settings, all material disposed at a landfill is treated as new when modelling future emissions. Therefore, even remediated waste with little or no future emissions incurs charges. Landfill operators pass these costs on to their customers, including territorial authorities and land owners disposing of waste from historic contaminated sites.

An exemption currently exists for redisposing of waste from closed landfills. However, the Ministry is aware of remediation projects underway that are not eligible for this.

¹⁰ Ministry for the Environment. 2020. *Contaminated land – estimates 2019/2020*. Wellington: Ministry for the Environment.

The problem

Landfill operators are expected to pay for emissions under the ETS even when that waste is producing few or no emissions. As well as being unfair, this creates a potential cost barrier for territorial authorities that want to send such waste to landfills. It could also encourage remediation projects to dispose of material in other ways that enable them to reduce costs, but may not produce optimal human health and environmental outcomes.

Options

We propose two options to address the inaccurate accounting of emissions under the ETS from historic contaminated waste. The details are set out below, and table 9 outlines the benefits and trade-offs.

Option 1: Status quo: Currently, all material sent to landfills is treated as new waste for ETS purposes. Emissions obligations are calculated using default assumptions about future methane generation, even where the material has largely decomposed and has few or no remaining emissions.

Alternatively, under the status quo, landfill operators can apply for an additional waste-composition-specific UEF to reflect the type of material accepted from remediation projects when calculating ETS obligations. Although this approach could improve emissions accuracy in principle, it requires significant data collection, ongoing monitoring and delayed implementation for a smaller subset of waste. It also introduces greater complexity, compliance costs and the risk of non-representative sampling and misuse across broader waste streams.

Option 2: General ETS exemption for pre-1991 HAIL sites: This is a general exemption for waste from sites where Hazardous Activities and Industries List (HAIL) activities have occurred, excluding closed landfill sites already covered by the existing exemption. The new exemption would apply to contaminated waste from a HAIL activity that ceased before 1991.

The eligibility criteria of sites verified as having had HAIL activities take place before 1991 align with requirements in established regulatory frameworks, including the Resource Management Act 1991 and National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health (NES-CS). These frameworks are already used by district and regional councils to identify, investigate and prioritise sites for remediation, based on the risks posed to the environment and human health.

In practice, remediators use these established frameworks to confirm whether a site has hosted a HAIL activity. They do this by completing a detailed site investigation (DSI) to determine land use history, the likely presence of contaminants, and whether the site meets the relevant verification thresholds. Under the blanket exemption, remediators will be required to provide the landfill operator with the DSI as evidence that the waste meets the exemption requirements. Landfills keep this on record for auditing purposes.

The 1991 cut-off date was chosen because New Zealand did not have a comprehensive framework for managing contaminated land before the introduction of the Resource Management Act 1991. While that Act is currently being reformed, this does not affect the use of 1991 as a fixed eligibility cut-off for this proposal.

Section 60 of the Climate Change Response Act 2002 provides a pathway for establishing this exemption in the Climate Change (General Exemptions) Order 2009. Previous exemptions under section 60 have been used to address situations in which default ETS settings would materially overstate emissions from historic waste with negligible remaining emissions potential.

Option 2 eligibility criteria for landfill operators

- Waste is from a site verified as having had a Hazardous Activities and Industries List activity take place.
- The verified Hazardous Activities and Industries List activity ceased on the site before 1991.

Table 9 shows the main benefits and trade-offs of the two options.

Table 9: Options to exempt emissions from historic contaminated waste

Option	Description	Assumed impact
Option 1: Status quo	<p>Continue current Emissions Trading Scheme (ETS) approach: all waste disposed to landfill is treated as new, with limited exemptions, and reliance on one-off exemptions continues where issues arise.</p> <p>Landfill operators apply for an additional waste-composition-specific unique emissions factor, based on data collection and ongoing monitoring of waste accepted from remediation projects.</p>	<p>Continues to overstate emissions from historic contaminated material, imposing unjustified ETS costs that may delay or discourage remediation and require ongoing ad hoc exemptions.</p> <p>Could improve accuracy but would involve delayed implementation, high data and monitoring requirements, and greater complexity and risk for operators.</p> <p>ETS costs may still apply, although still reduced.</p>
Option 2: General ETS exemption	<p>Introduce a general exemption for waste from sites verified as having Hazardous Activities and Industries List activities that occurred before 1991, excluding closed landfills already covered by an exemption.</p>	<p>Improves emissions accuracy, reduces compliance costs, and removes financial barriers to remediation through a clear, efficient general exemption.</p>

