



Increasing Australia's renewable electricity generation



Office of the Renewable Energy Regulator **Annual Report 2002**



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The Hon Dr David Kemp
Minister for the Environment and Heritage

Dear Minister

I am pleased to present to you with the second Annual Report of the Office of the Renewable Energy Regulator. The 2002 Report comprises an overview of the second year of operation of the *Renewable Energy (Electricity) Act 2000*. While the Act came into force on 18 January 2001, the main provisions covering creation of renewable energy certificates and the accrual of liabilities have operated since 1 April 2001. The report focuses on the period from 1 January 2002 to 31 December 2002.

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

May 2003

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Opening Statement 2002 Annual Report

Two years down and eighteen to go. It might seem as if we have completed ten percent of our task but in reality only 1.4 million renewable energy certificates (RECs) have been surrendered out of an expected total of over 138 million over the full twenty year life of the legislation. That is only about one percent of the RECs. There is a long way to go.

Yet in terms of achievement I think we, the participants in the scheme, have changed not one percent, and not ten percent, but about one hundred percent in our ability to see a new way for renewable energy in Australia. A vibrant, healthy and competitive market is emerging with differing views appearing from the differing perspectives of market beneficiaries and those who bear the cost. We see amongst others active campaigns for bigger and smaller targets, higher and lower shortfall charges, wider and narrower eligible renewable energy sources. These are all signs that this measure means a significant change in prospects and thinking for the renewable energy industry in Australia. The long term progressive decline in the percentage of renewable energy in power supplies has now been arrested. We are beginning to turn the historic decline into an increase in, not only the amount of renewable energy in electricity supplies, but also the renewable energy market share of the growing electricity market.

Many of you will be aware of the review of the operation of the *Renewable Energy (Electricity) Act 2000* (the Act),

as required by Section 162 of the Act. As I write, the review has commenced and I encourage all interested parties and participants to be involved in this review. The review is an independent process and the review team can be contacted through their own website www.mretreview.gov.au. The review has quite wide terms of reference and will look at most aspects of the operation of the Act.

The second year of operation of the Act has been completed and the first full cycle of accreditation, certificate creation and surrender, and compliance has occurred. All participants are again to be congratulated on their ability to adapt to and adopt this new way of encouraging renewable energy. We see similar national schemes now well established in the United Kingdom (1 April 2002) and just getting underway in Japan (1 April 2003). Will this remain as a hat trick of national renewable energy certificate schemes or will there be another starter on 1 April 2004? We have contacts with all the existing schemes and field regular enquiries from other countries that are showing interest in Australia's experience with market mechanisms.

All our systems have now been well and truly 'live tested' and as many participants will be aware we have been working with you to ensure the systems are understood and progressively refined and improved. We keep in close touch with other similar national schemes, and those State based schemes such as

the NSW Benchmark Scheme and the Queensland Gas Energy Certificate Scheme, so that we can draw on the wider and developing pool of expertise around certificate mechanisms. We hope to continue refining our operations over the coming years to ensure the market continues to operate with full integrity, and is as efficient as possible for the participants as well. We welcome your help in this aspiration and note that the Mandatory Renewable Energy Target (MRET) Review provides an ideal vehicle for current issues and ideas to be raised and discussed.

I would like to congratulate all those participants who have and are actively working to make sure this measure meets its legislated intent and see its full potential continues to be revealed and reached in the coming years. I must thank all participants for providing assistance to the officers of the Office of Renewable Energy Regulator (ORER) throughout the year and making their tasks more readily achievable.



David Rossiter

Renewable Energy Regulator

Glossary

Term	Meaning
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 and Renewable Energy Shortfall 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) 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 the first year, is each full calendar year.
EGR	Electricity Generation Return.
Eligibility	The eligibility to create renewable energy certificates.
Federal Executive Council	The Federal Executive Council is established by section 62 of the Constitution to 'advise the Governor-General in the government of the Commonwealth'.
kW	Kilowatt—one thousand watts.
Liability	The liability to surrender renewable energy certificates.
Minister	Minister for the Environment and Heritage.
MRET	The mandatory renewable energy target, enacted through the Act and Regulations.
MWh	Megawatt hour—a measure of electricity generation. One thousand kilo watt hours.
ORER	The Office of the Renewable Energy Regulator.

