

DRAFT FOR CONSULTATION

Climate Change (Other Removal Activities) Amendment Regulations 2010

Governor-General

Order in Council

At Wellington this day of 2010

Present:
in Council

Pursuant to sections 163 and 168 of the Climate Change Response Act 2002, His Excellency the Governor-General, acting on the advice and with the consent of the Executive Council and on the recommendation of the Minister for Climate Change Issues (having regard to the matter specified in section 163(5) of that Act), makes the following regulations.

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**Climate Change (Other Removal Activities)
Amendment Regulations 2010**

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New Schedule added

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Regulations

- 1 Title**

These regulations are the Climate Change (Other Removal Activities) Amendment Regulations 2010.
- 2 Commencement**

These regulations come into force on 1 January 2011.
- 3 Principal regulations amended**

These regulations amend the Climate Change (Other Removal Activities) Regulations 2009.
- 4 Interpretation**

Regulation 3 is amended by inserting the following definitions in their appropriate alphabetical order:

 - “**ASHRAE designation** means the designation of a refrigerant mix from Standard 34-2007 Designation and Safety Classification of Refrigerants, published in 2007 by the American National Standards Institute/American Society of Heating, Refrigerating and Air-Conditioning Engineers
 - “**category**, in relation to a motor vehicle, means a category of motor vehicle listed in table 3 of the Schedule
 - “**chief executive** means the chief executive of the department responsible for the administration of Part 4 of the Act.
 - “**class**, in relation to synthetic greenhouse gases, means—
 - “(a) a refrigerant gas or mix described by reference to its ASHRAE designation and listed in the first column of table 2 of the Schedule; or
 - “(b) any other mix of constituents that—
 - “(i) is not listed in the first column of table 2 of the Schedule; but
 - “(ii) contains a synthetic greenhouse gas listed in table 1 of the Schedule; or

“(c) if it is not mixed with other constituents, any single synthetic greenhouse gas listed in table 1 of the Schedule

“**customs point** means the point where goods are entered for export under section 49 of the Customs and Excise Act 1996

“**destroying synthetic greenhouse gases activity** means the activity in subpart 3 of Part 2 of Schedule 4 of the Act of destroying hydro fluorocarbons, per fluorocarbons, or sulphur hexafluoride where any prescribed threshold is met

“**destruction efficiency factor** means the percentage of a class of synthetic greenhouse gas that is destroyed and not emitted when submitted to destruction equipment

“**excluded goods** means goods referred to in regulation 8(2)

“**exporting synthetic greenhouse gases activity** means the activity in subpart 3 of Part 2 of Schedule 4 of the Act of exporting hydro fluorocarbons, per fluorocarbons, or sulphur hexafluoride, including hydro fluorocarbons, per fluorocarbons, or sulphur hexafluoride contained in goods, where any prescribed threshold is met

“**GWP** means global warming potential

“**in New Zealand temporarily**, in relation to goods, means goods whose presence in New Zealand does not exceed a continuous period of 180 days

“**motor vehicle** has the same meaning as in section 2(1) of the Land Transport Act 1998

“**passing through New Zealand**, in relation to an aircraft or ship, means an aircraft or ship—

“(a) on a journey from a foreign port to a foreign port; and

“(b) whose presence in New Zealand does not exceed a continuous period of 180 days, whether or not the aircraft or ship is engaged in moving passengers or cargo between ports in New Zealand during that period

“**pre-charged equipment**—

“(a) means any refrigeration or air-conditioning equipment or other goods—

“(i) that contain a synthetic greenhouse gas; and

“(ii) in which a synthetic greenhouse gas assists the functionality; and

“(b) includes any aircraft, ship, or motor vehicle in which a synthetic greenhouse gas is contained in any system integrated into or powered by the aircraft, ship, or motor vehicle

“**synthetic greenhouse gas** means—

“(a) any hydro fluorocarbon (HFC); or

“(b) any per fluorocarbon (PFC); or

“(c) sulphur hexafluoride (SF₆)

“**synthetic greenhouse gas charge**, in relation to pre-charged equipment, means the amount of synthetic greenhouse gas contained in the equipment

“**type**, in relation to pre-charged equipment, means a model or type of pre-charged equipment that has the same characteristics, including but not limited to the amount and composition of synthetic greenhouse gases it contains”.

5 New regulation 3A inserted

The following regulation is inserted after regulation 3:

“3A Chief executive may issue guidelines or standards

“(1) The chief executive may, by notice in the *Gazette*, issue guidelines or standards in relation to the information required to be collected by these regulations.

