National GreenPower Accreditation Program:

Program Rules

Version 5.1

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Contents

Program Manager Contact Details:

Accreditation:

Contact: GreenPower Program Manager - Accreditation
NSW Department of Water and Energy

Location: Level 17, 227 Elizabeth Street
Sydney
Postal: GPO Box 3889
Sydney NSW 2001
Phone: (02) 8281 7777
Fax: (02) 8281 7761
Email: greenpower@dwe.nsw.gov.au
Website: www.greenpower.gov.au

Marketing:

Contact: GreenPower Program Manager - Marketing
Sustainability Victoria

Location/Postal: Urban Workshop, Level 28, 50 Lonsdale Street
Melbourne VIC 3001
Phone: (03) 8626 8700
Fax: (03) 9663 1007
Email: info@sustainability.vic.gov.au
Website: www.greenpower.gov.au

1. The National GreenPower Accreditation Program

1.1 Introduction

The *National GreenPower Accreditation Program: Program Rules* (formerly titled the *National GreenPower Accreditation Program Accreditation Document Version 3.4)* outlines the terms and conditions of participation in the National GreenPower Accreditation Program for GreenPower Providers and GreenPower Generators. It provides participating electricity GreenPower Providers and GreenPower Generators with information about the National GreenPower Accreditation Program, including:

- Section 1 Background and aims of the National GreenPower Accreditation Program; interaction with sustainable energy schemes in Australia
- Section 2 Definitions for GreenPower Products, GreenPower Generators and GreenPower purchases
- Section 3 Technical Criteria for gaining and maintaining accreditation for a GreenPower Product
- Section 4 Marketing Criteria for gaining and maintaining accreditation for a GreenPower Product
- Section 5 Eligibility requirements for GreenPower Generators
- Section 6 GreenPower Provider reporting and annual audits
- Appendix A Assessment guidelines for approval of GreenPower Generators
- Appendix B Application for GreenPower Generator approval
- Appendix C Definitions of terms
- Appendix D National GreenPower Steering Group Charter

1.2 Background

In 1997, the Sustainable Energy Development Authority (SEDA) in NSW established the GreenPower Accreditation Program to accredit electricity retailers' Renewable Energy products (N.B. SEDA's functions were incorporated into the NSW Department of Energy, Utilities & Sustainability (DEUS) on 1 July 2004 and DEUS' functions were incorporated into the NSW Department of Water and Energy on 27 April 2007). The program was developed in consultation with the energy industry, and various non-government organisations including the Australian Consumers Association, Greenpeace, the Australian Conservation Foundation and the World Wide Fund for Nature.

The program is now offered nationally through joint collaboration by participating jurisdictions, collectively known as the National GreenPower Steering Group (NGPSG).

As of March 2005 any organisation (including non-licensed energy retailers) that is eligible to purchase Renewable Energy Certificates are eligible to develop a product for accreditation as a GreenPower Product. As a result, all relevant references to 'retailers' in the Program Rules have been replaced with 'GreenPower Provider'.

Mission

Driving investment in Renewable Energy in Australia, with a view to decreasing greenhouse gas emissions from the generation of electricity, by increasing awareness of, and ensuring consumer confidence in, environmentally sound Renewable Energy products.

Aims

- To facilitate the installation of new Renewable Energy generators across Australia beyond mandatory renewable requirements.
- To encourage growth in consumer demand for Renewable Energy.
- To provide consumer choice for, and increase confidence in credible Renewable Energy products
- To increase consumer awareness of Renewable Energy and greenhouse issues.

- To decrease greenhouse gas emissions associated with electricity generation.

The National GreenPower Accreditation Program is an independent test for products offered by GreenPower Providers. Those that meet the Accreditation Criteria earn the right to use the GreenPower Product logo, providing customers assurance that their products adhere to these requirements and that monies will be put towards the purposes expected.

Both GreenPower Providers and GreenPower customers benefit from promotional packages, developed by the National GreenPower Accreditation Program's State and Commonwealth participants, which includes the use of the GreenPower logos at no cost (see Section 4), and may include joint promotional events and advertising through both print and electronic media.

National GreenPower Steering Group (NGPSG)

In May 2000, the National GreenPower Steering Group (NGPSG) was officially established to oversee management of the program. This governing body is comprised of representatives from state government agencies from NSW, Victoria, Queensland, Western Australia, South Australia and the ACT.

Program Managers

Accreditation:

The NSW Department of Water and Energy has been appointed as Program Manager: Accreditation and administers the program on behalf of the NGPSG for GreenPower Products and GreenPower Generators.

Sustainability Victoria has been appointed as Program Manager: Marketing and administers the national marketing functions of the program on behalf of the NGPSG.

Refer to the Charter in Appendix D for further details on the role of NGPSG, and respective responsibilities of the Program Manager and the NGPSG.

1.3 Interaction with Other Sustainable Energy Schemes in the Australian Electricity Market

The Federal Mandatory Renewable Energy Target (MRET) – April 2001

The Federal Mandatory Renewable Energy Target (MRET) was legislated under the Renewable Energy (Electricity) Act 2000 and introduced on 1 April 2001. It requires an additional purchase of 9,500 GWh of Renewable Energy by 2010 to be shared across all electricity suppliers (and wholesale buyers). Each supplier will have to surrender a certain amount of 'Renewable Energy Certificates' (1 REC = 1 MWh) to the Office of Renewable Energy Regulator for meeting specified interim targets each year to 2010, depending on their volume of electricity sales.

The MRET and the National GreenPower Accreditation Program have similar objectives - to reduce greenhouse gas emissions from the electricity generation sector and drive investment in Renewable Energy projects. However, the two schemes utilise very different mechanisms to deliver the same objective - MRET is a Federal mandatory requirement, while GreenPower relies on voluntary participation by consumers.

The Commonwealth Government has committed to expand its Mandatory Renewable Energy Target (MRET) scheme, which includes a legislated target of 9 500 GWh in 2010 to a national Renewable Energy Target (RET) scheme which includes a target of 45 000 GWh in 2020. The expanded scheme will deliver the Government's commitment that the equivalent of at least 20 per cent of Australia's electricity supply is generated from renewable sources by 2020.

The national RET scheme is being designed in cooperation with the States and Territories through the Council of Australian Governments (COAG) and brings the existing MRET and existing state-based targets into a single national scheme, due to commence in July 2009.

In 2000, the National GreenPower Steering Group (NGPSG) co-ordinated extensive consultation with electricity retailers, generator owners, consumer groups and other stakeholders to ensure that any changes made to the National GreenPower Accreditation Program in relation to the interaction of GreenPower and MRET had the full input of all those involved and operating in the market.

The Renewable Energy purchased to make GreenPower sales will not be able to be used by energy suppliers to meet their MRET obligations. These same requirements that now apply to the interaction of GreenPower and the MRET will also apply to the national RET upon its commencement.

Refer to Section 3.8 for accreditation requirements related to the interaction of GreenPower and MRET.

NSW Greenhouse Gas Abatement Scheme – 1 January 2003

From 1 January 2003, NSW electricity retailers (and certain other parties) were required to meet mandatory targets for abating greenhouse gas emissions from electricity production and use. This scheme is known as the NSW Greenhouse Gas Abatement Scheme and is implemented through the *Electricity Supply Amendment (Greenhouse Gas Emission Reduction) Act 2002.*

Electricity retailers are required to reduce emissions in line with a sector-wide greenhouse 'benchmark', by sourcing cleaner energy supply and promoting energy efficiency. The sector-wide benchmark is to reduce emissions to 5 per cent below 1990 per capita emission levels, equivalent to 7.27 tCO_2-e per capita by 2006-07. Electricity retailers are required to meet annual reduction targets to achieve the benchmark. Targets each year will be enforced, with electricity retailers paying a penalty where they fail to meet their annual benchmarks. It is expected that the target will be maintained at that level until 2012 or until reviewed.

Under this scheme, GreenPower Providers are not able to count sales and associated greenhouse gas reductions made through their GreenPower Products towards meeting their compliance targets.

The NSW Greenhouse Gas Abatement Scheme will cease to operate when the proposed Carbon Pollution Reduction Scheme commences in July 2010.

For more information on the scheme, visit www.greenhousegas.nsw.gov.au, or contact the NSW Industry Pricing and Regulatory Tribunal (IPART) which is responsible for administering the scheme.

The Victorian Renewable Energy Target (VRET) – January 2007

The Victorian Renewable Energy Target (VRET) scheme will introduce a market based measure to ensure the Victorian Government meets its commitment to achieve 10 per cent of electricity consumption from Renewable Energy sources in Victoria.

Under the *Victorian Renewable Energy Target Act 2006*, retailers and wholesale purchasers of electricity will be required to contribute proportionately towards a Renewable Energy target of an additional 3,274 GWh of Renewable Energy by 2016. Retailers and wholesale purchasers of electricity will be required to surrender Renewable Energy Certificates (RECs) on an annual basis.

Renewable Energy generators that start operation after January 2007 will be able to create RECs for a period of 15 years. With the exception of energy from solar hot water systems, VRET recognises similar eligible Renewable Energy sources like hydro, solar, wind, geothermal and biomass as the Federal Government's MRET scheme.

The Victorian Essential Services Commission (ESC) is responsible for administering the VRET scheme.

