



Australian Government
Office of the Renewable Energy Regulator

A stylized graphic featuring a dark blue globe with a grid pattern, showing the continents of Australia and Asia. In the foreground, two white wind turbines are depicted against a dark blue background. The bottom of the graphic is a green, wavy shape representing land or water.

Increasing Australia's
renewable
electricity generation

Annual Report 2005



Australian Government
Office of the Renewable Energy Regulator

A stylized graphic featuring a globe in the background with a grid of latitude and longitude lines. In the foreground, two white wind turbines are superimposed over the globe. The bottom of the graphic is a green, wavy band that contains the text.

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Senator the Hon Ian Campbell
Minister for the Environment and Heritage

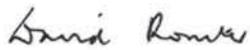
Dear Minister

I am pleased to present to you the fifth Annual Report of the Office of the Renewable Energy Regulator.

This 2005 Annual Report focuses on the working of the *Renewable Energy (Electricity) Act 2000* for the calendar year.

The report is submitted for presentation to the Parliament in accordance with section 105 of the *Renewable Energy (Electricity) Act 2000*.

Yours sincerely



David Rossiter
Renewable Energy Regulator

April 2006

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Glossary

Term	Meaning
AAT	Administrative Appeals Tribunal
Accreditation	A process of determining if a power station is eligible to participate in the MRET and contribute to the achievement of annual targets
AEAS	Annual energy acquisition statement
Compliance date	Eligible and liable participants must report their electricity generation and REC creation (for eligible parties) and surrender of RECs (for liable parties) generally by 14 February of the year following the compliance period
Compliance period	The period, over which each annual target must be achieved, which, except for 2001, is each full calendar year
Deemed unit	A solar water heater or small generation unit able to create RECs without becoming an accredited power station. Typically the number of RECs able to be created by a deemed unit is set out in the regulations
EGR	Electricity generation return
Eligibility	The eligibility to create RECs
Eligible Parties	Parties generating renewable electricity and creating RECs
IBRS	Internet based registry system
kW	Kilowatt—one thousand watts
kWh	Kilowatt-hour—a measure of electricity generation. One thousand watt hours
Liability	The liability to surrender RECs
Liable Parties	Wholesale purchasers of electricity
Minister	Minister for the Environment and Heritage
MRET	The Mandatory Renewable Energy Target, enacted through the Act and the Regulations
MWh	Megawatt-hour—a measure of electricity generation. One thousand kilowatt hours

ORER	The Office of the Renewable Energy Regulator
REC	Renewable energy certificate—an electronic certificate that may be created, on the IBRS, by each eligible party for each megawatt hour of eligible renewable electricity generated. The RECs may be traded separately from the physical electricity market
Registered person	A person registered by the ORER as the owner/operator of a power station, owner of a solar water heater or small generation unit or agent whose name appears in the IBRS of registered persons. A person must be registered to create RECs
Registration	A process of registering persons that intend to create RECs
Registration of RECs	The change in status required for a REC to be traded and used against a liability, which results from successfully demonstrating the accuracy of a REC claim and payment of the specified fee
Regulator	The renewable energy Regulator appointed under section 143 of the Act to oversee the achievement of the MRET, as established through the provisions of the Act and the Regulations
RESC	Renewable energy shortfall charge
RESS	Renewable energy shortfall statement
SGU	Small generation unit
Small generation unit	A device using the movement of water, solar radiation or wind to generate electricity. Small generation units can be classified as being of three types, hydro (water), wind and photovoltaic (solar)
SWH	A solar water heater as listed in Schedule 7 of the <i>Renewable Energy (Electricity) Regulations 2001</i>
The Act	The <i>Renewable Energy (Electricity) Act 2000</i>
The Charge Act	The <i>Renewable Energy (Electricity) (Charge) Act 2000</i>
The Regulations	The <i>Renewable Energy (Electricity) Regulations 2001</i>

Opening Statement 2005 Annual Report

Year five of the operation of the *Renewable Energy (Electricity) Act 2000* (the Act) has been marked not only by frenetic activity by participants building new projects (wind capacity nearly doubled to 705 MW in 2005) but also a lot of behind the scenes activity within ORER developing new and more powerful software for the second five years of operation.