REC vintage	The calendar year in which the claim for the REC was entered into the internet registry. This may be different from the year in which the generation actually occurred.
REC	Renewable energy certificate—an electronic certificate that may be created, on the internet REC-Registry, by each eligible party for each megawatt hour of eligible renewable electricity generated. The RECs may be traded separately from the physical electricity market.
REC-Registry	An internet based database of information on participation under the Act. www.rec-registry.com
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 registry 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 Regulations.
RESC	Renewable Energy Shortfall Charge.
Small generation unit	A device using hydro, solar or wind to generate electricity, with a generation capacity of less than 10 kW and generating less than 25 MWh per year.
The Act	<i>The Renewable Energy (Electricity) Act 2000.</i>
The Regulations	<i>The Renewable Energy (Electricity) Regulations 2001.</i>

Introduction

Background

The mandatory renewable energy target (MRET) is a key element of a broader government response to climate change and possible commitments to reduce greenhouse gas emissions. The MRET is one of more than 80 measures that the Federal Government has established to combat climate change. The MRET has been introduced to encourage the development of a more sustainable energy supply industry. It will also increase the contribution of renewable energy sources to Australia's electricity supply, achieving reductions in greenhouse gas emissions.

The MRET is supported by legislation that operates to establish a market for renewable energy. The renewable energy is represented in the market by renewable energy certificates. The legislation sets the framework for both the supply and demand sides of the market.

On the demand side are the wholesale purchasers of electricity—those parties purchasing electricity directly from a generator or from the wholesale electricity market. These parties, usually called the liable parties, are directly responsible for increasing the amount of electricity generated from renewable energy sources. This is implemented through the acquisition and surrender of renewable energy certificates.

On the supply side are the parties generating renewable electricity and creating renewable energy certificates,

normally called the eligible parties. Generation assets must meet set eligibility criteria prior to being accredited. Accreditation is necessary if a generation asset is to contribute towards the achievement of the annual targets, although very small generators under 10 kW can have their output deemed under the Act.

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 renewable energy, came into effect on 1 April 2001. The main role of the Office of Renewable Energy Regulator (ORER) is to assist the Regulator in the implementation and the administration of the Act.

The Act is supported by the *Renewable Energy (Electricity) (Charge) Act 2000* (the Charge Act), which provides the level of penalty for the Renewable Energy Shortfall Charge (RESC), payable where RECs are not surrendered. This is currently \$40 per MWh or REC. 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 renewable energy certificate amounts for solar water heaters and some specified small generators. In combination, the Act, Charge Act and the Regulations, set the framework for the implementation of the 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 four times, with new amendments expected after this year. These amendments were and are required to address 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 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 will lead the ORER for a period of 5 years.

The main roles of the Regulator are:

- **Maintenance of a registry of owners/operators of eligible power stations**

Individuals and companies must be registered before they can seek accreditation of power stations. Registered entities are each allocated a unique registration number, which is entered onto the Registry of Registered Persons. This registry is required to be publicly available via the Internet.

- **Accreditation of eligible power stations**

Renewable energy power stations must be accredited before they may participate in the MRET scheme and consequently create RECs in respect of their eligible generation. 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 existing power stations. The baseline for existing generators (those in commercial operation prior to 1 January 1997) will generally be the average of the electricity generated in the 3 years prior to 1997;
- 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 number. 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 it has generated electricity above its baseline, the registered person is entitled to create one REC for each megawatt hour of eligible renewable electricity generated. Some installations of solar water heaters may also be eligible for RECs.

Certificates must be created in an electronic form via the Internet, and are not valid until the ORER registers them. The Regulator may check the validity of a certificate prior to allowing it to be registered.

In accordance with the Act, the Regulator maintains a publicly accessible registry of certificates on the Internet (www.rec-registry.com). Any transfer of ownership or retirement of certificates is also recorded in this registry.

• **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 Statement and Renewable Energy Shortfall Statement (AEAS).

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 meet its liability, and the shortfall is greater than 10% of a total liability in a given year, then the Regulator must impose a RESC on the liable party, which equals \$40 for each liable MWh of electricity.

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

- oversee the creation of valid renewable energy certificates;
- impose any penalties for non-compliance with the provisions of the legislation;
- allow the liable parties to redeem any RESCs 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.