Renewable Energy purchased to make GreenPower sales will not be able to be used by GreenPower Providers to meet their VRET obligations. Refer to Section 3.8 for requirements related to the interaction of GreenPower and RECs created under VRET.

The VRET scheme will be rolled into the proposed national expanded Renewable Energy Target scheme from July 2009.

Carbon Pollution Reduction Scheme – Proposed July 2010

The CPRS will introduce a cap on emissions from covered sectors, including stationary energy, designed to help Australia reach its Kyoto compliance targets. However, the current proposed design does not specifically include GreenPower and does not allow for voluntary action to exceed the Kyoto target without adding cost and complexity.

As currently proposed in the CPRS White Paper, once there is a cap on emissions, any reduction in emissions from sources that are covered by the scheme will reduce the demand for permits, but will not affect total emissions which are capped by the scheme.

The surrender of CPRS permits will not satisfy the auditing requirements for GreenPower sales. One REC will still be required for every MWh of GreenPower sold.

Future Mandatory Energy Targets

GreenPower will interact with all future mandatory energy targets in a similar way to those already in existence. That is, Renewable Energy purchased to make GreenPower sales will not be able to be used by GreenPower Providers to meet mandatory obligations.

2. GreenPower Providers, Products, Generators and Acquisitions

This section defines GreenPower Providers, GreenPower Products and GreenPower Generators, in addition to requirements related to the use of GreenPower Generators. Eligibility criteria for Generators are outlined in Section 5. Further details on applying for generator approval can be found in Appendix B with related definitions provided in Appendix C.

2.1 What is a GreenPower Provider?

A GreenPower Provider is an energy provider that has entered into a contractual agreement with the GreenPower Program Manager to sell GreenPower Products and has had a GreenPower Product accredited by the Program Manager.

2.1.1 GreenPower Provider Fees

The GreenPower Provider agrees to pay to the Program Manager an annual accreditation fee of five thousand dollars ($5,000) as a contribution to the cost of administering the National GreenPower Accreditation Program.

Any new provider that first sells GreenPower to customers within the fourth quarter of the calendar year will be charged half of the annual fee in their first year of participation.

The NGPSG reserves the right to review and increase this fee.

2.2 What is a GreenPower Product?

GreenPower Products provide a 'green' tariff option to electricity purchasers (residential and/or commercial customers). The GreenPower Provider commits to ensuring an equivalent amount of Renewable Energy is produced from GreenPower Generators to the amount of GreenPower energy requested (purchased) by the GreenPower Customer.

The term 'GreenPower Product' refers only to the GreenPower accredited portion of any product offering by a GreenPower Provider.

2.2.1 Process of Product Accreditation

Any energy provider may apply to join the National GreenPower Accreditation Program. Energy providers should note that individual GreenPower Products, rather than GreenPower Providers, are accredited and that GreenPower Rights may not be traded outside of this scheme. A GreenPower Provider may choose to offer one or several GreenPower Products. Each GreenPower Product requires a separate application, which includes details on administration, eligible GreenPower Customers and a portfolio of 'green' generators. To offer GreenPower Products, GreenPower Providers must also meet any local jurisdictional licensing requirements.

<u>The application process for GreenPower accreditation involves the following steps:</u>

1. The applicant will be required to sign a contract with the Program Manager that specifies the undertakings of both parties. Execution of this contract entitles the applicant to use the GreenPower Logos and all other accreditation materials (promotional and reporting) available for any GreenPower accredited Products.

2. Request from the Program Manager the necessary GreenPower documentation and forms, including the contract, logo guidelines and logo license application forms (see 'Use of GreenPower Logos' in Section 4).

3. Forward the completed application form, contract and all necessary attachments to the Program Manager, allowing at least three weeks for initial assessment.

4. The Program Manager assesses the application for accreditation. Where the application does not meet the criteria of the National GreenPower Accreditation Program, or where insufficient details are provided, applicants are advised accordingly and amendments suggested.
5. Once the GreenPower Product has been approved, and the contract executed by the Program Manager, the GreenPower Provider will then be advised by letter.
6. The GreenPower Provider may apply to have further GreenPower products accredited at a later time and the contract will be amended accordingly.

When offering electricity contracts and tariffs, GreenPower Providers may wish to offer a combination of 'green' electricity with non-green electricity. Some GreenPower Customers will only wish to purchase a portion of their energy or elect a block tariff option associated with only a certain amount of energy from GreenPower Generators. Allowance for this has been made in the development of the National GreenPower Accreditation Program, whereby the 'green' component of a blend can be accredited.

On an annual basis, an independent auditor performs a technical audit of each GreenPower Provider's accredited Products to ensure continual compliance with the Accreditation Criteria outlined in Section 3.

2.2.2 Breaches and Withdrawal of Accreditation

The Program Manager, after agreement from the NGPSG, may withdraw accreditation from a GreenPower Product the operation of which has breached, or failed to comply with, the Accreditation Criteria (Section 3).

The Program Manager will advise the GreenPower Provider of any apparent breach of the Accreditation Criteria by way of a "show cause" notice of the apparent breach. Where the GreenPower Provider does not rectify the breach or provide evidence to the contrary within the required time period, the Program Manager will put the GreenPower Provider on probation and advise the NGPSG accordingly. The GreenPower Provider will be given a set period during which to rectify the breach of accreditation, and where the breach is not rectified during the time period the Program Manager will advise the NGPSG accordingly, and accreditation of the GreenPower Product will be withdrawn subject to NGPSG agreement. Details of any breaches, notices and withdrawal of accreditation will be listed in the annual GreenPower Audit.

If accreditation of a GreenPower Product is withdrawn, the GreenPower Provider will be required to cease promotion of the GreenPower Product and notify their GreenPower Customers, as agreed under contract.

In the event of a delay or failure to comply with the Accreditation Criteria due to Force Majeure circumstances (Appendix C), the GreenPower Provider must provide the Program Manager with sufficient details of the issue. Allowable concessions may then be considered by the Program Manager in consultation with the NGPSG. If the delay or failure to comply exceeds a 30 day period (or such timeframe as agreed to by Program Manager), accreditation may be withdrawn.

2.2.3 Changes to the Accreditation Program

The NGPSG reserves the right to review and amend the operation and conditions of the National GreenPower Accreditation Program and these Program Rules,. The Program Manager will notify the GreenPower Provider of any proposed amendments to the operation and conditions of the National GreenPower Accreditation Program and the Program Rules. The GreenPower Provider will be given the opportunity to provide feedback in the review process at least one month prior to such amendments taking affect. Where necessary, the GreenPower Provider will be given reasonable time to adapt the existing GreenPower Product to meet any requirement modifications.

2.2.4 Special Waiver of Program Rules

The GreenPower Program Manager – Accreditation may waive any requirement of these Program Rules on a case by case basis. Any waiver under this section must first be approved through a unanimous vote of the National GreenPower Steering Group.

Before any waiver will be provided under this section the proponent must satisfy all of the following conditions:

1. The proponent must demonstrate that it is unable to comply with the Rule/s due to extraordinary circumstances; and
2. The overall objectives of the scheme must not be compromised.

Any Special Waiver relating to Section 3: GreenPower Product Technical Criteria will be published in the Annual Compliance Audit.

2.3 Use of GreenPower Generators

All electricity generators used in a GreenPower Product must be approved as a GreenPower Generator by the Program Manager. Under the National GreenPower Accreditation Program, a GreenPower Generator is defined as 'an electricity generator that results in greenhouse gas emission reduction, Net Environmental Benefits, is based primarily on a Renewable Energy resource, and is approved by the Program Manager.

All projects are individually assessed for approval against eligibility criteria (Section 5) and other generation type-specific considerations (Appendix A), and require support from consumer and environmental stakeholders.

Please note that "primarily based on a Renewable Energy resource" means that more than half of the energy output must be attributed to an eligible Renewable Energy resource. Non-renewable resources are those based on fossil fuels.

The major renewable electricity generation types include:

- Solar Photovoltaic and Solar Thermal Electric Systems
- Wind Turbines and Wind Farms
- Hydro-Electric Power Stations
- Biomass-Fuelled Power Stations
- Geothermal Power Stations
- Wave and Tidal Power Stations.

Section 5 outlines the eligibility requirements for all GreenPower Generators. Refer to Appendix A for approval considerations for each generation type, and relevant environmental and consumer considerations.

2.3.1 Definition of a GreenPower Generator

A GreenPower Generator is defined as an electricity generator or increase in generator capacity[1], which was commissioned or first sold energy (whichever is earlier) after January 1, 1997 and that has been accredited under the National GreenPower Accreditation Program.

2.3.2 Approval Process

GreenPower Providers must ensure that all generators to be used in their GreenPower Product have been given written GreenPower approval, prior to the inclusion of these generators in the GreenPower Product (as under Section 3.2). Either GreenPower Providers or generator owners can request for approval. The approval application process, and associated fees, for GreenPower Generators is outlined in Appendix B.

The date of accreditation for a generator will be the date on which the application is approved by the Program Manager.

GreenPower Providers should advise the Program Manager of the addition of any New GreenPower Generators to the GreenPower Product as soon as practicable. GreenPower Providers will be required to report regularly to the Program Manager of all GreenPower Generators used in the GreenPower Product (see Reporting Section 6).