Over 14 million RECs were validly created by participants in MRET to the end of 2005, against a cumulative surrender target to the end of 2005 of 9.2 million. While this might at first sight imply a surplus of RECs, the measure still has a long way to go in its sequence of targets and by 2020 about ten times that number of RECs will need to be created to stay on track. Or to put it another way, we are only about 7% of the way to the 2020 cumulative target and about 93% of the required RECs have yet to be surrendered.

In terms of performance against the liability requirements of the Act, 99.8% of compliance was by REC surrender in 2004. For 2004 a total shortfall of about 2,827 RECs was recorded from 6 liable parties. This high level of REC surrender rather than payment of penalty charges is of course beneficial to the renewable energy industry market as it maximises demand for RECs and provides the greatest incentive to develop renewable energy projects.

Further liable parties continued to take advantage of the redeeming mechanism within the Act to redeem historic shortfalls by surrendering additional RECs to reduce the shortfalls for 2001, 2002 and 2003 to 373, 40 and 1638 RECs respectively. Opportunities still exist to further reduce the 2002, 2003 and 2004 REC shortfalls in 2006. After 2006 the three year redeeming period will end for 2002 compliance year REC shortfalls.

The ORER has been in operation for nearly five years and the internet based registry system (IBRS) for renewable energy certificates (RECs) is the key facilitating mechanism of the process. A requirement of the Act is that an IBRS be made available for the creation, transfer and surrendering of RECs online.

The public can also search the IBRS for information on RECs, registered persons, accredited power stations and power station applications. The IBRS is located at www.rec-registry.com.

The level of activity in the IBRS has, as anticipated, increased considerably since the measure began. At 31 December 2005 over 600 accounts, 1500 users and over 15 million RECs had been created in the system. It is anticipated between 2006 and 2011 the total amount of data in the IBRS will increase many times.

In April 2005, the ORER signed a contract with AusRegistry International Pty Ltd to redevelop the IBRS software and provide help desk support services through to the year 2011. In mid 2006, traditionally a relatively quiet period for the IBRS, the ORER plans to migrate all existing IBRS data and launch the new software at www.rec-registry.gov.au. We hope to make this transition between the old and new registries as seamless as possible to IBRS users.

In 2005 we implemented further improvements to the administration of the Act and we have been working with the new software designer on better systems to make the software faster, more user friendly and provide more user assistance. We look forward to implementing these and further improvements in 2006. I would like to thank all participants for the inputs to this process and work in user acceptance testing.



David Rossiter
Renewable Energy Regulator

Introduction

Background

The Australian Government's Mandatory Renewable Energy Target (MRET) places a legal liability on wholesale purchasers of electricity to proportionately contribute towards the generation of an additional 9,500 GWh of renewable energy per year by 2010. The MRET has been introduced to encourage the additional generation of electricity from renewable energy sources and achieve reductions in greenhouse gas emissions.

The MRET legislation sets the framework for both the supply and demand sides of the REC market.

Demand for RECs is generated by purchasers that acquire electricity directly from a generator or from the wholesale electricity market. These purchasers, defined as liable parties under the Act, are directly responsible for proportionately contributing towards increasing the amount of electricity generated from renewable energy sources. In meeting their obligation under the MRET the liable parties create a demand for RECs.

After they meet set eligibility criteria, accredited renewable energy power stations are able to create and supply RECs to the market. Small generators and solar water heaters can have their output deemed under the Act and are also able to create and supply RECs to the market.

The Act requires the Regulator to give the Minister a report on the working of the Act during the year, for presentation to Parliament. This report is provided to meet that requirement.

Legislative framework

The Renewable Energy (Electricity) Act 2000 (the Act) came into force on 18 January 2001, after passage through Parliament on 8 December 2000.

Section 3 of the Act sets out three main objectives:

- to encourage the additional generation of electricity from renewable sources;
- to reduce emissions of greenhouse gases; and
- to ensure that renewable energy sources are ecologically sustainable.