Overview of 2002

The Act operates on a calendar year basis. For 2001, the 'year' was deemed to be the period 1 April 2001 to 31 December 2001. For all other years, 1 January to 31 December will constitute the year. This report focuses on the operation of the Act between 1 January and 31 December 2002, although it also includes a compilation of data from the commencement of the Act, therefore covering the period from the 1 April 2001 to 31 December 2002.

Liable and eligible parties are required to report their acquisitions and generation for each year, by 14 February of the following year. Accordingly this report includes details of annual returns submitted in 2002, in respect of 2001.

Actions that have taken place in 2003, such as surrender of RECs against liabilities, or continued REC creation for generation that occurred in 2002, will be reported in the 2003 annual report.

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/operate accredited by the Regulator. Next, RECs can then be created for the eligible output of accredited power stations. Finally compliance occurs through the surrendering of RECs by liable parties.

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

- registration of persons;
- accreditation of power stations;
- assessing the validity of created renewable energy certificates and,
- Evaluating compliance.

Pre- 1 April 2001

The ORER was officially established with the appointment of the Regulator on 12 February 2001.

The REC-Registry was made available over the Internet from 1 April 2001, at which time the provisions allowing for certificates to be created first came into force.

The REC-Registry is available on the Internet at www.rec-registry.com. The ORER makes information available to the public at www.orer.gov.au.

The ORER made registration and accreditation forms available from early 2001. A large number of forms were submitted prior to the commencement of the eligibility provisions. The ORER received 41 applications for registration and 89 applications for accreditation prior to 1 April 2001.

1 April 2001 – 31 December 2001

During this period the ORER registered 126 persons, 2 of which were cancelled at the request of the registered person before 31 December 2001. Within the above period the ORER received 152 applications for accreditation of power stations. Of the applications received by the ORER, 131 were processed by 31 December 2001. Those applications not processed by 31 December 2001 required additional information to be provided before the accreditation could be completed.

In 2001, two companies submitted to the ORER appeals covering the accreditation decisions of five power stations. In two out of the five appeals submitted, the period by which time an appeal could be submitted for consideration by the Regulator had expired and the request to review the accreditation decision was denied. The remaining three appeals were submitted within the appropriate timeframe and the reviews were finalised in 2002. Of the five appeals submitted in 2001 all the original decisions of the Regulator were confirmed.

By the end of the period 31 December 2001, 619,906 RECs had been created in the REC-Registry. The majority of these RECs were created in December, due to a number of factors, including:

- increasing numbers of accreditations being finalised in the latter stages of the year;
- power stations passing their baselines in the November/December, and only at that time being eligible to create RECs; and
- delays in finalising meter readings.

The ORER recommended that companies create the majority of their RECs by 14 December 2001, to ensure that these RECs could be validated early in 2002, and then be available for trading for liability compliance purposes.

By 31 December 2001, the ORER had audited and approved 294,346 of the 619,906 created RECs. Of these, 257,744 RECs were fully registered, with payment of the 8-cent REC creation fee having been received, and 21,579 RECs were invalidated. The remaining RECs were scheduled for assessment prior to 14 January 2002. The large numbers of RECs not assessed as at 31 December 2001 reflected the very late creation of these in the internet based registry.

1 January 2002 – 31 December 2002

Registration of persons

In 2002 the ORER registered 77 persons, 4 of which were subsequently cancelled at the request of the 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 a registry of registered persons by electronic means. The registry of registered persons has been operational since 1 April 2001 and is available at www.rec-registry.com. There were no requests for the review of a decision to register a person submitted in 2002.

Accreditation of power stations

In 2002, 40 new applications for accreditation of power stations were received by the ORER, with 24 applications pending from 2001. The Regulator is required to maintain, by electronic means, a registry of applications for accreditation of power stations. The registry of applications for accreditation of power stations has been operational since 1 April 2001 and is available at www.rec-registry.com.

Of the 64 applications received in 2002 and carried over from 2001, 51 were accredited by 31 December 2002,

Summary Statistics for accreditation by fuel source

	Accredited by 31 Dec 2001	Accredited by 31 Dec 2002
Bagasse cogeneration	7	25
Black Liquor	0	1
Black Liquor/Wood Waste	1	1
Food and Ag Wet Waste	1	2
Hydro	55	67
Landfill	18	27
MSW	1	1
Photovoltaic	22	24
Sewage Gas	4	5
Wind	10	14
Wind/PV	1	1
Wood Waste	0	2
Wood waste/MSW	4	5
Total Accredited	124	175

with the remaining 13 awaiting additional information or third party approvals.