2.3.3 Generator Pre-approval

Power station developers, generator owners or GreenPower Providers may approach the Program Manager at any time to inquire about possible eligibility of generators for GreenPower approval. However, while a

[1] Where it involves an increase in generator capacity (e.g. upgrades), new generation is measured as that generation which occurs over and above the existing installed capacity as a result of significant capital investment.

preliminary view can be given as to the likely eligibility of a generator (subject to provision of project-specific information including site/location details, environmental and consumer considerations), the proponent will be required to submit a formal application and pay the associated fee for approval once all details are finalised, including fuel sources, technologies and environmental management (as specified in Appendix B).

2.4 GreenPower Acquisitions

As of 1 July 2001, GreenPower Providers were able to purchase and on-sell the GreenPower Rights separately to the electricity produced from a GreenPower Generator, for use in GreenPower Products. Requirements for operation are discussed below.

2.4.1 GreenPower Rights

A GreenPower Right is defined as the right to claim any eligible GreenPower generation (or a portion of generation) from a GreenPower Generator that may be bought by or transferred to a GreenPower Provider for use in respect of a GreenPower Product.

The following Transitional Arrangements apply to GreenPower Rights (GPRs):

1 January 2009 – Stage one:

- GPRs are no longer required for any customer signed-up from 1 January 2009;
- All sales to customers signed-up from 1 January 2009 will require one REC to be surrendered for each MWh sold; and
- GPRs and RECs are still required for customers signed-up before 1 January 2009.

1 January 2011 – Stage two:

- GPRs are no longer required or accepted in the Program;
- All sales to customers will require one REC to be surrendered for each MWh sold; and
- The audit will focus solely on RECs.

GreenPower Rights may not be granted, sold, transferred or otherwise disposed of except by participants in the National GreenPower Accreditation Program to other participants for the purpose of use in respect of a GreenPower Product by a GreenPower Provider.

While the National GreenPower Accreditation Program no longer requires the purchase of the physical electricity, GreenPower Rights are only valid (i.e. the GreenPower Provider can claim the GreenPower generation) where it can be demonstrated that the electricity to which it is associated has been generated by a GreenPower Generator.

GreenPower Rights are only valid within the Settlement Period in which the generation to which they are associated has occurred, except where carryover to the next period has been authorised under flexibility mechanisms outlined in Section 3.7, or in the case of deemed GreenPower Rights from small-scale systems (see Appendix A, Embedded Generators).

2.4.2 Initial Ownership

For existing power sale contracts for the purchase of GreenPower approved electricity signed prior to 1 July 2001, ownership of the GreenPower Rights will be automatically assigned to the party purchasing the electricity for the duration of the contract, unless the Program Manager is formally notified of a change in arrangements (for example, via renegotiation). At the end of the contract's term, or at the date of variation or renegotiation, ownership of the right will be reverted to the generator owner unless otherwise sold.

For existing power sale contracts signed after 1 July 2001, GreenPower Generator owners own the GreenPower Rights by default until otherwise sold, provided that such GreenPower Rights may only be sold, transferred or otherwise disposed of by participants in the National GreenPower Accreditation Program to other participants for the purpose of use in respect of a GreenPower Product.

2.4.3 Verification and Validity of GreenPower Rights

When trading the GreenPower Rights, it is the responsibility of the party purchasing the GreenPower Rights to ensure that they are valid. To this end, it is advised that GreenPower Providers undertake the necessary due diligence processes at time of purchase and keep a record of the arrangement. This could include the following details:

- The name of the power station or unit, and owner of the power station
- Date of trade
- Volume of energy purchase (kWh, per cent of output) to which the GreenPower Rights are associated
- Fuel source
- The period (or date) of generation covered by GreenPower Rights

GreenPower Providers may also wish to obtain sufficient information to track and record the ownership history of the GreenPower Rights back to actual generator output (i.e. use a paper trail).

As GreenPower Rights are solely for use in GreenPower Products, GreenPower Providers and GreenPower Generators will need to provide reports as part of the annual audit process to verify GreenPower purchases and actual generation, for checking compliance with the Accreditation Criteria (Section 3). See Section 6.2 for details on annual audit reports.

Section 3.6 outlines the validity of GreenPower acquisitions for claiming generation purchases. Any claim found to be invalid by the Program Manager will be rejected and it will be the GreenPower Provider's responsibility to rectify the GreenPower purchase.

2.5 Dispute Resolution

The Program Manager is acting on behalf of the NGPSG. As such a GreenPower Provider or GreenPower Generator owner has the right to appeal to the NGPSG if there is a dispute over the Program Manager's decision regarding GreenPower Product accreditation, generator approval, ownership of GreenPower Rights or other. The decision of the NGPSG is final and cannot be contested.

3. GreenPower Product Technical Criteria

Sections 3 and 4 define the Technical and Marketing Accreditation Criteria for a product to gain and maintain accreditation under the National GreenPower Accreditation Program. GreenPower Providers are audited against these criteria on an annual basis, and information is made publicly available.

3.1 Technical Auditing

The GreenPower Provider must provide the Program Manager with the reports and other information necessary to carry out a technical audit of all GreenPower Products each year. The technical report must be audited by an independent and suitably qualified auditor (Tier 1 or Tier 2 accounting companies) approved by the GreenPower Provider.

This audited technical report and a separate audit statement prepared by the independent auditors must be provided to the Program Manager in the format specified by the Program Manager and in the timing referred to in Section 6. If a GreenPower Provider fails to submit the technical report in the specified time frame without prior written consent from the Program Manager, it will be considered a breach of accreditation and accreditation may be withdrawn (as per Section 2.2.2).

In cases where it is deemed necessary for auditing purposes, GreenPower Providers will be required to provide financial statements upon request by the Program Manager.

3.2 Use of GreenPower Generators

All electricity generators installed as a result of or used by GreenPower Products must:

- be approved by the Program Manager; and
- conform to the definition and eligibility requirements of a GreenPower Generator as set out in Section 5.

The Program Manager, on behalf of the NGPSG, has the right to disallow particular generators that in its opinion do not fulfil the definition of a GreenPower Generator.

3.3 Changes to the GreenPower Product and Generators

GreenPower Providers must alert the Program Manager in writing of any changes that are made to the operation of the GreenPower Product (e.g. GreenPower Product structure, changes in fuel sources, etc) prior to those changes taking effect.

GreenPower Providers are not required to seek approval from DWE for inclusion of New GreenPower Generators, however this information must be advised in the Quarterly Report following the inclusion. It is the GreenPower Provider's responsibility to ensure that those generators being used in their product do have GreenPower approval (see 3.2).

3.4 Minimum Percentage Requirement of Accredited GreenPower in Blended Products

GreenPower Providers are required to have a minimum 10 per cent GreenPower content in products offered to residential customers for all products. The minimum GreenPower content of residential block-based products is set at 647kWh/year from 1 January 2007 to 31 December 2009. This value represents 10 per cent of the national average residential electricity consumption (based on 2003-2004 ESAA data).

3.5 Claims of Eligible Generation for GreenPower Products

The Program Manager will only accept claims for GreenPower generation purchases as valid, if it can be verified that:

- The GreenPower Provider is the owner of the GreenPower Rights to eligible GreenPower generation over the Settlement Period. GreenPower Providers will need to verify the volume of generation; and the time period of generation to which those GreenPower Rights are associated;
- Where only a proportion of the generation from a GreenPower Generator is eligible for use in a GreenPower Product (see Section 5.2.2), GreenPower Providers can only claim that eligible portion for a GreenPower Product, as defined under the conditions in the GreenPower Generator approval by the Program Manager;
- The generation to which the GreenPower Rights are associated and claimed for use in the GreenPower Product has actually occurred within the Settlement Period*; and
- A Renewable Energy Certificate is surrendered for each MWh of GreenPower generation sold through the GreenPower Product (subject to conditions outlined in Section 3.8).

Any claim found to be invalid (i.e. if one or more of the above conditions are not satisfied, where applicable) will be rejected, and it will be the GreenPower Provider's responsibility to rectify the GreenPower purchase. See Section 3.6 for balancing supply and demand.

*Actual GreenPower generation output is verified through the generator reporting process as part of the Annual Audit, as outlined in Section 5.6.

3.6 Balancing GreenPower Supply and Demand

Each GreenPower Product must have an identified Settlement Period over which GreenPower supply balances demand i.e. GreenPower Providers are required to have made valid claims for GreenPower purchases (as defined in Section 3.5) equivalent to the amount sold to their GreenPower Customers through their GreenPower Product within the Settlement Period.

The Program Manager will allow a 3 month reconciliation period after the end of the Settlement Period. i.e. GreenPower Providers must have completed any GreenPower Rights transactions and surrendered the required number of RECs, as determined by the Program Manager, within this timeframe (see Section 3.7).

The generation of any GreenPower Rights transactions which are finalised in this period after 31 December, must have occurred within the defined Settlement Period (this does not include the 3 month reconciliation period).

It is considered a serious breach of accreditation if demand is not met over the Settlement Period. In cases where there is a shortfall of valid claims for the purchase of GreenPower generation the following will apply.

1.(a) The Program Manager will allow a leeway for a 5 per cent shortfall on energy sales from GreenPower generation within the 1-year Settlement Period, subject to notification by the GreenPower Provider. Conditions 2 and 3 will apply.

