

Australian Certificate Markets – September 2026 Update

Canonical: <https://northmoregordon.com/news/australian-certificate-markets-september-2026-update/>

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About this update

This dated news record has been reorganised for clear reading and connected to current guidance.

Publication date: October 2, 2026.

Status note: Present-tense statements, market figures, deadlines and program details in the archived record belong to its publication date. Check current official sources before making a decision.

What this article reported

Price Summary

| Certificate | Open | Close | Range | Effective cap | Movement / Reason | | --- | --- | --- | --- | --- | --- | |
PRC | \$3.35 | \$3.40 | \$3.35 - \$3.40 | \$3.80 | ▲ Held August's gains | | ESC | \$29.00 | \$29.65 | \$28.70 - \$29.80 | \$51.23 | ▲ Holding just below \$30 | | VEEC | \$83.50 | \$86.50 | \$83.50 - \$87.00 | \$142.86 | ▲ Firmer; high \$87.00 (11 Sep) | | ACCU | \$38.95 | \$38.45 | \$38.00 - \$38.95 | \$87.72 | ▼ Eased slightly | | STC | \$39.85 | \$39.85 | \$39.85 - \$39.90 | \$40.00 | and Unchanged at cap | | LGC | \$8.40 | \$7.85 | \$7.10 - \$8.40 | \$92.86 | ▼ drifting lower \$7.10 (18 Sep) |

Effective cap: for ESC , PRC, VEEC and LGC , the scheme shortfall penalty grossed up at the 30% company tax rate (where applicable).

PRCs held at \$3.35-\$3.40, keeping August's gains. NSW DCCEEW confirmed the 2027-28 target stays at 8.5%, an estimated 70 million certificates by March 2029, versus roughly 4 million for 2026-27.

Forward prices for delivery after around \$3.00, with expected supply from the BESS3-BESS5 apartment and large C&I; battery activities that began on 1 September. IPART banned seven NEOVOLT battery models on 8 September.

ESCs traded \$28.70-\$29.80, a fifth month below \$30, closing at \$29.65. Registrations stayed low under the 1 July Rule; market participants report audit timeframes are constraining some providers. Further Rule changes took effect on 7 September. Market participants note a sustained rise in registrations would may see prices soften.

VEECs firmed from \$83.50 to \$86.50, peaking at \$87.00 on 11 September. The VEET Strategic Review Act received Royal Assent on 8 September, enabling faster changes to activity settings and targets. Higher co-payments for larger heating and cooling installs applied from 30 September; ceiling insulation Stage 2 and four new industrial heat methods started on 1 October . The state election is on 28 November.

STCs were flat at \$39.85, trading no higher than \$39.90. Mid-scale solar regulations were made on 17 September: systems above 100 kW to 1 MW installed from 1 October can create STCs, with a fixed five-year deeming period. The CER expects applications to open in mid to late November. The Clearing House was around 3.6 million STCs in surplus at the start of October.

LGCs opened at the month's high of \$8.40, fell to \$7.10 on 18 September and closed at \$7.85. The CER's June quarter QCMR (9 September) reported record Q2 creations (15.2 million) and non-RET surrenders (5.5 million). It estimates a balance of 32.5-37.5 million LGCs at the end of the 2026 compliance period, with supply outpacing demand, though sentiment improved on expected data-centre demand.

ACCUs eased from \$38.95 to \$38.45 (range \$38.00-\$38.95). Safeguard Mechanism Review submissions closed on 18 September. On 10 September the Senate rejected, 34-27, a motion to disallow the Improved Native Forest Management method. The CER reported a record 10.9 million ACCUs issued in the first half of 2026. The 2026-27 cost containment price is \$87.72.

For daily pricing and charts, visit Northmore Gordon's live certificate price page .

Regulatory Update - Program by Program

NSW Peak Demand Reduction Scheme (PDRS)

2027-28 target confirmed: NSW DCCEE will maintain the 8.5% target, an estimated 70 million certificates by March 2029. The 2026-27 target stays at 0.5%.

Rule changes: New ESS and PDRS Rules apply from 7 September (minor administrative changes for the PDRS). IPART's PDRS Method Guide V3.1 (3 September) updates BESS1 and BESS2 evidence and registration requirements.

