



Australian Government
Clean Energy Regulator

CLEAN
ENERGY
REGULATOR

Compliance priorities 2018—19

Focusing our approach, maturing our capability



Overview

The Clean Energy Regulator administers schemes legislated by the Australian Government for measuring, managing, reducing or offsetting Australia's carbon emissions. Responsibility for complying with obligations across our schemes rests with the people and organisations concerned.

The Clean Energy Regulator assists scheme participants to comply with their obligations and pursues non-compliance. Our [Compliance, Education and Enforcement policy](#) outlines our approach to improve compliance with the laws we administer, including taking a risk-based approach to verification, monitoring and enforcement, and focusing on individuals and organisations that pose material risks to our schemes.

This document sets out our compliance priorities for 2018–19.

Focus areas

Emissions Reduction Fund

We will ensure that Emissions Reduction Fund regeneration projects receive Australian carbon credit units (ACCUs) for genuine and additional abatement by:

- Expecting scheme participants to use field data as well as available geospatial algorithms to support their claims for ACCUs.
- Checking claims with high resolution imagery.
- Ensuring compliance with record keeping obligations.
- Refusing over-claims and investigating where false and misleading information is provided. Where proven, the agency will consider options including removal from the scheme on fit and proper person grounds, relinquishment of ACCUs, pursuit of debts and court action.

We will confirm that the proponent has the legal right to conduct the project and be issued ACCUs by verifying on a risk based sample consents from landholders for sequestration projects.

We will ensure that Emissions Reduction Fund contract deliveries are made on time by pursuing buyer's market damages where the Clean Energy Regulator and the contractor cannot agree to new delivery schedules.

National Greenhouse and Energy Reporting (NGER) scheme

We will support the consistency and accuracy of emissions and energy data in the oil and gas, coal mining, power generation and transmission, and landfill sectors by promulgating guidance and checking through desktop assessments and audits that our approach is reflected in reports from these sectors.

We will improve overall quality of reporters' data by tightening our resubmission policy, and considering the use of fines and other compliance tools for reporters with a history of submitting inaccurate data.

We will improve the integrity of data reported under various schemes where a greenhouse and energy auditor is used by:

- Ensuring auditors comply with new rules concerning audit fee reporting, adherence with mandated Australian auditing standards, and peer review requirements.

- Ensuring the quality of information in audit reports improves, specifically in relation to Part B (detailed findings).
- Requiring improvement programs or deregistering auditors where they do not comply with the law.

Safeguard mechanism

We will assess the accuracy of claims for calculated baselines for safeguard facilities by engaging early with responsible emitters identified as having potential excess emissions situations to work through information they will provide in support of emissions management applications.

We will encourage compliance for 2017–18 by encouraging responsible emitters to be proactive in planning their response to any excess emissions management situation. This includes early engagement with the agency on obtaining information about the legislative options available to them.

Renewable Energy Target (RET)

Small-scale Renewable Energy Scheme

We will ensure that only eligible systems receive the right number of small-scale technology certificates (STCs) by:

- Using automated solar panel validations in combination with automated algorithms over data from the Australian Energy Market Operator (AEMO) to validate claims.
- Streamlining validation of STCs for users of automatic validation systems and applying more rigorous manual checks where automatic validation systems are not used.
- Introducing a compulsory knowledge check and self-assessment for new Agents about their obligations under the small-scale scheme.
- Removing from the scheme agents who make false claims and consideration of court action.

Large-scale Renewable Energy Target

We will ensure that only eligible renewable generation receives the right number of large-scale generation certificates (LGCs) by:

- Running sophisticated analytics across claims, including using AEMO data.
- Requiring scheme participants to take greater accountability for the quality of data provided and accuracy of LGC creations.
- Refusing over-claims and investigating where false and misleading information is provided. Where proven, options including removal from the scheme and court action will be considered.

Renewable Energy Target liability

To ensure that embedded generators on mine sites are properly identifying and reporting as RET liable entities we will:

- Cross match Renewable Energy Target liable entities against National Greenhouse and Energy Reporting scheme reporters, and ask relevant entities with power stations to establish the existence of self-

generation/use exemption under the Renewable Energy Target where they have not disclosed as a Renewable Energy Target liable entity.

- Impose liability and relevant penalties back four years as necessary.
- Assess claims for self-generation exemptions in the calculation of relevant acquisitions.
- Actively pursue any outstanding shortfall debts.