(b) Where a shortfall exceeds the allowable leeway level (as specified in 1(a)), the GreenPower Provider will be placed on probation and given 2 months to rectify the shortfall via credits/rebates to affected GreenPower Customers. The GreenPower Provider must provide proof that this action is taken and the Program Manager will assess the evidence for compliance and audit the GreenPower Provider at the expense of the GreenPower Provider if necessary. Where the GreenPower Provider makes no attempt to make up the GreenPower generation shortfall, withdrawal of accreditation may be considered by the NGPSG.

2. This shortfall must be rectified in the following 1-year Settlement Period by purchasing sufficient additional GreenPower Generation (and RECs) to make up that shortfall. Evidence of this purchase must be provided within their audited statement, submitted to the Program Manager's independent auditors at the end of the following Settlement Period for evidence of compliance.

3. Where the GreenPower generation shortfall is not made up as required in the following Settlement Period, it is considered a serious breach of accreditation and the NGPSG would then consider appropriate action, as described above in (1b).

Where GreenPower Providers have excess purchases pertaining to GreenPower generation which have not been allocated to their GreenPower Product for a defined Settlement Period, GreenPower Providers will be able to carry over a 5 per cent excess of GreenPower purchases made in the 1-year Settlement Period only to the next Settlement Period for meeting GreenPower generation demand.

Please note that any shortfall and carry-over generation used by GreenPower Providers will be publicly reported each year in annual audit reports.

3.7 Transfer and Surrender of Renewable Energy Certificates (RECs)

GreenPower Providers are required to surrender (or invalidate) 'eligible' RECs (see eligibility under Section 3.8) as created under either MRET or VRET for each MWh of generation acquired by the GreenPower Provider and sold as part of a GreenPower Product within a Settlement Period.

The transfer and surrender of RECs must be made each year within three months of the end of the Settlement Period, i.e. by 31 March.

3.7.1 GreenPower Designated Accounts

In order to comply, GreenPower Providers are required to set up their own GreenPower Designated Account on the nominated REC Registry (or registries) – established to administer the MRET and VRET schemes - into which RECs for GreenPower compliance will be transferred and then surrendered. GreenPower Providers are not permitted to use these RECs to meet their obligations under MRET or VRET.

GreenPower Providers are also required to grant the Program Manager 'view' access to their GreenPower Designated Account/s to enable the Program Manager or the auditor to complete annual audit reports.

Details on set-up, granting 'view' access and operation of GreenPower Designated Accounts can be obtained from the Program Manager.

3.7.2 Special Concessions

Concession arrangements for compliance will apply in certain circumstances as outlined below and will be publicly reported in annual audit reports. Any approved concession arrangement will apply to all generation that is on sold from the facility, and will need to be reported by both the Generator and any GreenPower Provider purchasing from the facility as part of the annual audit process.

If a situation arises in which a GreenPower Provider believes that the NGPSG should waive the requirement to transfer RECs for any generation (or proportion of generation) acquired from a GreenPower Generator, which was sold as part of a GreenPower Product, that does not create RECs, the GreenPower Provider must apply in writing for a special concession. Consideration for special concession arrangements will be assessed and given by the Program Manager on a case-by-case basis.

Special concessions will only be granted on the basis that there is no opportunity for the 'concessioned' RECs to be used to meet obligations under other schemes such as the MRET, VRET, or the Greenhouse Gas Abatement Scheme, or any other federal, state or territory Renewable Energy or emission trading schemes.

3.8 Eligibility of RECs

Only RECs created by a GreenPower Generator are eligible for transfer against the requirement arising as a result of the sale of GreenPower generation. There is no requirement to transfer RECs from the same GreenPower Generators as are used in the GreenPower Product.

RECs created under MRET or VRET are eligible to be transferred as specified under Section 3.7. For the avoidance of doubt, all RECs created under VRET are classified as GreenPower generation.

RECs derived from the use of solar water heaters are not eligible to be used within the GreenPower Program.

3.9 Shortfall in RECs

Any sales of GreenPower generation for which a concession cannot be claimed and RECs are not transferred, cannot be validly claimed as GreenPower. Where a shortfall for meeting supply with demand occurs as a result, the conditions outlined in Section 3.6 will apply.

For example, where a GreenPower Provider has 100GWh sales of GreenPower generation over the Settlement Period, but transferred only 70GWh of RECs to the GreenPower Designated Account, that GreenPower Provider can only claim 70GWh GreenPower generation acquisitions for that year (as long as those GreenPower purchases satisfy all other conditions to be valid).

The GreenPower Provider shall pay to such of its customers as subscribed to the Product in the relevant period pro rata a sum equivalent to the greater of:

a) the then prevailing market value; or

b) the value of the consideration received by the GreenPower Provider

in respect of any RECs which it failed to deposit into the Designated Account or any RECs which it dealt with, in breach of its obligations under the GreenPower Provider Agreement.

3.10 GreenPower Provider Purchase of GreenPower Products

Under the Accreditation Program all GreenPower Providers are required to purchase GreenPower at a level which entitles them to use the GreenPower Customer Logo. This level is defined in "The GreenPower Logo Usage Guidelines". See Section 4.

This requirement applies to each Provider's retail arm as a minimum. Electricity consumption levels for the retail arm will be worked out with, and agreed to by, the Program Manager.

3.11 Treatment of System Losses

GreenPower Providers can choose if they wish to specify to the GreenPower Customer and Program Manager whether transmission and/or distribution system losses attributable to a GreenPower Customer are supplied from GreenPower Generators. If system losses are included, generation supplying these losses must conform to all requirements above.

4. GreenPower Product Marketing Criteria

4.1 Introduction

GreenPower Providers that offer GreenPower Products provide GreenPower Customers with the choice to make a positive contribution to the environment, encourage the development and use of Renewable Energy technologies, and open new investment opportunities in the energy sector.

To realise this market potential and maintain GreenPower Customer confidence, GreenPower Customers must be provided with clear and concise information about their electricity products and services.

4.2 Compliance Review

GreenPower Providers must submit all GreenPower marketing materials to the Program Manager for approval prior to the commencement of marketing. The Program Manager will verify compliance with the GreenPower Marketing Guidelines 2008/2009.

Compliance will subsequently be checked annually by the Provider's GreenPower Auditor as part of the annual audit process.

4.3 GreenPower Provider's Intellectual Property

The GreenPower Provider grants to the Program Manager without cost a non-exclusive licence to use any intellectual property relating to the advertising or marketing of the GreenPower Product for purposes covered by these Program Rules and the GreenPower Provider Agreement.

4.4 Provision of Information to Customers

Each GreenPower Provider wishing to use a GreenPower logo, or claim GreenPower accreditation for any of their electricity products agrees to:

1. Provide all GreenPower Customers, during customer subscription and agreement fulfilment period, with contract pricing and terms and condition written in clear, simple and easily understood terms; and

2. Make the following information available to new and potential GreenPower Customers at their request:
    - Generator names and types for each GreenPower Product;
    - Historical percentage of energy by type of generation for each GreenPower Product; and
    - The typical energy price range for each generation type.

4.5 Use of GreenPower Logo

The GreenPower logo has been developed to build recognition of the GreenPower brand. To strengthen the effect of these efforts, a common logo has been developed for use across Australia by GreenPower Providers, Customers and GreenPower Generators.

GreenPower Providers

It is important that GreenPower Providers support the recognition of the GreenPower brand, the accreditation processes and overall enhancement of the GreenPower concept. Providers must refer to their product's accreditation in all advertising and marketing in connection with the GreenPower Product or the Program as per the GreenPower Provider Agreement. This includes all print, broadcast & online material including a hotlink from the Logo to the GreenPower website.

The GreenPower logo must be used in compliance with the conditions of use that are available in a document entitled "GreenPower Marketing Guidelines", available from the GreenPower website (http://www.greenpower.gov.au/greenpower-marketing-guidelines.aspx).

GreenPower Providers are required to submit all marketing material, including all print, broadcast & online material, to the Program Manager for approval prior to publication.

Customers

Commercial GreenPower Customers may be entitled to use the GreenPower logo if they have purchased or contracted to purchase sufficient levels of GreenPower as outlined in the GreenPower Logo Usage Guidelines 2008/2009. This document also describes how and where the logos can be used, and is available from the GreenPower website (http://www.greenpower.gov.au/using-the-greenpower-logo.aspx)

GreenPower Providers must promote the use of the GreenPower logo to all commercial GreenPower Customers purchasing or approached to purchase a GreenPower Product by providing them with information about their eligibility to use the GreenPower logo.

GreenPower Generators

Generator owners are entitled to use the GreenPower logo where more than half of the output of the generator is classified as GreenPower generation. Additional requirements are contained in the GreenPower Logo Usage Guidelines 2008/2009. This document also describes how and where the logos can be used, and is available from the GreenPower website (http://www.greenpower.gov.au/using-the-greenpower-logo.aspx) .