The main provisions of the Act, which established the market for RECs, came into effect on 1 April 2001. The Act is supported by the *Renewable Energy (Electricity) (Charge) Act 2000* (the Charge Act), which sets the renewable energy shortfall charge (RESC), payable where RECs are not surrendered. The RESC is currently \$40 per REC not surrendered to the ORER.



The Act is also supported by the *Renewable Energy (Electricity) Regulations 2001* (the Regulations), which provide more detailed rules on a number of issues, including additional eligibility criteria for renewable energy sources, criteria for accreditation of power stations, and deemed REC amounts for solar water heaters and some specified small generators. In combination, the Act, the Charge Act and the Regulations, set the framework for the implementation of the Australian Government's MRET.

The Charge Act came into force, and was subsequently amended, in 2000. The Regulations came into force on 6 February 2001, and have subsequently been amended twelve times, with new amendments expected each year. The amendments to the Regulations are predominantly due to issues relating to solar water heaters (SWH) and small generation units (SGU), including the addition of new eligible models, and to set the renewable power percentages, allowing liable parties to calculate their REC liability.

Administration

The role of the Regulator and the ORER are established under Part 14 of the Act to oversee the implementation of the MRET. The key role of the ORER is to assist the Regulator in performing the Regulator's functions (section 150 of the Act). The Regulator and the ORER constitute a Statutory Agency for the purposes of the *Public Service Act 1999*.

The first Regulator was appointed on 12 February 2001 by the then Minister for the Environment and Heritage, Senator the Hon Robert Hill. Mr David Rossiter accepted this role, and has led the ORER for a period of 5 years. Recently the current Minister for the Environment and Heritage, Senator the Hon Ian Campbell, reappointed Mr Rossiter for a further 5 years.

The main roles of the Regulator are:

- **Maintenance of a IBRS of registered persons, eligible power stations and RECs**

Individuals and companies must be registered before they can seek accreditation of power stations. Each registered entity is allocated a unique registration number, which is entered onto the IBRS of registered persons. This information is required to be publicly available on the internet.

- **Accreditation of eligible power stations**

Renewable energy power stations must be accredited before they may participate in the MRET scheme. Owners or operators of accredited renewable energy power stations are eligible to create RECs in respect of the eligible generation above the baseline. The accreditation process includes:

- application for accreditation;
- verification that a power station is using eligible renewable energy sources;
- establishment of annual baseline (either zero for new power stations or non-zero for pre-existing power stations);
- estimation of the amount of additional energy that will be generated from the power station; and
- confirmation of an agreed methodology to calculate eligible generation.

Each accredited power station is allocated a unique accreditation code. The Regulator maintains publicly available registers of applications for accreditation of power stations and power stations' accreditation codes.

- **Registration of renewable energy certificates**

Once a power station is accredited, and if it generates electricity above its baseline, the registered person is entitled to create one REC for each megawatt hour (MWh) of eligible renewable electricity generated. Installations of eligible solar water heaters and small generation units may also be eligible for RECs without becoming accredited power stations through the process of deeming.

RECs must be created in an electronic form via the IBRS, and are not valid until the ORER registers them. The Regulator may check the validity of a REC prior to allowing it to be registered. There is an 8 cent fee levied against each REC created.

In accordance with the Act, the ORER maintains a publicly accessible IBRS at www.rec-registry.com that records the creation, transfer of ownership and surrender of RECs.

RECs are surrendered to acquit liabilities and a further 8 cent fee is levied against each REC extinguished by the acquittal process.

- **Monitoring and compliance**

The Regulator is responsible for ensuring compliance with the scheme and maintaining the integrity of the measure. This involves assessing and overseeing the submission of annual electricity generation returns (EGR), annual energy acquisition statements (AEAS) and renewable energy shortfall statements (RESS). Eligible parties report their renewable energy generation and REC creation in the EGR. Liable parties surrender RECs to discharge their liability. If a liable party cannot fully meet its liability, and the shortfall is greater than 10% of total liability in a given year, then the Regulator must impose a renewable energy shortfall charge (RESC) on the liable party, which equals \$40 for each REC shortfall.