“(2) The chief executive may, by notice in the *Gazette*, amend or revoke a guideline or standard.

“(3) A participant who complies with a guideline or standard that is issued under this regulation, and is in force, is to be treated as complying with the requirements of these regulations to which the guideline or standard relates.”

6 Heading above regulation 4 amended

The heading above regulation 4 is amended by adding “*for embedding activity*”.

7 New headings and regulations 8 to 21 added

The following headings and regulations are added:

“Threshold for exporting synthetic greenhouse gases activity

“8 Threshold for exporting synthetic greenhouse gases activity

- “(1) The threshold for the exporting synthetic greenhouse gases activity is that the exportation results in at least 1 tonne of removals in a year from the exportation of synthetic greenhouse gases other than—
- “(a) synthetic greenhouse gases contained in excluded goods; or
 - “(b) sulphur hexafluoride imported before 1 January 2013.
- “(2) In subclause (1), **excluded goods** means—
- “(a) an aircraft or a ship—
 - “(i) with synthetic greenhouse gases contained in any refrigeration system, air-conditioning system, or other system—
 - “(A) that is integrated with or into the aircraft or ship; or
 - “(B) that relies on the aircraft or ship for its power; and
 - “(ii) that—
 - “(A) is passing through New Zealand; or
 - “(B) is in New Zealand for the purpose of repairing the aircraft or ship; or
 - “(C) is part of the armed forces of a State other than New Zealand; or
 - “(D) is registered in New Zealand or is owned by a New Zealand person, unless the aircraft or ship was built in New Zealand and is leaving New Zealand on its maiden voyage:
 - “(b) any household goods or other effects of a passenger or member of the crew of an aircraft or ship (whether the household goods or other effects are accompanied or unaccompanied):
 - “(c) any imported goods that have medical uses necessary for human health, including metered dose inhalers:
 - “(d) any imported goods that—

- “(i) are not unloaded in New Zealand and are destined for a port outside New Zealand; or
 - “(ii) are in New Zealand temporarily; or
 - “(iii) contain synthetic greenhouse gases owing solely to the use of synthetic greenhouse gases to manufacture the goods (for example, insulation foam):
 - “(e) any goods exported for personal, domestic, or household use or consumption by the person exporting the goods, if the person is an individual:
 - “(f) any motor vehicle, unless the total amount of removals from synthetic greenhouse gases contained in any system integrated into or powered by motor vehicles exported by the person is 100 tonnes or more in the year of export:
 - “(g) any goods containing sulphur hexafluoride, if the sulphur hexafluoride was imported in bulk, or contained in goods, or manufactured before 1 January 2013.
- “(3) For the purposes of subclause (2)(f), removals may be calculated in accordance with regulation 14 or 16 or a mixture of those regulations in relation to different motor vehicles.

“Exporting synthetic greenhouse gases activity

“9 Application of regulations 10 to 16

A person must comply with regulations 10 to 16 if the person, in any year, is a participant under section 54(1)(b) of the Act in relation to the exporting synthetic greenhouse gases activity.

“10 Collection of information for calculating removals from exporting synthetic greenhouse gases

- “(1) Information must be collected and recorded and emissions must be calculated in respect of each—
- “(a) class of synthetic greenhouse gas—
 - “(i) exported in bulk by the person in the year in accordance with regulations 11 and 12: and
 - “(ii) exported in pre-charged equipment by the person in the year (other than in motor vehicles for which the person wishes to calculate removals

- using the default charge) in accordance with regulations 13 and 14; and
- “(b) category of motor vehicles exported by the person in the year for which the person wishes to calculate removals using the default charge in accordance with regulations 15 and 16.
- “(2) An emissions return for the activity must record the person’s total removals in the period covered by the return, calculated by adding together the removals for each—
- “(a) class of synthetic greenhouse gas—
- “(i) exported in bulk by the person in the period, as calculated under regulation 12; and
- “(ii) exported in pre-charged equipment by the person in the period (other than in motor vehicles for which the person wishes to calculate removals using the default charge), as calculated under regulation 14; and
- “(b) category of motor vehicles exported by the person in the period and for which the person wishes to calculate removals using the default charge, as calculated under regulation 16.
- “**11 Collection of information for calculating removals from exporting bulk synthetic greenhouse gases**
- “(1) The person must collect and record the following information:
- “(a) the constituents of each class of synthetic greenhouse gas exported in bulk by the person in the year; and
- “(b) the total number of kilograms of each class of synthetic greenhouse gas referred to in paragraph (a), as recorded at the customs point.
- “(2) The person must not collect and record information under subclause (1) about sulphur hexafluoride imported into or manufactured in New Zealand before 1 January 2013.
- “(3) Information collected and recorded under subclause (1) that relates to sulphur hexafluoride must contain evidence that the sulphur hexafluoride was imported into or manufactured in New Zealand on or after 1 January 2013.