GreenPower Events

The GreenPower logo is available for use where an event will be powered by 100 per cent GreenPower accredited energy. The GreenPower logo must only be used on marketing materials directly relating to the event and it must be clearly communicated that the event rather than the entire company responsible for the event is purchasing GreenPower. Additional requirements are contained in the GreenPower Logo Usage Guidelines 2008/2009. This document also describes how and where the logos can be used, and is available from the GreenPower website (http://www.greenpower.gov.au/using-the-greenpower-logo.aspx)

Example of GreenPower Logo

4.6 GreenPower Product Disclosure Label

The purpose of the GreenPower Product Disclosure label is to establish a mechanism to differentiate GreenPower products and communicate how environmentally friendly each option actually is. It provides full disclosure of the contents of GreenPower accredited products through the inclusion of discrete percentages of all product contents. This more detailed design will present consumers with a greater amount of information. The use of the GreenPower Product Disclosure Label is now compulsory for all marketing and collateral of GreenPower accredited products. The full requirements are contained in the GreenPower Marketing Guidelines 2008/2009. This document is available from the GreenPower website (http://www.greenpower.gov.au/greenpower-marketing-guidelines.aspx).

Example of GreenPower Product Disclosure Label

4.7 Treatment of Blends of 'Green' and Other Energy

Prior to entering into an agreement to provide energy to a customer, and in all marketing and advertising related to the composition of a GreenPower Product, the GreenPower Provider must provide clear information about the portions of GreenPower accredited electricity and non accredited electricity that will be provided (for each level of GreenPower on offer).

Only those GreenPower Products that contain 100 per cent GreenPower are able to be described as 100 per cent renewable. No 'blended' Product (i.e. a Product containing less than 100 per cent GreenPower) may be referred to as 100 per cent renewable.

Where GreenPower accredited products are less than 100 per cent, the description of the unaccredited portion (backfill) of the product is prohibited other than referring to the backfill as other grid electricity.

Only 100% GreenPower products will be able to be described as 100% renewable.

Only 100% GreenPower products can be described as carbon neutral, having zero greenhouse emissions or zero emissions.

If a customer is offered a 'block tariff', the GreenPower Provider must clearly communicate how the 'block' is structured (e.g. proportions of GreenPower approved energy and other components) and what the 'block' translates to in terms of approximate kWh of GreenPower purchased per day/month/quarter, emphasising that calculations are based on average consumer consumption levels rather than actual.

4.8 Misleading Conduct

GreenPower Providers must ensure that they do not undertake, in the opinion of the Program Manager, misleading advertising or conduct in relation to GreenPower. Of particular importance is misleading advertising relating to the composition of GreenPower Products. GreenPower Providers must not deliberately or inadvertently mislead GreenPower Customers as to what generation types are used in their GreenPower Products, or the proportion of GreenPower from different generation types, or to the function and operation of GreenPower Rights used in their GreenPower Products. GreenPower Providers must:

- Agree to use only factually based and objectively verifiable environmental marketing claims in all advertising relating to their GreenPower Products;
- Be sufficiently clear and prominent in all advertising and marketing materials and other correspondence to potential and actual GreenPower Customers to prevent deception, in particular in regard to the GreenPower Customer's level of GreenPower purchase and in regard to the balance of the supply;
- Not represent that GreenPower Customers are actually delivered 'green' electrons from specific generation facilities;
- Not overstate environmental attributes or benefits, expressly or implicitly; and
- Present comparative claims in a manner that makes the basis for comparison clear to avoid GreenPower Customer deception.

5. GreenPower Generator Eligibility Requirements

Each electricity generator used in a GreenPower Product must be approved as a GreenPower Generator by the Program Manager prior to their inclusion in a GreenPower Product. This section defines the eligibility criteria to which all generators must comply to gain and maintain approval from the Program Manager as a GreenPower Generator.

5.1 General Definition

To be eligible for GreenPower approval, an electricity generator must result in greenhouse gas emission reduction (within the electricity sector), result in Net Environmental Benefits, be based primarily on a Renewable Energy source, and meet the eligibility requirements below.

All projects are individually assessed and considered for approval against the above general definition and the eligibility criteria below, in addition to other more specific considerations outlined in Appendix A, including stakeholder consultation and acceptability for the project. Details on the application and approval process are given in Appendix B.

5.2 Eligibility Criteria

5.2.1 Minimum Renewable Energy Input

The electricity generator must be based primarily on a Renewable Energy resource. As such the proportion of eligible Renewable Energy input must exceed 50 per cent averaged over the Settlement Period. With the exception of minor contaminants, all renewable fuels used must be eligible under GreenPower.

5.2.2 Eligible Generation

Only the portion of the energy generated that is based on Renewable Energy resources (i.e. >50 per cent) is eligible for GreenPower approval. The annual generation of a generator shall be pro-rated on the proportion of renewable vs. non-Renewable Energy (i.e. fossil fuel) input, as detailed in the letter of approval.

5.2.3 Approval Conditions

A generator is only eligible for GreenPower approval as long as it complies with the approval conditions defined in the approval letter, and the eligibility requirements for GreenPower Generators in this Program Rules (as modified over time).

5.2.4 Changes to the GreenPower Generator

The generator owner must notify the Program Manager in writing of any changes made, or any intention to make changes to the operation of the GreenPower Generator e.g. change in fuel sources or upgrade in capacity. It is recommended that the proponents consult the Program Manager as early as possible to confirm acceptability of these changes under the Program (e.g. eligibility of fuel sources), for an upgrade of the project's approval status.

5.2.5 Specific Exclusions and Inclusions

Generators must comply with specific eligibility criteria detailed below in Section 5.3 and Section 5.4.

5.3 Specific Exclusions

The following fuels/technologies are not acceptable for the purposes of the definition of a GreenPower Generator.

1) Utilisation of any materials (including wastes, primary or secondary) derived from forests other than sustainably harvested plantation forests. Plantation-derived wastes must not be sourced from plantations that clear, or have cleared after 1990, existing old growth or native forests.
2) Generators that involve the incineration of industrial, commercial or municipal solid wastes.
3) Hydro-electric projects, which require new dam construction that results in large-scale flooding of ecosystems.
4) Hydro-electric projects, which involve major diversion of rivers and do not adequately allow for environmental flows.

5.4 Specific Inclusions

The following fuels are acceptable Renewable Energy sources for the purposes of the definition of a GreenPower Generator.

1) Wood waste from clearing specified noxious weeds; sustainably managed plantations; Municipal Green Waste.
2) Industrial, commercial and municipal solid wastes (excluding incineration). Where a fossil fuel component is mixed in with the waste stream and cannot be reasonably removed from the fuel mix, the fossil fuel component will be netted out on a pro-rated basis (according to calorific value of fossil fuel component).

5.5 Treatment of Small Generation Units (SGUs)

Any renewable energy certificate (REC) from an SGU to which a REC multiplier has been applied under the Commonwealth Solar Credits Scheme will not be eligible for accreditation under the GreenPower program.

5.6 Review Process for Accreditation

5.6.1 Special Approvals

In situations where generators do not fully meet the above criteria or assessment considerations in Appendix A, but where the generator owner or GreenPower Provider believes there is significant merit in the operation of the project or the utilisation of the fuels, the Program Manager may consider granting a special approval for the generator (subject to NGPSG endorsement). Consideration of approval will be subject to provision of project details, as well as evidence of relevant stakeholders consultation and acceptance of the project.

5.6.2 Changes to Accreditation Program

The NGPSG reserves the right to amend the operation and conditions of the National GreenPower Accreditation Program and these Program Rules. The Program Manager will notify the GreenPower

Generator owner of any proposed amendments to the operation and conditions of the National GreenPower Accreditation Program and these Program Rules. Modifications will apply to all GreenPower Generators and GreenPower Products, where relevant. The GreenPower Generator owner will be given reasonable time to provide feedback in the review process prior to such amendments taking effect. Where such amendments require the GreenPower Generator owner to make alterations to the operation of the GreenPower Generator, the GreenPower Generator owner will be given reasonable time to adapt to meet any amendments.

5.6.3 Breach of Generator Approval

If a GreenPower Generator is in breach of, or is anticipated to be in breach of, the above eligibility requirements, approval conditions specified by the Program Manager (or of any other related development or environmental legislation which may impact its GreenPower compliance), the GreenPower Generator owner must notify the Program Manager immediately. The approval status of the GreenPower Generator will be reviewed. The owner will have the opportunity to provide evidence and respond to any issues raised in the review process. The Program Manager, after agreement with the NGPSG, may suspend or withdraw the approval of a GreenPower Generator if the breach is considered to conflict with the National GreenPower Accreditation Program, including these Program Rules.

An appeal may be made to the Program Manager, who will subsequently advise and make a decision with the NGPSG.

If GreenPower approval is withdrawn, the generator must notify any GreenPower Providers with which it has GreenPower purchase arrangements, and cease its supply of GreenPower to these GreenPower Providers.

5.7 Generator Reports

Generator owners will need to provide reports of annual output for each GreenPower Generator during the Settlement Period, which may be verified as part of the annual audit process. These must be provided to the Program Manager or nominated representative within 3 months following the end of the Settlement Period (on or before 31 March).

Information should include the following:

- Name of power station;
- Generation capacity (MW);
- Fuel source(s);
- Metered data for total eligible GreenPower generation (net annual output), including information on metering point;
- Volume of electricity generated (MWh);
- Period of time (dates) of electricity production;
- Details of initial purchase of GreenPower e.g. name of buyer;
- MRET status.

The Program Manager will accept reports prepared and supplied by the GreenPower Provider for GreenPower Generators where the GreenPower Generator owners have not reported directly to the Program Manager, as long as they have been signed off by the GreenPower Generator owner.