Of the 51 power stations accredited in 2002, a broad range of eligible renewable energy sources were proposed for use, as detailed in the table at left.

At the commencement of the scheme, the Regulator agreed to commence a power station's accreditation date from the date when a substantially complete application was lodged with the ORER.

Summary Statistics for accreditation by fuel source and state

Total to 31 Dec 2002	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Total
Bagasse cogeneration		3		21				1	25
Black Liquor							1		1
Black Liquor/Wood Waste		1							1
Food and Ag Wet Waste		1						1	2
Hydro	1	21		5		28	11	1	67
Landfill	2	5		7	4		5	4	27
MSW		1							1
Photovoltaic	1	11		5	2		2	3	24
Sewage Gas		1		2			1	1	5
Wind		4		2		2	2	4	14
Wind/PV							1		1
Wood Waste				1				1	2
Wood waste/MSW		5							5
Total Accredited	4	53	0	43	6	30	23	16	175

Requests for review of decisions

The decision to accredit a power station is an appellable decision. In 2002, six companies submitted appeals in respect of the decisions. Appeal reviews are conducted by a person or persons not involved with the original recommendation submitted to the Regulator, and must be completed within 60 days of receipt of the request for review.

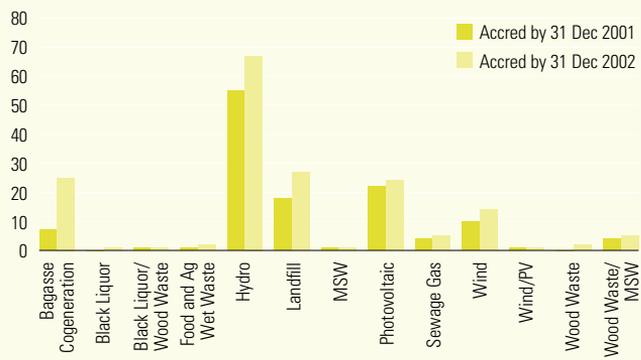
In all six cases, the companies submitted their appeals within the allowable timeframe, in accordance with section 66 of the Act, and accordingly a review of each decision proceeded.

In all cases in 2002, the reviews were finalised in 2002, and in all but two cases the original decision of the Regulator was confirmed. Appellants remaining dissatisfied with a review decision can apply to the Administrative Appeals Tribunal.

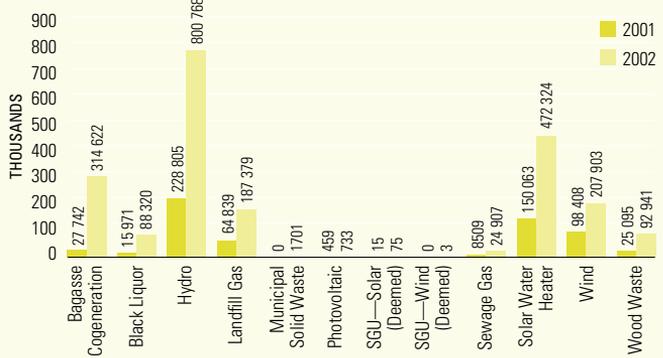
Assessing the validity of created Renewable Energy Certificates

A total of 2,191,676 RECs had been created in the REC-Registry as at 31 December 2002. In accordance with the legislation only valid RECs created in 2002 or 2001 could be used to discharge a company's 2002 liability.

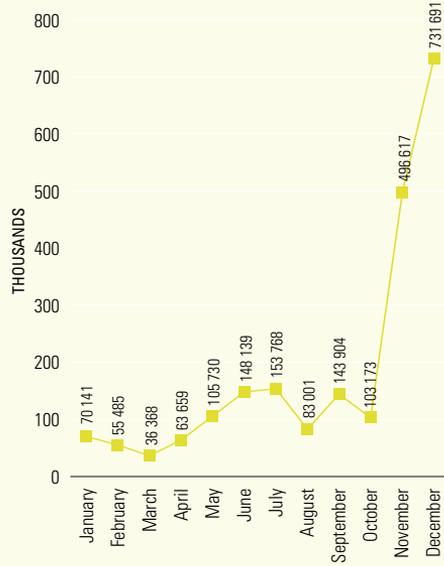
Number of Power Stations by Fuel Source



Number of RECs by Fuel Source by Year of Creation



REC creations by month—2002



A wide range of fuel sources were used to generate electricity for which RECs were created in 2002. Not all accredited power stations created RECs for their eligible electricity generated in 2001 and 2002.