“12 Method of calculating removals from exporting bulk synthetic greenhouse gases

Removals in relation to each class of synthetic greenhouse gases exported in bulk by the person in the year or other period covered by an emissions return must be calculated in accordance with the following formula:

$$R = A \times \frac{GWP}{1\,000}$$

where—

A is the total number of kilograms of the class of synthetic greenhouse gas exported by the person in the year or other period covered by the emissions return, as recorded under regulation 11(1)(b)

GWP is, for a class of synthetic greenhouse gas—

- (a) listed in the first column of table 2 of the Schedule, the figure for GWP for the class specified in the right-hand column of the table:
- (b) that consists of a single synthetic greenhouse gas, the figure for GWP for the synthetic greenhouse gas from table 1 of the Schedule:
- (c) that contains more than 1 synthetic greenhouse gas and is not listed in table 2 of the Schedule, the figure for GWP determined under regulation 21

R is the removals for the class of synthetic greenhouse gas exported in bulk in the year or other period covered by the emissions return in tonnes.

“13 Collection of information for purpose of calculating removals from exporting synthetic greenhouse gases in pre-charged equipment

- “(1) The person must collect and record the following information in relation to each class of synthetic greenhouse gas exported in the year in pre-charged equipment (other than synthetic greenhouse gases contained in any system integrated into or powered by motor vehicles for which the person wishes to calculate removals under regulation 16):

- “(a) the constituents of the class of synthetic greenhouse gas; and
 - “(b) the number of units of each type of pre-charged equipment containing the class of synthetic greenhouse gas exported by the person in the year that were not excluded goods, as recorded at the customs point; and
 - “(c) the synthetic greenhouse gas charge for the type of pre-charged equipment in grams.
- “(2) The person must also collect and record in relation to any exports of pre-charged equipment containing sulphur hexafluoride evidence that the sulphur hexafluoride contained in the pre-charged equipment was imported into or manufactured in New Zealand on or after 1 January 2013.

“14 Method of calculating removals from exporting synthetic greenhouse gases in pre-charged equipment

Removals in relation to each class of synthetic greenhouse gases exported in pre-charged equipment (other than motor vehicles for which the person wishes to calculate removals under regulation 16) by the person in the year or other period covered by an emissions return must be calculated in accordance with the following formula:

$$R = \Sigma(A \times B \times \frac{GWP}{1\,000\,000})$$

where—

- A is, for each type of pre-charged equipment containing the class of synthetic greenhouse gas exported by the person in the year or other period covered by the emissions return, the total number of units of the type of pre-charged equipment that—
- (a) were not excluded goods; and
 - (b) are not motor vehicles for which removals are calculated under regulation 16, as recorded under regulation 13(1)(b)
- B is the synthetic greenhouse gas charge for the type of pre-charged equipment in grams, as recorded under regulation 13(1)(c)
- GWP is, for a class of synthetic greenhouse gas—

- (a) listed in the first column of table 2 of the Schedule, the figure for GWP for the class specified in the right-hand column of the table:
 - (b) that consists of a single synthetic greenhouse gas, the figure for GWP for the synthetic greenhouse gas from table 1 of the Schedule:
 - (c) that contains more than 1 synthetic greenhouse gas and is not listed of table 2 of the Schedule, the figure for GWP determined under regulation 21
- R is the removals for the class of synthetic greenhouse gas exported in pre-charged equipment in the year or other period covered by the emissions return in tonnes.

“15 Collection of information in relation to categories of motor vehicles

If the person wishes to calculate removals for a category of motor vehicle using the default charge, the person must collect and record the number of motor vehicles in that category exported by the person in the year that were not excluded goods, as recorded at the customs point.

“16 Method of calculating removals from categories of motor vehicles using default charge

Removals in relation to each category of motor vehicle exported in the year in respect of which the person wishes to calculate removals using the default charge must be calculated in accordance with the following formula:

$$R = A \times B \times \frac{\text{GWP}}{1\,000\,000}$$

where—

- A is, for each category of motor vehicle, the number of motor vehicles in that category that the person exported in the year or other period covered by the emissions return that were not excluded goods, as recorded under regulation 15
- B is the default charge for the category from table 3 of the Schedule

GWP is the GWP for HFC-134a from table 1 of the Schedule
R is the removals in tonnes for the category of motor vehicles exported in the year or other period covered by the emissions return.