5.8 Selling GreenPower Generation

All generation sold and branded as 'GreenPower' to an end consumer must be sold as a GreenPower Product, which has been accredited under the National GreenPower Accreditation Program and subject to the Accreditation Criteria. This rule is applicable to GreenPower Generators, where the GreenPower Generator owner is selling electricity directly to a GreenPower Customer. GreenPower Generator owners will need to submit a product application for assessment and undergo the necessary compliance reporting procedures (see Section 2.1).

If a GreenPower Generator owner fails to comply with these standard procedures and sells 'GreenPower' to customers outside of the scope of an accredited GreenPower Product, it will be considered a breach of accreditation by the GreenPower Generator, and approval may be withdrawn.

6. GreenPower Provider Reporting

The public release of information about the operation of GreenPower Providers helps to ensure the consumer confidence required to gain acceptance of GreenPower Products. Ongoing accreditation of

GreenPower Products requires the GreenPower Provider to provide regular reports, parts of which the Program Manager will collate and publicly release. These reports also include information required to assess whether a GreenPower Product continues to meet the Accreditation Criteria.

The required reports are described below. GreenPower Providers can obtain report forms from the Program Manager or the Program Manager's independent auditor.

6.1 Quarterly Status Reports

Each quarterly status report provides a summary of each GreenPower Provider including sales, purchases and GreenPower Customer numbers for the quarter. GreenPower purchases are broken down according to the type of Renewable Energy resource used..

GreenPower Providers must provide the reports to the Program Manager within two weeks of the end of each quarter, for quarters ending 31 March, 30 June, 30 September and 31 December, each year. The report format will be provided by the Program Manager..

The quarterly status report should include the following information, in the format requested by the Program Manager.

Information intended for public release by the Program Manager:

- Total GreenPower purchased and allocated by each GreenPower Provider, broken down between type of electricity generator used.
- A breakdown of total GreenPower sales made in the quarter, between residential GreenPower Customers and commercial GreenPower Customers, and according to each state in which GreenPower Customers are based (NOTE: Only total residential and commercial figures for the GreenPower Product will be released. Sales figures by state will be released as aggregated program totals only).
- GreenPower Customer numbers, broken down between residential and commercial GreenPower Customers, and according to the location of these GreenPower Customers signed onto the GreenPower Product (state-based) (NOTE: Only total residential and commercial numbers for the GreenPower Products will be released. GreenPower Customer numbers by state will be released as aggregated program totals only.).

Information for the quarterly reports, which will not be publicly released without prior consent:

- For all GreenPower purchased and allocated through the GreenPower Product, broken down between type of electricity generator used, for GreenPower Generators by GreenPower purchased (MWh);
  - Capacity (MW);
  - Annual energy production (MWh);
  - Power purchase arrangements (to indicate the amount of GreenPower purchased for the GreenPower Product only).

6.2 Annual Audit Report

The annual technical report is to be provided to the Program Manager within 3 months of end of each Settlement Period (on or before 31 March). The Program Manager or its appointed auditor will provide the report formats and details of requirements. These reports will be used in the annual audit.

Information as to which other parts of these reports remain confidential and which parts are required to be made public will be contained within the report pro-formas, which are available from the Program Manager or its appointed auditor.

Information should include the following (as required and in the format requested by the Program Manager):

- Technical reports and supporting documentation for the GreenPower Product. It is incumbent upon the GreenPower Provider to ensure that the information provided in the technical reports (in accordance with Section 3), and verification documentation for GreenPower purchases and REC concession arrangements, to be submitted to the Program Manager have been independently audited within this timeframe;
- Report providing details of the RECs transferred to GreenPower Designated Accounts and subsequently surrendered, and any concessions granted. The Program Manager will independently obtain records from all REC Registries of REC transfers into the Designated Accounts and

subsequent surrender for verification with GreenPower Provider reports. The total number of RECs held transferred and surrendered across all GreenPower Designated Accounts and the source of these RECs specified by GreenPower Generators will be reported in the compliance audit report;

- All relevant marketing and consumer information materials as required, to check compliance in accordance with marketing Accreditation Criteria detailed in Section 4.
- Any additional information requested by the Program Manager's independent auditor which is required to ensure the GreenPower Product's compliance with the National GreenPower Accreditation Program;
- Generation reports to confirm actual generation output for each GreenPower Generator, if necessary. Where GreenPower Generator owners do not report directly to the Program Manager or nominated representative, the Program Manager will accept reports submitted by the GreenPower Provider, as long as they have been signed off by the GreenPower Generator owner. Details of the number of MWh's sourced from each specific GreenPower Generator in a GreenPower Provider's portfolio allocated to that GreenPower Provider's GreenPower sales in the period will be reported in the commercial-in-confidence audit report.

Any breaches of the accreditation will be reported in the annual audit report.

Appendix A: Assessment Guidelines for GreenPower Generators

1. General Considerations

1.1 Consumer Perceptions

The National GreenPower Accreditation Program is a voluntary market-based program mechanism for stimulating investment in new Renewable Energy generation. It is wholly dependent on GreenPower Customers generally choosing to pay more for a GreenPower Product. As such, GreenPower Customers generally wish to see their contributions leading to overall environmental improvements, i.e. they may not approve of projects which, although they produce no emissions, cause damage to the environment in some other way.

As contribution to GreenPower Products is entirely voluntary, customer perceptions of what is acceptable must, by necessity, be given careful consideration alongside any 'objective' view of the environmental merit of a particular electricity generator. The views of the local community (particularly those impacted by the project), consumer and environmental advocacy groups should therefore be taken into account by the GreenPower Provider, and will be considered by the Program Manager in assessing approval of individual generators.

1.2 Environmental Issues

Individual electricity generation projects may have adverse environmental impacts that will outweigh the benefits and would therefore not be considered acceptable for inclusion within this program. Negative environmental and/or cultural impacts of each project should be minimised to maintain consumer satisfaction. GreenPower Providers and GreenPower Generator owners are responsible for ensuring that all generation projects meet any statutory environmental, planning, and licensing requirements, and relevant environmental guidelines.

The environmental criteria for generator eligibility are related to the generation process only, and not the sustainability of the host resource industry (with the exception of energy crops). Whilst the sustainability of the host resource industry is not assessed, the impact of the individual generation project on that host industry will be taken into account. In cases where issues are raised regarding the expansion of the host industry due to electricity generation from that project, the associated impacts in the context of ecologically sustainable development will be considered.

For example, whilst concerns may be raised over the long-term sustainability of some biomass resource industries, as long as the biomass is Sustainably harvested, results in greenhouse gas reduction, and demonstrates a Net Environmental Benefit, it may be eligible for use under the National GreenPower Accreditation Program.

All submissions seeking GreenPower approval for generators must include a full, independently prepared Statement of Environmental Effects, Environmental Impact Assessment (or similar), to the satisfaction of the Program Manager. Refer to the *GreenPower Generator Approval Application* in Appendix B and Table 1 Key ESD Considerations for further information.

GreenPower approved projects must also be consistent with other federal and state government sustainability and environmental objectives, including but not limited to:

- The National Strategy for Ecologically Sustainable Development
- State and Local Government waste management policies
- National Waste Minimisation and Recycling Strategy
- Water management objectives and use of tertiary treated waste water
- Management of soil contamination issues.

1.3 Public Consultation

The Accreditation Criteria reflect the current environmental data, consumer and expert opinions of what constitutes 'green environmentally friendly' and 'sustainable energy' generation. Over time it is possible that a changing environment or technology will mean that the accreditation guidelines will change. All stakeholders will be consulted accordingly of any proposed amendments to the operation and conditions of the National GreenPower Accreditation Program and the Program Rules, and be given reasonable time to provide feedback in the review process prior to such amendments taking effect.

For generator assessments specifically, the Program Manager may undertake an informal stakeholder consultation process for all applications. All written comments obtained through this process will be considered.

A formal public consultation process may be undertaken where the NGPSG deems necessary e.g. in situations where a generation project is potentially contentious; there are issues of public concern, or there is disagreement regarding its acceptability under the program. This will be coordinated by the Program Manager, prior to a formal assessment of a generator for GreenPower approval.

Upon confirming that the proponent has provided all necessary information, the Program Manager will:

- Prepare a document for use in a public consultation process, outlining all relevant details relating to the program requirements, generation project and other information the Program Manager considers relevant;
- Invite public submissions relating to the application for GreenPower approval via notices in broad readership national and state newspapers and other publications, wherever relevant. The Program Manager will provide at three weeks for receipt of submissions. Advertising costs will be passed on to the proponent, as agreed. All submissions will be considered as part of the assessment of the project. Only written submissions will be considered.

Generator owners or project applicants will be given an opportunity to respond to comments received in stakeholder submissions.

2. Acceptability of Generation

Eligibility criteria for generator approval are outlined in Section 5. The following section provides a guide as to the acceptability of generation projects. Clearly, these views are general and cannot take account of particular local factors that may concern potential participants. In addition to this information, the following will be taken into account in the assessment process:

1. Consumer perception of the generation process;
2. The overall impact of the generation process on greenhouse emissions;
3. Whether the process is based primarily on Renewable Energy sources;
4. The nature of the environmental impacts associated with the construction and operation of the generation facility, including the extent, intensity and duration of those impacts;
5. The level of mitigation, either planned or in place;
6. Details relating to planning approvals and environmental management procedures related to the generation process;
7. Other matters as deemed relevant by the Program Manager including the specific considerations detailed below.