In addition to the duties detailed above the ORER will assist the Regulator to:

- oversee the creation of valid RECs;
- impose any penalties for non-compliance with the provisions of the legislation;
- allow the liable parties to redeem any RECs if shortfalls are made up within three years;
- ensure the integrity of the measure and, undertake audits of participants including renewable energy generators and liable parties;
- maintain publicly available registries; and
- provide industry and other stakeholders with advice.

The Office of the Renewable Energy Regulator (ORER) was established to administer the Act on 12 February 2001, and became a prescribed agency under the *Financial Management and Accountability Act 1997* from 1 July 2003. Consequently the ORER now also publishes a separate financial year annual report, outlining activity over the financial year from 1 July to 30 June each year.

Overview of 2005

The Act operates on a calendar year basis. This report focuses on the operation of the Act between 1 January and 31 December 2005. In some areas, previous year's data is provided for comparison purposes.

Liable and eligible parties are required to report their electricity acquisitions and generation for each year, by 14 February of the following year by submitting annual statements. The surrender of RECs against 2005 liabilities, or continued REC creation in 2006 for generation that occurred in 2001 to 2005, will be reported in the 2006 annual report as these actions have taken place in 2006 calendar year.

The Act establishes a process for participating in the MRET. Firstly a person must apply to become a registered person under the Act. If registration is successful, that person may seek to have a power station that they own or operate accredited by the Regulator. Following generation of electricity RECs can be created for the eligible output of accredited power stations. Finally, through the surrendering of RECs by liable parties, the RECs are marked as invalid due to surrender.

The ORER is therefore involved in a number of key tasks:

- registration of persons;
- accreditation of power stations;
- assessing the validity of created RECs; and
- evaluating compliance by liable parties

Registration of persons

During 2005, the ORER processed 51 applications to be a registered person. The registrations covered a range of stakeholders, including both individuals and companies seeking to claim RECs for power stations, solar water heaters and small generation units. The Act requires that the Regulator maintain an IBRS of registered persons by electronic means. The IBRS has been operational since 1 April 2001 and is available at www.rec-registry.com. In 2005 no request for the review of a decision relating to registration of a person was lodged with the ORER.

By 31 December 2005, the total number of registered participants since commencement of the scheme reached 338.



Accreditation of power stations

In 2005, the ORER received 24 new applications for accreditation of power stations. In addition, 21 applications received prior to 2005 were to be processed in 2005. The Regulator is required to maintain, by electronic means, an IBRS of applications for accreditation of power stations. The IBRS for accreditation of power stations has been operational since 1 April 2001 and is available on the Internet at www.rec-registry.com.

Of the 45 applications to be processed in 2005, 22 were accredited by 31 December 2005, 1 was disapproved by 31 December 2005, with the remaining 22 requiring information or third party approvals to be provided to the ORER prior to becoming accredited.

Of the 22 power stations accredited in 2005, a broad range of eligible renewable energy sources were approved for use, as detailed in the table below.

Power Stations Accredited in 2005

Renewable Energy Source	Accredited in 2005
Food and Agricultural Waste	1
Hydro	2
Landfill Gas	3
Photovoltaic	5
Sewage Gas	2
Wind	6
Wood Waste	2
Wood Waste /Crop Waste/Municipal Solid Waste (MSW)	1

In 2005, accreditations of two photovoltaic power stations were revoked for not complying with section 20 of the Act. Further, in 2005 three power stations were decommissioned (one bagasse and two photovoltaic power stations) and were hence withdrawn from the measure.

The table below shows the number of power stations with different renewable energy sources accredited by the ORER by the end of 2004 and 2005.