“Threshold for destroying synthetic greenhouse gases

“17 Threshold for destroying synthetic greenhouse gases

The threshold for the destroying synthetic greenhouse gases activity is that the destruction of the synthetic greenhouse gases results in at least 1 tonne of removals in a year from synthetic greenhouse gases other than sulphur hexafluoride imported before 1 January 2013.

“Destroying synthetic greenhouse gases

“18 Application of regulations 19 and 20

A person must comply with regulations 19 and 20 if the person, in any year, is a participant under section 54(1)(b) of the Act in relation to the destroying synthetic greenhouse gases activity.

“19 Collection of information for purpose of calculating removals from destroying synthetic greenhouse gases

“(1) The following information must be collected in relation to each class of synthetic greenhouse gas destroyed at each destruction facility used by the person in the year:

- “(a) the constituents of the class of synthetic greenhouse gas; and
- “(b) the number of kilograms of chemicals in each batch of chemicals containing the class of synthetic greenhouse gas submitted by the person to the destruction facility in the year; and
- “(c) the percentage by mass of the class of synthetic greenhouse gas in each batch of chemicals referred to in paragraph (b); and
- “(d) the destruction efficiency factor for the class of synthetic greenhouse gas at the destruction facility; and
- “(e) an estimate of the number of kilograms of the class of synthetic greenhouse gas that are lost through handling

losses between submission of the batches of chemicals containing the class of synthetic greenhouse gas to the destruction facility and the destruction of the gas.

- “(2) The person must not collect and record information under subclause (1) about sulphur hexafluoride imported into or manufactured in New Zealand before 1 January 2013.
- “(3) Information collected and recorded under subclause (1) that relates to sulphur hexafluoride must contain evidence that the sulphur hexafluoride was imported into or manufactured in New Zealand on or after 1 January 2013.

“**20 Method of calculating removals from destroying synthetic greenhouse gases**

- “(1) Removals in relation to each class of synthetic greenhouse gas destroyed by the person in the year or other period covered by an emissions return at each destruction facility used by the person must be calculated in accordance with the following formula:

$$R = ((\Sigma(A \times B)) \times C + D) \times \frac{\text{GWP}}{1\,000}$$

where—

- A is, for each batch of chemicals containing the class of synthetic greenhouse gas submitted by the person to the destruction facility in the year or other period covered by the emissions return, the number of kilograms of chemicals in the batch, as recorded under regulation 19(b)
- B is the percentage by mass of the class of synthetic greenhouse gas in the relevant batch of chemicals, as recorded under regulation 19(c)
- C is the destruction efficiency factor for the class of synthetic greenhouse gas at the destruction facility, as recorded under regulation 19(d)
- D is the estimate of any handling losses for the class of synthetic greenhouse gas, as recorded under regulation 19(e)

GWP is, for a class of synthetic greenhouse gas—

- (a) listed in the first column of table 2 of the Schedule, the figure for GWP for the class specified in the right-hand column of the table:
- (b) that consists of a single synthetic greenhouse gas, the figure for GWP for the synthetic greenhouse gas from table 1 of the Schedule:
- (c) that contains more than 1 synthetic greenhouse gas and is not listed in table 2 of the Schedule, the figure for GWP determined under regulation 21

R is the removals for the class of synthetic greenhouse gas destroyed at the destruction facility for the year or other period covered by the emissions return in tonnes.

- “(2) An emission return submitted by person required to comply with this regulation must record the person’s total removals from the destroying synthetic greenhouse gases activity in the period covered by the return, calculated by adding together the removals for each class of synthetic greenhouse gas destroyed at each destruction facility in the period covered by the return, as calculated under subclause (1).

“Determination of GWP

“21 Determination of GWP for class of synthetic greenhouse gas

If a person is required to use a GWP figure for a class of synthetic greenhouse gas that contains more than 1 synthetic greenhouse gas and the GWP figure for the class of synthetic greenhouse gas is not listed in table 2 of the Schedule, then the GWP for the class of synthetic greenhouse gas must be calculated in accordance with the following formula:

$$\text{GWP} = \Sigma(\text{A} \times \text{B})$$

where—

- A is for each synthetic greenhouse gas specified in table 1 of the Schedule that is contained in the class of synthetic greenhouse gas, the GWP figure specified in that table
- B is, for the relevant synthetic greenhouse gas, the percentage by mass of the synthetic greenhouse gas in the class of synthetic greenhouse gas

GWP is the GWP for the class, being—

- (a) the product of the equation rounded down to the nearest 10 if the last number of the product is 1, 2, 3, or 4:
- (b) the product of the equation rounded up to the nearest 10 if the last number of the product is 5, 6, 7, 8, or 9.