If generator developers or GreenPower Providers require clarification, they can seek pre-approval of the Program Manager for individual projects (see Section 2.3.3). GreenPower Providers should avoid projects that are likely to be contentious in any way.

These guidelines will change as the program evolves and as perceptions change over time, and will be made available in the Program Rules from the Program Manager.

2.1 Types of Generation – Specific Considerations

The following types of Renewable Energy generation are generally acceptable under GreenPower.

- Solar Photovoltaic and Solar Thermal Electric Systems
- Wind Turbines and Wind Farms
- Hydro-Electric Power Stations
- Biomass-Fuelled Power Stations
- Geothermal Power Stations
- Wave and Tidal Power Stations

Specific considerations are discussed below.

Cofiring with fossil fuels

Cofiring biomass resources with fossil fuels in generators can be classified as green electricity generation for the Renewable Energy component. It should be noted that, under the definition used in the National GreenPower Accreditation Program, generators must be primarily based on Renewable Energy resources and therefore the cofiring level would by necessity be greater than 50 per cent. Each Renewable Energy component must be eligible according to GreenPower requirements. Where there are two plants feeding into one system, then the renewable component can be prorated.

Landfill Gas Generation

Methane emissions result from the decomposition of putrescible and green waste (both biomass resources) in landfill sites. The use of methane emissions from landfill sites to generate electricity has considerable greenhouse benefits. However, the disposal of general municipal waste in landfill sites requires large quantities of land that will remain contaminated by undecomposed matter.

It is not the intention of the National GreenPower Accreditation Program to promote the development of new landfill sites, at the expense of waste minimisation. However, landfill gas generation projects are considered generally suitable for inclusion in the National GreenPower Accreditation Program. Any measures undertaken to reduce their environmental impact (such as best practice NO_x control) would assist the Program Manager in approving their use under the National GreenPower Accreditation Program.

Industrial/Commercial/Municipal Solid Wastes – Incineration

There is wide scale public concern about the operation of incinerators for solid wastes. Such generators are therefore unsuitable for inclusion in GreenPower Products. 'Green' waste incineration, where plant matter is separated from other wastes, is covered in the paragraphs below on "Wood Wastes".

Industrial/Commercial/Municipal Solid Wastes – Direct Gasification/Pyrolysis

There is significant benefit in the Gasification or Pyrolysis of mixed solid wastes that would otherwise be diverted to landfill. Aside from recovery of energy, destruction of these wastes significantly reduces the volume of waste going to landfill (approx. 95 per cent reduction), and in addition removes many problems associated with leachates and gas and odour emissions. The use of materials recovery technology also assists in reclaiming recyclable material that is mixed in with the waste stream, and would otherwise end up in landfill.

Generation plants based on these technologies are generally eligible for inclusion in GreenPower Products if the process has been approved under all relevant environmental legislation and demonstrate compliance with relevant emissions standards. Generator owners are responsible for applying the principles of the Waste Management Hierarchy, such that wherever possible, all materials able to be recycled, re-used or processed, are extracted from the waste stream. Where it is demonstrated that a fossil fuel component is mixed in with the waste stream and cannot be reasonably removed from the fuel mix, the fossil fuel component will be netted out on a pro-rated basis (according to calorific value of fossil fuel component).

Wood Wastes

Utilisation of any materials (including wastes, primary or secondary) from high conservation value forests, such as old growth forests, other native forests, and ecologically sensitive sites (for example, areas of remnant native vegetation) are not acceptable under the National GreenPower Accreditation Program.

Utilisation of waste derived from sustainably harvested plantation forests – where there are insufficient market opportunities for reuse or reprocessing of this waste – is generally acceptable under the National GreenPower Accreditation Program. These wastes must not be sourced from plantations that clear, or have cleared after 1990, existing old growth or native forests. Plantations that allow for and specify wildlife

corridors and set aside areas of native forest are preferable. Demonstration of best-practice saw-milling technologies and the like would assist in the approval of generators based on forestry resources. Wood waste from clearing specified noxious weeds, where clearing activities are managed properly (e.g. to control seed spread), are acceptable, as long as commercial aims do not override the environmental management priority of weed control or elimination.

Municipal Green Waste, and wood wastes from suburban development, building and construction projects, where there are insufficient market opportunities for reuse and reprocessing, are acceptable fuel sources (as long as they are not sourced from high conservation value forests, such as old growth and other native forests, and ecologically sensitive sites). Generator owners are responsible for demonstrating that all areas from which fuels are sourced have been assessed and approved, according to any relevant statutory environmental, planning, and licensing requirements. Manufactured wood products and by-products (e.g. packing cases, furniture, crates, pallets, recycled timber) destined for disposal that are not contaminated and have not been chemically treated (e.g. toxic glues, solvents, finishes etc.), are also likely to be acceptable.

For projects using wood wastes (including Municipal Green Waste), **all** wood waste sources must meet the above eligibility requirements for the project to be granted GreenPower approval. Verification conditions for approval are given below.

It is the generator owner's responsibility to implement appropriate quality control systems and procedures (including auditing) to ensure all reasonable effort is made to keep contamination with ineligible wood sources to a minimum.

Where there is a degree of contamination of the wood source with ineligible wood sources, then the proportion of wood source not acceptable under these guidelines would be netted out from GreenPower on a fuel input basis.

Contamination in this case is defined as traces of unacceptable wood sources which have entered into the fuel stream for a project against all reasonable endeavours of the generator owner, and which cannot reasonably be removed.

If this is the case, the generator owner must demonstrate to the Program Manager that the ineligible wood source component due to contamination cannot be satisfactorily extracted from the fuel mix, and provide verification on the amount of generation attributable to the contamination component.

Verification conditions for approval

The Program Manager must approve any sources of wood products prior to their inclusion in a generation project based on detailed information (fuel type and origin of supply) provided by the generator owner.

Further to this, it is the generator owner's responsibility to provide verification that the wood materials supplied on an on-going basis comply with the eligibility requirements. Generator owners will be required to: -

- Provide evidence for implementing and maintaining a rigorous tracking system (e.g. detailed inventory, delivery records) to monitor all received wood sources, in terms of both source type, waste composition (by mass and energy/calorific value) and origins of supply;

- Make these records available for spot auditing by the Program Manager or other appointed independent third party, at any point in time. The generator owner must also make the site available for random on-site spot checks, which may be undertaken by the Program Manager or other appointed independent third party.

- Provide these records on a quarterly and annual basis to the purchasing GreenPower Provider and Program Manager. The Program Manager may require that these records be independently audited;

- Notify the Program Manager and request approval of any new sources in the future prior to their utilisation.

Failure to meet approval conditions and compliance requirements outlined above and, more specifically in the official letter of approval, will lead to revocation of GreenPower approval for the generator.

Refer to Table 1, Key ESD Considerations, for further information on other issues to consider and address towards receiving GreenPower approval for projects.

Agricultural and Other Biomass Wastes

Waste materials from sugar cane, winery and cotton industries, amongst others, as well as methane captured from sewerage treatment works or large scale organic composting offer considerable potential for electricity generation. Generation projects based on these resources will be assessed on a case-by-case basis.

Energy Crops

There are a wide variety of crops which could be grown specifically for energy generation purposes ("energy crops"), including crops such as timber, vegetable oils, fibre crops or complex sugars. Many of these crops have benefits in addition to the production of Renewable Energy, such as the production of timber and oils, provision of habitat corridors, alleviation of salination problems etc; and projects that have multi-use purpose may be more likely to be accepted by the community. The acceptability of various energy crops will depend upon the agricultural and harvesting practices used, and whether these are considered sustainable. Energy crops sourced from crop activities that clear, or have cleared after 1990, existing old growth or native forests, will not be accepted.

Hydro-Electric

The environmental impact and perceptions of consumers towards hydro-electric generators varies depending upon the size of the system, its location, the conservation and community value of the impacted area and the hydrology management.

Consumers may be critical of hydro-electric projects which: -

- Result in the large scale flooding of ecosystems;
- Reduce conservation values, particularly in highly sensitive areas;
- Involve major diversions of rivers;
- Provide inadequate environmental flows;
- Involve the construction of major new dams and roads in sensitive areas.

Consumers are more likely to accept projects that: -

- Have had broad stakeholder consultation and acceptance;
- Have adequate environmental flows;
- Are retrofitted dams that have been built for other purposes.

Hydro-electric projects which require new dam construction resulting in the flooding of ecosystems can have considerable impact on the environment. As a result consumer perceptions are likely to be critical and as such, projects of this nature will not be accepted for inclusion in GreenPower Products.

In addition, hydro-electric projects which divert water from rivers, or from one river to another, and do not adequately allow for environmental flows, can severely alter eco-systems associated with the river. Such projects are not accepted for inclusion in GreenPower Products.

Hydro-electric projects which involve the installation of generation facilities alongside dams which have already been built for other purposes are likely to be acceptable. In this case the production of electricity has not led directly to construction of the dam. The precise environmental impacts of any proposal need to be examined to ensure that these are minimised.

In situations where hydro-electric generators are used in pumped storage mode, only the net export of the system can be classified as 'green' electricity generation.

Wind Power and Windfarms

Wind turbines and windfarms have the ability to impact the local environment, particularly in relation to visual amenity, noise and bird-strike. Sufficient consultation with local stakeholders and efforts to minimise the impact on local amenity should be undertaken to ensure their acceptability under the National GreenPower Accreditation Program.