Comparative Accreditations by Renewable Energy Source

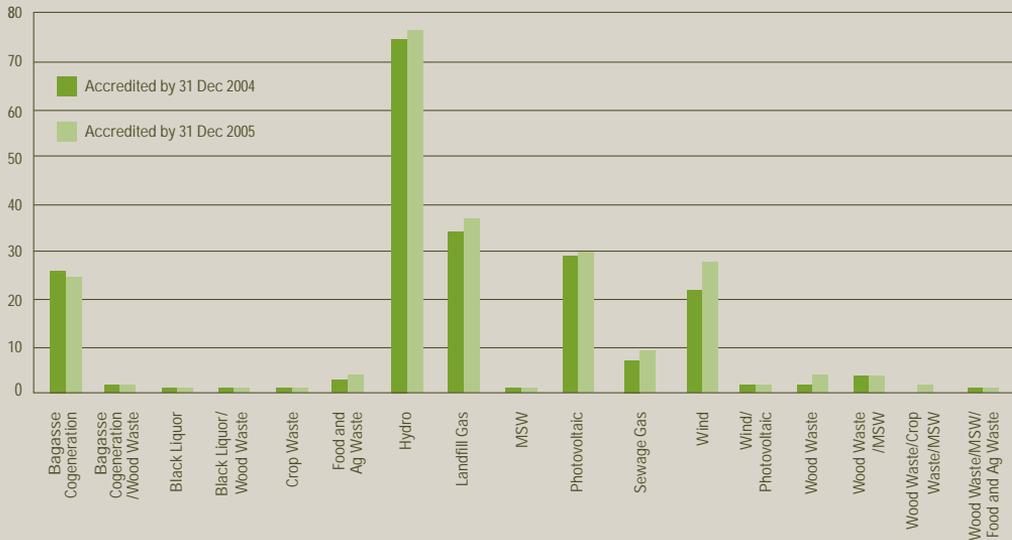
Renewable Energy Source	Accredited by 31 Dec 2004	Accredited by 31 Dec 2005
Bagasse Cogeneration	26	25
Bagasse Cogeneration/Wood Waste	2	2
Black Liquor	1	1
Black Liquor/Wood Waste	1	1
Crop Waste	1	1
Food and Agricultural Waste	3	4
Hydro	75	77
Landfill Gas	34	37
MSW	1	1
Photovoltaic	29	30
Sewage Gas	7	9
Wind	22	28
Wind/Photovoltaic	2	2
Wood Waste	2	4
Wood Waste/MSW	4	4
Wood Waste/Crop Waste/MSW	0	1
Wood Waste/MSW/Food and Agricultural Waste	1	1
Total	211	228

The table below shows the number of accredited power stations by renewable energy sources and by State/Territory at the end of 2005.

Accreditations by Renewable Energy Source and State as at 31 Dec 2005

Renewable Energy Source	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Total
Bagasse Cogeneration		2		22				1	25
Bagasse Cogeneration/ Wood Waste		1		1					2
Black Liquor							1		1
Black Liquor/ Wood Waste		1							1
Crop Waste				1					1
Food and Agricultural Waste		1	1				1	1	4
Hydro	1	26		8		28	11	3	77
Landfill Gas	2	5	1	9	4		7	9	37
MSW		1							1
Photovoltaic	1	11	4	5	2		3	4	30
Sewage Gas		2		4		1	1	1	9
Wind		4		2	6	3	5	8	28
Wind/Photovoltaic				1			1		2
Wood Waste				2	1			1	4
Wood Waste/MSW		4							4
Wood Waste/ Crop Waste/ MSW							1		1
Wood Waste/MSW/Food and Agricultural Waste		1							1
Total	4	59	6	55	13	32	31	28	228

Number of Accredited Power Stations by Renewable Energy Source



Requests for internal reviews of decisions relating to power stations accreditation

The decision to accredit a power station is an appealable decision. In 2005, no company submitted an appeal in respect of an accreditation decision. When an appeal is lodged, the review is conducted by a person (or persons) not involved with the original assessment submitted to the Regulator. The appeals are to be completed within 60 days of receipt of the request for review. Appellants remaining dissatisfied with a review decision can apply to the AAT.

At the end of 2003, an appeal for review of the power station accreditation was lodged by a registered person (company) before the Administrative Appeals Tribunal (AAT), and the Tribunal completed the hearing in December 2004. The AAT handed down its decision on 8 August 2005, which was in favour of the ORER, thus confirming the original decision by the Regulator.

Subsequently the company applied in late 2005 to the Federal Court of Australia to review the AAT's decision.

