

13<sup>th</sup> September 2010

Renewable Energy and NGER Reporting Policy Team  
Department of Climate Change and Energy Efficiency  
GPO Box 854  
CANBERRA ACT 2601



By email to: [reporting@climatechange.gov.au](mailto:reporting@climatechange.gov.au)

To whom it may concern.

**Re: Treatment of voluntarily purchased renewable energy in the National Greenhouse and Energy Reporting System (NGERS)**

We welcome the opportunity to respond to the Department's discussion paper on the treatment of voluntary renewable energy purchases under NGERS.

The ATA is a national membership-based association representing consumers in the renewable energy, energy efficiency and carbon markets. The organisation was established in 1980 to empower our community to develop and share sustainable solutions and to promote the uptake of sustainable technologies and investments. The organisation provides service to over 5,500 members nationally, who are actively engaged with small scale renewable energy, energy efficiency and the national electricity market.

ATA supports the view that the current accounting arrangements with respect to GreenPower and voluntarily purchased renewable energy are flawed, and provide a disincentive to individual organisations reporting under NGERS.

In response to the Department's discussion paper, ATA supports Option 3 – 'Adjustment to the state-based emissions factor 'netting out' voluntary purchases of renewable energy sources'. ATA supports Option 3 as it:

- rewards NGERS reporters for voluntarily purchasing a zero-emissions electricity product;
- eliminates free-riders by removing GreenPower from the calculations that lead to state-based emission factors;
- reduces the ability of State Governments to benefit from voluntary purchases by NGERS organisations;

ATA believe that the more pressing issue for the longer term success of Australia's voluntary carbon market, particularly from the consumer perspective, remains the manner in which these voluntary renewable energy purchases are dealt with at the national level – both under Australia's Kyoto commitments and under any likely future emissions trading scheme.

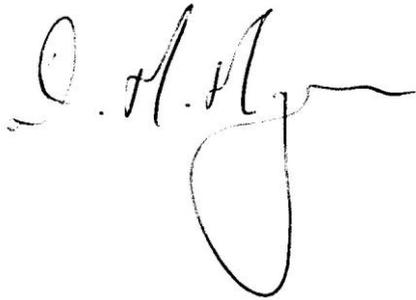
During the course of the CPRS negotiations in 2009, the Government claimed that Assigned Amount Units (AAUs) and CPRS permits would be retired to account for GreenPower sales – however the timing and the calculation method for doing so remain unclear.

With respect to the timing, ATA's position is that the retirement of AAUs and future CPRS permits should be conducted on an annual basis, in line with certified voluntary investments. This provides reasonable certainty to the consumer regarding their environmental claim.

In regards the methodology, ATA believes that an averaged national grid emissions factor could be used to assign the appropriate level of abatement, and that a methodology for such a calculation should be explored by the Department. As an interim measure, the state-based emissions factors could be used to assign to the relevant voluntary investments, despite the inconsistencies this presents at a state level (with certain states effectively paying more for the same level of abatement through renewable energy than others).

We thank you for the opportunity to submit to this review and feel free to contact us should you have any questions regarding the content of this submission.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D. Moyse', with a large, stylized flourish extending from the bottom of the 'y'.

**Damien Moyse**  
*Energy Projects and Policy Manager*