The majority of the RECs created in 2002 were created in December 2002. This reflects a number of factors:

- accredited power stations passing their baselines in the November/December period, and only at that time being eligible to create RECs;
- delays in finalising meter readings;
- 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; and
- growing and continually changing REC market.

As was the case in 2001, the ORER recommended that companies create the majority of their RECs by 14 December 2002, to ensure that these RECs could be validated early in 2003 and be available for trading for liability compliance purposes.

In 2002 there was an excellent response from registered persons to create RECs from eligible generation, small generation units and solar water heaters by 31/12/02. As a result, the majority of these RECs were registered prior to 14/1/03¹.

The ORER manually checked nearly 100% of the claims for renewable energy certificates in 2002.

While 2002 presented a high number of invalid RECs from a range of eligible fuel sources, approximately 50% of the invalid RECs related to problems arising from information technology issues. Such as where registered persons internet browsers timed-out and the user

repeated REC creations steps, resulting in over creation of multiple RECs. The ORER has, however, instigated programming changes to the REC-Registry, which will resolve this problem.

In 2002 the ORER continued to pay particular attention to RECs being created by agents for solar water heaters, as a large number of the RECs that were invalidated came from this group. Processes to correctly record the model type and serial number of the solar water heater being installed, the type of system being replaced, and owner contact details were the focus of audit action in 2002. The accuracy of claims for RECs from this group is improving. Throughout most of 2002 100% manual audits occurred, prior to any solar water heater RECs being validated.

The ORER also worked closely with companies creating RECs for the first time. This involved pre-creation audits, where requested, and an in depth manual check of the first claims for certificates from every power station.

Companies experienced with creating RECs showed a marked improvement in the calculations of eligible generation. However, a number continued to make errors in the REC creation process. To minimise the risk of companies making these types of errors, the ORER implemented changes to the REC creation module in the REC-Registry (over night creation was put into operation in 2003).

Compliance

The 2001 compliance year commenced on 1 April 2001 and ended on 31 December 2001. The due date for the lodgement of the annual returns for the 2001 compliance year was 14 February 2002.

¹ The ORER assessed the large majority of these by the 14 January 2002 target date, leaving at least one month for trading to occur before the compliance date of 14 February 2002. However, it is the responsibility of the parties creating the RECs to provide supporting data and pay the registration fee, before the REC can be validated, transferred or used against a liability. A proportion of the RECs passing audit before 14 January 2002 may have remained pending registration until the fee was paid.

Annual Energy Acquisition Statement and Renewable Energy Shortfall Statement

For 2001, the first year of operation of the target, nearly 310,000 RECs were accepted for surrender against liabilities. This figure very closely matched the target of 300,000 MWh for 2001.

For the 2001 compliance year, a total of 58 parties were identified and required to surrender RECs. In the 2001 compliance year, 19 out of the 58 liable parties had individual shortfalls contributing to a total shortfall of 25,842 RECs. The RECs surrendered by the wholesale electricity purchasers were over 92% of the total REC surrender requirement. Of the 19 parties with shortfalls, under 20% of the total shortfall came from 15 companies, indicating the majority of companies with shortfalls had small numbers of RECs outstanding.

REC Surrender for 2001

Parties without a 2001 REC shortfall	39
Parties with a 2001 REC shortfall	19
Total RECs surrendered	309 950
Total REC shortfall	25 842
Liability acquitted by RECs Surrender (%)	92.3

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 target.

Annual returns for the 2002 compliance period were submitted to the ORER by 14 February 2003. The assessments completed to date reveal an excellent compliance record by participants with several companies redeeming 2001 shortfalls after complying fully with 2002 surrender requirements. Comprehensive details regarding the 2002 compliance period will be provided in the 2003 Annual Report. It would appear at

this stage that the 2001 performance of 92% compliance by REC surrender will increase to over 95% through redemption of 2001 REC shortfalls in the 2002 AEAS.