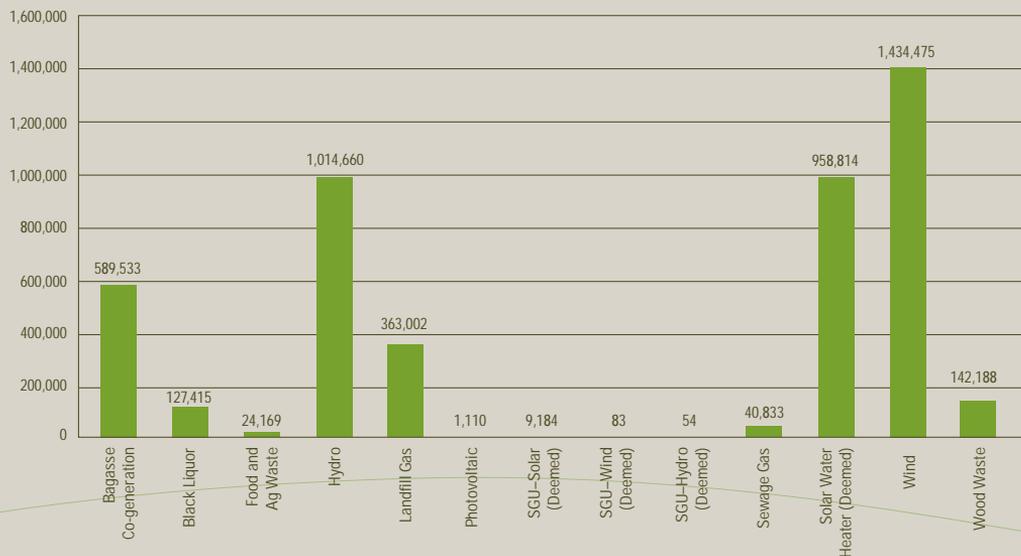
Assessing the validity of created renewable energy certificates

A total of 15,749,644 RECs had been created in the IBRS as at 31 December 2005. Of these, 4,705,520 RECs were created in the 1 January 2005 to 31 December 2005 period. In accordance with the legislation only valid RECs created from 2001 to 2005 could be used to acquit a company's 2005 liability.

As at 31 December 2005, there were 8,431,664 RECs that were registered, 428,660 RECs pending registration, and 5,760,625 RECs that had been surrendered to the ORER against 2001, 2002, 2003 and 2004 liabilities. A total of 1,128,695 RECs had been failed by the ORER.

A wide range of eligible renewable energy sources were used to generate electricity for which RECs were created in 2005. Not all accredited power stations created RECs for their eligible electricity generated in 2001 to 2005.

RECs created in 2005 by Renewable Energy Sources



RECs created in 2005 by Month



The busiest month for REC creation in 2005 was December as in previous years. This reflects a number of factors:

- accredited power stations exceeding their baselines in the November/December period, and only at that time being eligible to create RECs;
- delays in finalising electricity meter readings; and
- parties eligible to create RECs, from their eligible generation as well as small generation units and solar water heaters, were waiting for possible contracts with liable parties to sell those RECs prior to creating the RECs in the IBRS.

As was the case in 2001, 2002, 2003 and 2004, the ORER recommended that companies create the majority of their RECs by 14 December 2005, to ensure that these RECs could be validated in early 2006 and be available for trading for liability compliance purposes. In 2005 there was an excellent response from registered persons to create RECs by 14 December 2005. As a result, the vast majority of these RECs were registered prior to 14 January 2006.

As in previous years, the ORER checked nearly 100 percent of the claims for RECs. For power stations, in 2005 this ranged from assessing meter data, through to analysing claimed generation against third party data.

Requests for internal reviews of decisions relating to the registration of RECs

The decision not to register RECs is an appealable decision. In 2005, no company lodged an appeal in respect of REC registration decision. When an appeal is lodged, the review is conducted by a person (or persons) not involved with the original assessment submitted to the Regulator. The appeals are to be completed within 60 days of receipt of the request for review. Appellants remaining dissatisfied with a review decision can apply to the AAT.



The market for RECs

The Act allows for RECs to be transferred.

All transfers of RECs between parties that take place on the IBRS and are automatically reported to the Regulator as required under section 28 of the Act. In 2005 there were 1,010 either confirmed or still pending transactions, representing a total of 6,935,314 RECs, up from 791 confirmed transactions representing 5,218,713 RECs in 2004.

