



**REFINING NZ**  
Your Energy Hive

14 April 2020

## **NZX Announcement**

### **Refinery NZ to enter the ETS as an EITE**

The Government has approved the making of regulations to bring Refining NZ in to the New Zealand Emissions Trading Scheme (NZETS) as an Emissions Intensive Trade Exposed (EITE) business with an industrial allocation of carbon units after the Negotiated Greenhouse Agreement expires at the end of 2022.

Under the regulations the industrial allocation will be based on 90% of the Company's 2006-2009 emissions data, in accordance with the Climate Change Response Act 2002. The Climate Change Response (Emissions Trading Reform) Amendment Bill provides for a 1% per year phase out of rates of assistance over 2021 to 2030, meaning that the applicable rate of assistance at the time Refining NZ enters the NZ ETS in 2023 would be 87%.

The Government has signaled that further regulatory reforms, as a result of a review of industrial allocation policy and electricity allocation factors, may result in very different allocative baselines in the future, including the amount that the Company is ultimately allocated when it enters the NZETS in 2023. Refining NZ will continue to engage with Government during this review process.

For further information:

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