8 New schedule added

The schedule set out in the Schedule of these regulations is added.

Schedule
New Schedule added

r 8

Schedule
Figures for synthetic greenhouse gases

rr 3, 12, 14, 20

Table 1
GWPs of individual synthetic greenhouse
gases

| Gas | GWP |
|--|------------|
| <i>Hydro fluorocarbons</i> | |
| HFC-23 | 11 700 |
| HFC-32 | 650 |
| HFC-41 | 150 |
| HFC-42–10mee | 1 300 |
| HFC-125 | 2 800 |
| HFC-134 | 1 000 |
| HFC-134a | 1 300 |
| HFC-143 | 300 |
| HFC-143a | 3 800 |
| HFC-152a | 140 |
| HFC-227ea | 2 900 |
| HFC-236fa | 6 300 |
| HFC-245ca | 560 |
| <i>Per fluorocarbons</i> | |
| PFC-218 | 7 000 |
| Perfluoromethane – CF ₄ | 6 500 |
| Perfluoroethane – C ₂ F ₆ | 9 200 |
| Perfluoropropane – C ₃ F ₈ | 7 000 |
| Perfluorobutane – C ₄ F ₁₀ | 7 000 |
| Perfluorocyclobutane – c-C ₄ F ₈ | 8 700 |
| Perfluoropentane – C ₅ F ₁₂ | 7 500 |
| Perfluorohexane – C ₆ F ₁₄ | 7 400 |
| <i>Sulphur hexafluoride</i> | |
| SF ₆ | 23 900 |

Table 2
GWPs for classes synthetic greenhouse gases

| Class | Type of hydro fluorocarbon | | | | Type of per fluorocarbon | Other gas | GWP for class |
|---|----------------------------|---------|----------|----------|--------------------------|-----------|---------------|
| | HFC-23 | HFC-125 | HFC-134a | HFC-143a | | | |
| GWP | 11 700 | 2 800 | 1 300 | 3 800 | 140 | 0 | 11 700 |
| R23 | 100% | | | | | | 1 300 |
| R134a | | | 100% | | | | 2 730 |
| R403B: 5% R290, 56% R22, 39% R218 | | | | | | | 3 260 |
| R404A: 44% R125, 52% R143a, 4% R134a | | 44% | 4% | 52% | | 61% | 1 530 |
| R407C: 23% R32, 25% R125, 52% R134a | 23% | 25% | 52% | | | | 1 940 |
| R408A: 7% R125, 46% R143a, 47% R22 | | 7% | | 46% | | 47% | 1 730 |
| R410A: 50% R32, 50% R125 | 50% | 50% | | | | | 1 770 |
| R413A: 9% R218, 88% R134a, 3% R600a | | | 88% | | | 3% | 770 |
| R416A: 59% R134a, 39.5% R124, 1.5% R600 | | | 59% | | | 41% | 1 960 |
| R417A: 46.6% R125, 50% R134a, 3.4% R600 | | 46.6% | 50% | | | 3.4% | |

Climate Change (Other Removal Activities)
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Schedule

Table 2—continued

| Class | Type of hydro fluorocarbon | | | Type of per fluorocarbon | Other gas | GWP for class | |
|---|----------------------------|--------|---------|--------------------------|-----------|---------------|---------|
| | HFC-23 | HFC-32 | HFC-125 | HFC-134a | HFC-143a | HFC-152a | PFC-218 |
| R422A: 85.1% R125, 11.5% R134a, 3.4% R600a | | | 85.1% | 11.5% | | | |
| R507A: 50% R125, 50% R143a | | | 50% | | 50% | | |
| | | | | | | | 3.4% |
| | | | | | | | 2 530 |
| | | | | | | | 3 300 |

Table 3
Default charges for categories of motor
vehicles

| Category of motor vehicle | Default charge (g) |
|---|-------------------------------|
| Car, vans, and utes | 700 |
| Trucks | 1 200 |
| Buses and off-engine refrigerated trucks and trailers | 2 500 |

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 1 January 2011, amend the Climate Change (Other Removal Activities) Regulations 2009. The amendments extend the scope of those regulations to the activities of exporting synthetic greenhouse gases and destroying synthetic greenhouse gases.

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

Date of notification in *Gazette*:

These regulations are administered by the Ministry for the Environment.