Compliance

The 2005 compliance year commenced on 1 January 2005 and ended on 31 December 2005.

The due date for the lodgement of the annual returns for the 2005 compliance year was 14 February 2006.

Annual energy acquisition statement and renewable energy shortfall statement

By 31 December 2005, a total of 5,760,625 RECs were accepted for surrender against 2001, 2002, 2003 and 2004 liabilities.

For the 2004 compliance year, a total of 63 parties were identified and required to surrender RECs. In the 2004 compliance year, only 6 out of the 63 liable parties had individual shortfalls, and by the end of 2005, the 2004 shortfall was only 2,827 RECs.

For the 2004 compliance year more than 99.8 per cent of the 2004 liability was met by REC surrenders.

In addition to addressing 2004 liabilities, liable parties are permitted by the Act to provide RECs to redeem any outstanding shortfall charges for the immediately prior three years. The Act came into force in 2001 and during the 2004 compliance process REC shortfalls were reviewed for 2001, 2002 and 2003.

The number of liable parties with a 2001 compliance year REC shortfall went down from 10 in 2004 to 5 at the end of 2005. At the end of 2005, the 2001 shortfall was 373 RECs, down from 25,842 RECs in 2002.

For 2002 compliance year, the shortfall was 40 RECs and the number of parties with a REC shortfall was reduced to 3. For 2003 compliance year the shortfall was 1,638 RECs and the number of parties was 4.

The majority of annual energy acquisition statements for the 2004 compliance period were submitted to the ORER by the 14 February 2005 due date. The ORER completed one default assessment on behalf of a company that failed to submit an annual energy acquisition statement.

Comprehensive details regarding the 2005 compliance period will be provided in the 2006 Annual Report.

REC Surrender summary for the 2004 compliance year

Total RECs surrendered as at 31 December 2005	5,760,625
Total RECs surrendered against 2004 liability	2,520,800
Total RECs surrendered against 2001, 2002 and 2003 liability	3,239,825
Parties with a 2004 liability	63
Parties without a 2004 REC shortfall	57
Parties with a 2004 REC shortfall	6
Total REC shortfall for 2001 at 31 December 2005	373
Total REC shortfall for 2002 at 31 December 2005	40
Total REC shortfall for 2003 at 31 December 2005	1,638
Total REC shortfall for 2004 at 31 December 2005	2,827
2004 Liability acquitted by RECs Surrender (%)	99.8

Note: Not all shortfalls resulted in the payment of the penalty of \$40/MWh, as shortfalls within 10% of the total requirement are carried forward and added to next year's REC liability.

Electricity generation returns

By 31 December 2005 a total of 244 electricity generation returns were received for the 2004 compliance year. Assessment of the electricity generation returns continued throughout the 2005 calendar year.

Field and desk audits under section 100 to 115 of the Act

Liability compliance audits seek to determine whether or not all relevant electricity acquisitions were reported correctly to the ORER.

Eligibility compliance audits seek to determine whether or not accredited power stations are correctly calculating and reporting their eligible generation. Audits not only help liable and eligible parties understand the application of the MRET

to their circumstances, but also provide feed back to the ORER on areas where systems might need some improvement.

The ORER has developed a risk assessment methodology to select the parties to be audited. This methodology evaluates potential risks against various factors and the eventual risk rating is used to select the parties for audit.

In 2005 the ORER initiated five field audits and two desk audits. All five field audits related to the 2004 liability. The audits were performed to substantiate information provided to the ORER, and to determine compliance with the Act. Any information provided to the Regulator under the Act can be audited including information relating to accreditation, solar water heater and small generation unit installations, eligible generation and electricity acquisitions.

Other Activities

Amending the Act

The ORER continues to dedicate resources to working closely with the Australian Greenhouse Office, which has retained policy responsibility for MRET, to identify problems and remedies in respect of a variety of administrative issues. The Australian Greenhouse Office is working on implementing various recommendations of the MRET review report by amending the Act.