Equipment ban: Seven NEOVOLT battery models added to the PDRS prohibited list on 8 September.

Broader reform: The Department aims to publish further PDRS and ESS reform information later this year.

Watch in October: 2026-27 scheme certificate target (IPART, by 31 October); BESS3-BESS5 registrations; peak demand period starts 1 November.

NSW Energy Savings Scheme (ESS)

Third month under the 1 July Rule: Registrations remain low after closure of gas water heater, space heater and boiler activities, the end of Sale of New Appliances, and a lower confidence factor for larger F16/F17 heat pumps. Targets are 11.0%, 11.5% and 12.0% for 2026-2028.

Further Rule changes: In effect from 7 September across the ESS and PDRS.

Accreditation conditions: IPART consultation closed 28 August; response pending.

Watch in October: Registrations under the 7 September Rule change; any Department reform publication.

Victorian Energy Upgrades (VEU)

Strategic Review Act in force: Act No. 37/2026 received Royal Assent on 8 September. It renames the VEET Act the Victorian Energy Upgrades Target Act, adds electrification objectives, expands ESC oversight and consumer protections, and allows faster adjustment of activity settings and targets. Consequential changes to the 2018 Regulations will follow.

Activity 6 (space heating and cooling): From 30 September, the minimum co-payment is \$3,000 (incl. GST) for ducted systems and multi-splits of 10 kW cooling or more, with incentives capped for large multi-splits. Smaller multi-splits stay at \$1,000.

Activity 48 (ceiling insulation): Stage 2 started 1 October, opening to all eligible Victorian homes.

M&V; Specifications V9.0: Four new industrial methods from 1 October: electric thermal energy storage, heat demand reduction, gas boiler efficiency and behind-the-meter biogas.

Hydronic heating: DEECA will proceed with a heat pump hydronic activity, proposed for Q2 2027.

Water heating review: Consultation on Activities 1 and 3 closes 18 October; response due late 2026.

Large businesses: Consultation on a Large Energy User Access Initiative opened 3 September.

Enforcement: MYOM Australia.

State election (28 November): The new Act gives either party more flexibility on targets and activity settings. 2028-2030 targets must be set by 31 August 2027.

Watch in October: Water heating consultation close (18 October); creation under new Activity 6 and 48 settings; draft consequential Regulations; pre-election VEU policy.

Safeguard Mechanism / Australian Carbon Credit Units (ACCUs)

Safeguard Mechanism Review: Submissions closed 18 September. The review focuses on post-2030 settings, including the 2030-35 baseline decline rate, and the cost containment measure.

Improved Native Forest Management method: The Senate rejected a disallowance motion 34-27 on 10 September; the method remains in force.

Issuance: 10.9 million ACCUs issued in H1 2026, up 1.4 million (15%) on H1 2025 (CER QCMR).

Cost containment measure: \$87.72 per ACCU for 2026-27, indexed at CPI plus 2%.

Watch in October: Publication of review submissions and next steps; any Climate Change Authority advice.

Large-scale Renewable Energy Target (LRET) - LGCs

June quarter QCMR: Renewables supplied about 42% of NEM generation. Record Q2 creations of 15.2 million; 2026 supply tracking to the top of the CER's 64-66 million projection. Record non-RET surrenders of 5.5 million; registry holdings up 25% year on year to 44.4 million.

Supply position: Estimated balance of 32.5-37.5 million LGCs at 16 February 2027. All vintages to 2030 have converged with spot since April. The 33,000 GWh obligation is fixed to 2030.

Data centres: Energy ministers met on 11 September. The AEMC has started its data-centre rule changes, including network augmentation cost recovery. REGO-based Commonwealth legislation is targeted for early 2027.

Watch in October: AEMC rule change progress; Q3 voluntary surrenders, including government surrenders deferred from Q2.

Small-scale Renewable Energy Scheme (SRES) - STCs

Mid-scale solar legislated: Regulations amended 17 September. Systems above 100 kW to 1 MW installed from 1 October are eligible, with a fixed five-year deeming period. Systems up to 100 kW are unchanged; existing LRET-accredited mid-scale systems stay in the LRET.