Electricity Generation Return

For the 2001 compliance year a total of 143 generation returns were received. The assessment of the generation returns showed that the number of RECs created in 2001 was consistent with the eligible renewable energy generation.

Field Audits

In 2002 the ORER performed field audits relating to the 2001 compliance year. The audits were performed to substantiate information provided under the Act, and to determine whether the Act has been complied with. Any information provided to the Regulator under the Act can be audited, and typically this will include information relating to accreditation, solar hot water and small generation unit installations, eligible generation and energy acquisition. Annual Electricity Generation Returns and Annual Energy Acquisition Statements are also included.

In consultation with an independent adviser, the ORER has developed a risk assessment methodology to determine the parties to be audited. This methodology evaluates potential risk against various factors and the eventual risk rating is used to select the parties for audit. The ORER believes that Audits provide an opportunity to establish an ongoing contact with eligible and liable parties under the Act. The 2001 compliance year audits were also used to assist educate these parties in compliance issues, and to help them in interpreting the technical and legal issues relating to the application of the Act.

Other Activities

Amending The Act

The ORER has dedicated 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 issues (e.g. wood waste, double liability, variations of baselines and regulations).

Amending the Regulations

The Regulations, which were made on 6 February 2001, were amended three times during 2002. This was in addition to the first amendments made in 2001. 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 three amendment rounds are provided in the table below.

These amendment processes were administrative in nature, and related to clarification of the eligibility of solar water heaters, including the addition of new solar water heater models and revision of solar water heaters definitions, revision of the formula for calculating RECs for small generation units and specifying the Renewable Power Percentage for 2003².

Advice to Industry

The ORER ran a number of public notices in 2002 to advise stakeholders of proposed amendments to the Regulations, and to remind stakeholders of the annual

Regulation amendments commencing in 2002

Activity	Round Two	Round Three	Round Four
Proposed amendments released	8 January 2002	17 July 2002	26 October 2002
Public submissions closed	2 February 2002	19 August 2002	27 November 2002
Number of submissions received	7	6	1
Federal Executive Council meeting	14 March 2002	3 October 2002	19 December 2002
Amendment regulations gazetted	15 March 2002	4 October 2002	20 December 2002
Amendment regulations tabled in the House of Representatives	19 March 2002	14 October 2002	4 February 2003
Amendment regulations tabled in the Senate	20 March 2002	15 October 2002	5 February 2003

² The Renewable Power Percentage for 2003 is 0.88%. It was 0.24% for 2001 and 0.62% for 2002.

compliance requirements. The ORER also placed advertisements about MRET in two industry journals publications by the Electricity Supply Association of Australia and the Australian Ecogeneration Association, which are produced bimonthly and quarterly respectively.

In addition, a wide range of information is contained on the ORER's website, www.orer.gov.au to advise industry of the framework surrounding, and processes for participating in, the MRET. Information was sent directly to all REC-Registry users via the email on a number of occasions.

The ORER conducted seminars and workshops for manufactures and agents for solar water heaters in Sydney and Perth. The workshops aimed to increase understanding of the role of solar water heaters under the measure and the process for amending the Regulations to include new solar water heater models.

Working with Industry

The ORER has dedicated substantial resources to working with industry to improve their understanding of the legislation and regulations, facilitate involvement in the scheme and provide support throughout the measure. One example is the work that the ORER has conducted with Resource NSW, a NSW Government Agency, in relation to wood waste and the development of comprehensive audit trails to meet eligibility requirements under the Act.

As this was the second year of the measure, it was important to ensure all parties were familiar with their obligations and entitlements under the legislation. In addition to the specific activities described, the ORER

presented at numerous other public fora, ran workshops, wrote to identified potential participants, provided phone/email assistance and visited or was visited by, many stakeholders and interested parties. This extensive contact and feedback enabled ORER and participants to refine and develop systems to better align projects with the requirements, and administration of, the Act.

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 Department 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.

Working with Foreign Governments

During the year, the ORER has liaised with, and provided information and technical advice to, a variety of Foreign Governments, including those of the United Kingdom and Japan. As detailed earlier in this report, both the United Kingdom and Japan have now established measures modelled on the Australian approach.