Discarded options: Section 60 of the Climate Change Response Act 2002 allows an Order in Council to be made for exemptions from Schedule 3 activities. We considered establishing a simplified process for case-by-case exemptions; however, this requires extensive amendments to the CCRA. The existing process will remain an option for projects that do not meet the new blanket exemption parameters.

Questions

15. Which option do you prefer for remediated waste from historic contaminated sites? Please explain your response.
16. Can you suggest any other options for remediated waste from historic contaminated sites?
17. Do you have examples of sites requiring remediation that would fit the scope of option 2?
18. Do you have any feedback on the 1991 cut-off date?
19. Do you see any issues with limiting eligibility for a general exemption to remediated waste from a site where HAIL-verified activities took place?

Appendix 1: Questions

Questions

1. Do you support updating the natural gas DEFs as shown in table 3? Please explain your response.
2. Do you have any feedback or relevant evidence about the proposed update to DEFs for natural gas fields in the SEIP Regulations?
3. Do you support updating the geothermal DEFs as shown in table 4? Please explain your response.
4. Do you have any feedback or relevant evidence about the proposed update to DEF values for geothermal activities in the SEIP Regulations?
5. Do you agree with the approach to calculating a DEF for new plants? Please explain your views and provide supporting information or alternative suggestions.
6. Is the name of your plant/plant location reflected accurately in the regulations? If not, what is your preferred approach to class names in table 6 of Schedule 2 in the SEIP Regulations?
7. Do you support updating the DEFs for liquid fossil fuels as shown in table 5? Please explain your response.
8. Do you have any feedback or relevant evidence to inform the proposed update to DEFs for liquid fossil fuels in the LFF Regulations?
9. Which option do you prefer for improving the accuracy of the DEF for waste? Please explain why. If you prefer an option that is not presented in this document, please explain why.
10. Do you have information on waste composition, or other data, that could support refinement of the final DEF proposal, which you can share with the Ministry for the Environment?
11. Which option do you prefer for the oxidation factor? Please explain your answer.
12. Do you support a one-year delay in implementing the oxidation factor change?
13. The tiered approach to information requirements introduces a higher standard of evidence for higher LFG efficiency rates used in UEF calculations. Do you support this? Please explain why/why not.
14. Do you support the removal of the 90 percent cap on efficiency rates claimable in ETS emissions reporting? Please explain why/why not.
15. Which option do you prefer for remediated waste from historic contaminated sites? Please explain your response.
16. Can you suggest any other options for remediated waste from historic contaminated sites?
17. Do you have examples of sites requiring remediation that would fit the scope of option 2?
18. Do you have any feedback on the 1991 cut-off date?
19. Do you see any issues with limiting eligibility for a general exemption to remediated waste from a site where HAIL-verified activities took place?
20. Do you have any further general feedback?

We are also interested in hearing your thoughts on the overall regulatory update process, and have provided the following general questions to guide your feedback.

Questions

21. Do you have any feedback or suggestions on the process by which the Government routinely updates the regulations that govern the ETS?
22. Are there any improvements, corrections or clarifications to the ETS regulations, along the lines of those proposed in this document, that you think the Government should add to the update process in future years?

How to have your say

We welcome your feedback on this consultation document. Appendix 1 lists the questions posed throughout this document. They are a guide only, and all comments are welcome. You do not have to answer all the questions. To ensure your point of view is clearly understood, you should explain the reasons for your views and give supporting evidence if needed.

Timeframes

This consultation opens on 12 June 2026 and closes at 11.59pm on 12 July 2026.