Applications: Expected to open mid to late November; installs from 1 October can apply then.

Market activity: A record 45.5 million STCs changed hands in Q2, with some sellers using the open market rather than waiting for the Clearing House.

Heat pump water heater MEPS : DCCEEW exposure draft open until 5 October.

Watch in October: CER readiness for mid-scale applications; Clearing House movements.

Consultations open or expected

| Scheme | Item | Status | | --- | --- | --- | | VEU | Domestic water heating (Activities 1 and 3) | Open - closes 18 October 2026 | | VEU | Large Energy User Access Initiative | Consultation opened 3 September 2026 | | VEU | New hydronic heating activity | Response released 17 September; proposed Q2 2027 | | SRES / VEU / ESS | Heat pump water heater MEPS exposure draft | Open - closes 5 October 2026 | | Safeguard / ACCU | DCCEEW 2026-27 Safeguard Mechanism Review | Closed 18 September; next steps pending | | NSW ESS / PDRS | IPART accreditation conditions | Closed 28 August; response pending | | NSW PDRS | 2026-27 scheme certificate target | IPART to publish by 31 October 2026 | | LRET / REGO | Data-centre National Electricity Rule changes | AEMC process underway; legislation early 2027 | | SRES | Mid-scale solar (100 kW - 1 MW) | Regulations made 17 September; applications mid to late November |

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How to use this information now

For current use, confirm the applicable scheme rules, regulator notices, market date and reporting period. Keep historical prices or forecasts separate from present quotes and verified outcomes.

Separate source-reported facts from forecasts, targets and commentary. For a current project, retain the official source, version, effective date, assumptions and decision record in the evidence file.

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What period do the certificate prices in this update cover?

They are historical September 2026 market observations published on 2 October 2026. The table reports that month's opens, closes and ranges; it is not a current quote. The page should be read with its status note and the live certificate-price page should be checked for later pricing.

Which certificate markets strengthened during September 2026?

The page reports that PRCs held August's gains at \$3.35-\$3.40, ESCs closed at \$29.65 after trading from \$28.70 to \$29.80, and VEECs rose from \$83.50 to \$86.50 with a monthly high of \$87.00. These are source-reported historical prices, not forecasts.

How did ACCUs, STCs and LGCs move in the September 2026 update?

ACCUs eased from \$38.95 to \$38.45 within a \$38.00-\$38.95 range. STCs remained near the \$40 clearing-house cap at \$39.85-\$39.90. LGCs fell from \$8.40 to \$7.85 and reached \$7.10 on 18 September. The article links those movements to the dated supply, demand and regulatory information available at publication.

What Peak Demand Reduction Scheme changes did the article identify?

The update says the NSW 2027-28 PDRS target was maintained at 8.5%, while the 2026-27 target remained 0.5%. It also records September rule and method-guide changes, new BESS3-BESS5 activities and the prohibition of seven named NEOVOLT battery models. Current IPART and NSW guidance should be checked before relying on those settings.

What Victorian Energy Upgrades developments were reported?

The article records Royal Assent for the Victorian Energy Upgrades Target legislation on 8 September 2026, revised co-payments for larger heating and cooling installations from 30 September, broader ceiling-insulation access and four industrial measurement-and-verification methods commencing on 1 October. Later regulations and program guidance prevail.

What did the update say about mid-scale solar and STCs?

It reports that regulations made on 17 September 2026 extended STC eligibility to systems above 100 kW and up to 1 MW when installed from 1 October 2026, with a fixed five-year deeming period. Applications were expected to open in mid to late November. Project owners should confirm the current Clean Energy Regulator process and eligibility before procurement.

Why should effective caps and spot prices be kept separate?

The effective caps shown in the article are derived from scheme shortfall penalties, including tax gross-up where applicable. They are not the same as the observed spot price, a guaranteed sale price or a forecast. A project model should identify the actual market date, transaction assumptions and any scheme or tax treatment used.

How should a business use this market update?

Use it as a dated market and regulatory snapshot. Confirm current prices, scheme rules, eligible activities, accreditation, evidence and registration timing before making a decision. The article is general factual information rather than financial product or investment advice, and historical prices do not predict future performance.