Amending the Regulations

The Regulations, which were first made on 6 February 2001, were amended five times during 2005. This was in addition to the seven amendments made up until 31 December 2004. The Round Twelve amendment process was commenced in 2005 however the ORER anticipates that it will not be finalised until April 2006. The Act requires that any proposed regulation amendments must be publicly available for a period of not less than 30 days prior to being made. Details of the amendment rounds that commenced in 2005 are provided in the table below.

Regulation Amendments in 2005

Activity	Round Eight	Round Nine	Round Ten	Round Eleven	Round Twelve	Round Thirteen
Proposed amendments released	3 Feb 2005	17 Nov 2004	25 Feb 2005	31 Aug 2005	–	7 Nov 2005
Public consultation closed	4 Mar 2005	16 Dec 2004	29 Mar 2005	29 Sep 2005	–	7 Dec 2005
Number of submissions received	3	0	16	5	–	1
Federal Executive Council meeting	22 Apr 2005	10 Feb 2005	10 Nov 2005	10 Nov 2005	–	15 Dec 2005
Amendment regulations registered	29 Apr 2005	15 Feb 2005	15 Nov 2005	14 Nov 2005	–	19 Dec 2005
Amendment regulations tabled in the House of Representatives	10 May 2005	15 Feb 2005	28 Nov 2005	28 Nov 2005	–	–
Amendment regulations tabled in the Senate	10 May 2005	7 Mar 2005	28 Nov 2005	28 Nov 2005	–	–

Note: See previous years' Annual Reports for details of rounds one to seven.

The amendments to the Regulations were administrative in nature and related to:

- clarification of eligibility requirements for solar water heaters, including the addition of new solar water heater models, revision of solar water heater models listed, and to revise solar water heater definitions (rounds eight, ten and twelve);
- implementing legislative changes as required due to the comprehensive review of the *Renewable Energy (Electricity) Act 2000* (round eleven); and
- specifying the renewable power percentage for 2005 (round nine)¹ and 2006 (round thirteen).

Development of the internet based registry system (IBRS)

The Act requires that an IBRS be made available for the online creation, transfer and surrender of RECs. The current IBRS has been in operation since 1 April 2001.

In April 2005 a new service provider, AusRegistry International Pty Ltd, was awarded the contract to develop and run the software through to year 2011. The new software has been built and the ORER is planning for its launch in mid 2006.

In late 2005 the software began to be tested by ORER staff with external users to expected to begin testing in 2006. Early testing indicates that the new IBRS will support more efficient work processes for all IBRS users, including staff within the ORER and will provide enhanced levels of support to IBRS users through the new helpdesk and help screens.

Advice to industry

The ORER placed a number of public notices in 2005 to advise stakeholders of proposed amendments to the Regulations, and to remind stakeholders of the annual compliance requirements.

In addition, a wide range of information is provided through the ORERs' website, www.orer.gov.au to advise the participants of the framework and processes for participating in the MRET. Information is also sent directly to all IBRS users via email on a number of occasions.

Working with industry

The ORER has dedicated substantial resources to working with stakeholders to improve their understanding of the legislation and regulations, facilitate involvement in the scheme and provide support throughout the measure.

In the fifth year of the measure, the ORER continued the positive interaction with the participants to ensure all parties were familiar with their obligations and entitlements under the legislation. The ORER continued to provide telephone/email assistance and visited or was visited by, many stakeholders and interested parties. The ORER also presented at numerous public fora. This extensive contact and feedback enables ORER and participants to refine and develop systems to better align projects with the requirements the Act.

¹ The Renewable Power Percentage for 2006 is 2.17%. It was 0.24% for 2001, 0.62% for 2002, 0.88% for 2003, 1.25% for 2004 and 1.64% for 2005. This is detailed in Regulation 23 of the Regulations.



Working with Government agencies

The ORER maintains strong links with the Australian Greenhouse Office. The ORER also liaises with other interested Commonwealth and State Government Departments and Agencies. Some of these include NSW Greenhouse Gas Abatement Scheme, Green Power and Queensland Gas Energy Certificate Scheme.

Working with the community

The ORER provides information to a variety of stakeholders, ranging from individuals wishing to claim RECs for solar water heaters, to special purpose interest groups.