How to provide feedback

There are two ways you can make a submission:

- via Citizen Space, our consultation hub, available at <https://consult.environment.govt.nz/climate/nz-ets-unit-settings-and-regulatory-updates-2026>
- by writing your own submission.

If you want to provide your own written submission, you can upload this as a file in Citizen Space.

We request that you do not email or post submissions because this makes analysis more difficult. However, if you need to, please send written submissions to:

ETS regulations consultation
Ministry for the Environment
PO Box 10362
Wellington 6143

Please include:

- your name or organisation
- your postal address
- your telephone number
- your email address.

If you are emailing your feedback, please send it to: ETSconsultation@mfe.govt.nz.

You can send it as:

- a PDF, or
- a Microsoft Word document (2003 or later version).

More information

Please send any queries to:

Email: ETSconsultation@mfe.govt.nz

Postal: ETS regulations consultation, Ministry for the Environment, PO Box 10362, Wellington 6143

Publishing and releasing submissions

All or part of any written comments (including names of submitters), may be published on the Ministry for the Environment's website, environment.govt.nz. Unless you clearly specify otherwise in your submission, the Ministry will consider that you have consented to website posting of both your submission and your name.

Contents of submissions may be released to the public under the Official Information Act 1982, following requests to the Ministry for the Environment (including via email). Please advise if you have any objection to the release of any information contained in a submission and, in particular, which part(s) you consider should be withheld, together with the reason(s) for withholding the information. We will take into account all such objections when responding to requests for copies of, and information on, submissions to this document under the Official Information Act.

The Privacy Act 2020 applies certain principles about the collection, use and disclosure of information about individuals by various agencies, including the Ministry for the Environment. It governs access by individuals to information about themselves held by agencies. Any personal information you supply to the Ministry in the course of making a submission will be used by the Ministry only in relation to the matters covered by this document. Please clearly indicate in your submission if you do not wish your name to be included in any summary of submissions that the Ministry may publish.

Glossary and abbreviations

Glossary

Term	Definition
Capture efficiency rate	Capture efficiency rates represent the percentage of total methane generated by a landfill that is successfully collected by its gas management system rather than being released into the atmosphere. Expressed as a percentage.
Default emissions factor (DEF)	A DEF is a standardised, preset value used to estimate greenhouse gas emissions when specific, measured or supplier-provided data is not cost-effectively available.
Landfill gas	A mixture of gases produced by the breakdown of organic waste in a landfill under anaerobic (oxygen-free) conditions. It consists primarily of methane and carbon dioxide, with small amounts of nitrogen, oxygen and other gases.
Unique emissions factor (UEF)	A UEF is a site- or activity-specific number that estimates how much greenhouse gas is emitted, based on a participant's own measured data, rather than using a standard default value set in regulations.
Hazardous Activities and Industries List (HAIL)	A nationally maintained list of activities and industries that are likely to cause contamination and/or are known to be hazardous.
Legacy site	A site that has had waste and contaminated material deposited many decades ago that has largely completed its methane-generating lifecycle.

Abbreviations

CCRA	Climate Change Response Act 2002
DEF	default emissions factor
EPA	Environmental Protection Authority
ETS	Emissions Trading Scheme
HAIL	Hazardous Activities and Industries List
NES-CS	National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health
NZUs	New Zealand Units
LFF Regulations	Climate Change (Liquid Fossil Fuels) Regulations 2008
LFG	landfill gas
LFG system	landfill gas capture system
SEIP Regulations	Climate Change (Stationary Energy and Industrial Processes) Regulations 2009
tCO ₂ e/kl	tonnes carbon dioxide equivalent per kilolitre
tCO ₂ e/t	tonnes carbon dioxide equivalent per tonne
tCO ₂ e/TJ	tonnes carbon dioxide equivalent per terajoule
UEF	unique emissions factor
UEF Regulations	Climate Change (Unique Emissions Factors) Regulations 2009
UNFCCC	United Nations Framework Convention on Climate Change