Solar Thermal Electric

Solar thermal electric generation plants may use a non renewable fuel such as natural gas to support the generator when sufficient solar energy is not available. In such cases, only that contribution which can be directly attributed to the Renewable Energy component would be considered to be 'green' (at a level greater than 50 per cent as per the definition of a GreenPower Generator).

Coal Mine Waste Gas and Coal Seam Methane

Coal mine waste gas generation based on vent or drainage gas from mines, where the methane must be drained for safety reasons, has the capacity to reduce greenhouse gas emissions substantially. However, coal mine waste gas is a fossil fuel, and therefore does not pass the test of being renewable. Non-waste coal seam methane is a fossil fuel equivalent to natural gas.

Coal mine waste gas and coal seam methane generation therefore cannot be considered as a Renewable Energy source under the definition of the National GreenPower Accreditation Program.

Embedded Generators (including Rooftop Photovoltaic Systems)

A number of electricity consumers, particularly at the domestic level, have recently installed small grid-connected Renewable Energy systems (such as rooftop PV systems) for their own use. In general, generation from such a system is acceptable for GreenPower, provided the conditions summarised below are satisfied.

Conditions

- GreenPower Providers can claim the output of embedded generators for GreenPower, as long as the GreenPower Provider can provide verification of their ownership of the GreenPower Rights associated with the claimed amount of generation.
- For cases where the GreenPower Provider does not actually own or partly own the system, the GreenPower Provider must demonstrate that the GreenPower was purchased from the owner at an appropriate cost-reflective tariff. The GreenPower Provider will also need to advise the owner that the system's generation will be sold under GreenPower and that the GreenPower Provider will be receiving a premium for it. GreenPower Providers will be required to demonstrate that the GreenPower Customer understands this.
- Where a GreenPower Provider claims the output of a system as GreenPower, GreenPower Providers cannot sell the output as GreenPower and also claim that it is being provided to the host as solar power or GreenPower electricity.
- Each system must be registered under MRET or VRET.
- For all systems used for GreenPower, the electricity GreenPower Provider must be able to verify the amount of electricity generated from the system or exported to the grid to which the GreenPower Rights are associated. For small-scale systems (under 10 kW) the GreenPower Provider may be able to claim all (or a proportion) of the deemed output according to the default generation values set out in the Federal Renewable Energy (Electricity) Regulations 2001 (Schedule 5) and any subsequent modifications.

Deemed amounts for small generators may be created annually, in 5 year blocks, or in 15 year blocks. Deemed amounts are to be reported in full in the Settlement Period in which they are created. There will be no carry over to the next period of deemed amounts except where it has been authorised under flexibility mechanisms outlined in Section 3.6.

Approval

The Program Manager will accept bulk submissions for embedded generators, such as rooftop PV systems, within one generator application, as long as the relevant details for each individual system are provided. The following information must be provided for each installed system:

REC Code

kW Capacity
Deemed Output (RECs)
Number of Years Deeming
Date of Installation
Solar Zone
Solar Rating
Location
State
Postcode

From the above information the total number of RECs and the total kW Capacity should also be provided, along with the total number of installed systems.

Geothermal, Wave and Tidal Power Stations

Geothermal, wave and tidal technologies are relatively new to the Australian Renewable Energy market, and have only reached demonstration phase to date. Applications for approval for these types of projects will be accepted under the National GreenPower Accreditation Program. Generation projects based on these resources will be assessed on a case-by-case basis, and general project, community and environmental eligibility criteria will apply.

Specific guidelines for these types of projects will be developed over time in consultation with stakeholders.

Appendix B: GreenPower Generator Approval Application

All generators used in a GreenPower Product must be GreenPower Generators, as defined in Section 2.3. GreenPower Providers must ensure that all generators to be used in their Product have been given written GreenPower approval, prior to the inclusion of these generators in the GreenPower Product. Either GreenPower Providers or generator owners can request approval. Application details are provided below.

1. Process of Application

The application and assessment process for gaining approval for a GreenPower Generator involves the following steps:

1. The generator owner or GreenPower Provider submits the GreenPower Generator Application form and any supplementary documentation to the Program Manager, allowing at least two weeks for initial assessment.

2. Where the application does not meet the requirements and guidelines in the National GreenPower Program Rules, or where insufficient details are provided, the applicant is advised accordingly. Where required by the NGPSG, a formal public consultation process will be undertaken and coordinated by the Program Manager prior to the assessment of the project for approval (see Appendix A for details). The NGPSG will accept written submissions within a specified time-frame for each round.

3. In cases where a formal consultation process is not required, the Program Manager may undertake an ad-hoc informal consultation process with stakeholders.

4. The Program Manager assesses application for approval, having regard to the fundamental objectives of the National GreenPower Accreditation Program, the generator eligibility criteria and where applicable, submissions received in the formal and informal consultation processes. Proponents will be given the opportunity to respond to issues raised.

5. If the application meets all guidelines, the Program Manager advises the applicant of this by way of an official letter of approval for the generator, and invoices the applicant for the associated fee (see Section 3 of this Appendix). The date of accreditation for a generator will be the date of approval by the Program Manager. Subject to receiving approval the GreenPower Generator can be used in an accredited GreenPower Product and the generator owner confirming in writing acceptance of the terms of accreditation.

2. Required Information

The following information must be submitted such that the Program Manager can assess and approve a generator, prior to its inclusion in a GreenPower Provider's GreenPower Product: -

- Name, location (include postcode), owner of station, key contact (name and contact details), connection point;
- Commissioning date, date of first operation of each unit (where available) and date of first sale of electricity; *
- Electrical capacity of each unit (MW); *
- Expected annual energy production of station (MWh);
- Detailed description of site, including maps, schematics where available, in particular showing any water diversions for hydro projects;
- Description of operation of the generator, to clarify whether the operation may impose any environmental impacts that need consideration;
- Description of fuel sourcing, particularly for projects using biomass fuels;
- Details of any proportion of non-eligible fuel components (e.g. fossil fuels) that would need to be netted out, outlining how the Renewable Energy component would be quantified; *

- Details of auxiliary loads[2]
- Details of community and stakeholder consultation relating to the project; and,
- Statement of Environmental Effects (see below);
- MRET or VRET accreditation details (if applicable);
- Confidentiality of information**;
- Other details required by the Program Manager

* *Please note that applicants are welcome to submit a copy of the ORER Application for Accreditation with the additional details marked with *, or evidence that the ORER has deemed it ineligible for MRET Accreditation.*

** *Please note that where generators are approved and used in a GreenPower Product, certain details provided above are released publicly under GreenPower reporting requirements (e.g. description of generator, name, location, owner and commissioning date).*

Submissions may be forwarded to the Program Manager via fax, email or post.

It is important that all information provided in an application is correct and not misleading. The Program Manager is within its rights to withdraw approval of any generators, which are subsequently found to have environmental concerns that were not advised at the time of application. Proponents who disagree with a decision of the Program Manager may appeal against the decision to the NGPSG. A decision of the NGPSG is final and cannot be contested.

3. Statement of Environmental Effects or Environmental Impact Statement

A full, independent Statement of Environmental Effects, Environmental Impact Statement (or similar) should address key environmental issues including potential impacts of the project and proposed mitigation, and how the project fits in with the principles of Ecological Sustainable Development[3] (ESD). In summary, these principles would include: -

(a) **The precautionary principle** namely, that if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation.

(b) **Inter-generational equity** namely, that the present generation should ensure that the health, diversity and productivity of the environment are maintained or enhanced for the benefit of future generations.

(c) **Conservation of biological diversity and ecological integrity** namely, that conservation of biological diversity and ecological integrity should be a fundamental consideration.

(d) **Improved valuation, pricing and incentive mechanisms** namely, those environmental factors should be included in the valuation of assets and services.

Key environmental considerations for a generator can be broadly categorised into the following:

- Global warming
- Impact on natural and cultural heritage
- Land use
- Transport use and impacts
- Project impact on the host industry
- Impact on flora and fauna
- Water, soil and air quality
- Visual & noise impacts
- Use and disposal of waste or by-products

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[2] Auxiliary loads and electric parasitics associated with the process of electricity generation are netted out of the total output for determining eligible 'green' generation, unless they are considered to be insignificant (i.e. less than 1 per cent). The generator owners will need to provide verification of the magnitude of these losses.

[3] Refer to the Commonwealth Environment Protection and Biodiversity Conservation Act, 1999.

Potential impacts can differ for each generation project type and are often site-specific. Issues to consider are detailed below in Table 1 and while not comprehensive, provide a guide to address the key environmental and community concerns for each generation type.

Applicants will need to provide evidence of community and local stakeholder consultation and support for each project (e.g. local residents, interest groups, environmental advocacy groups).

Where possible, supporting documentation (e.g. development approvals) should also be submitted with the application.

Where an Environmental Impact Statement or Environmental Impact Assessment has been undertaken for the project as required by relevant planning legislation, the Program Manager will accept a copy as appropriate documentation, provided they contain all required details.

Table 1 – Key ESD Considerations

Generator Type	Key ESD Considerations
SOLAR Solar Farm	Potential land-use impacts – interference with cultural heritage, archaeological sites, recreational use. Biodiversity impacts – vegetation clearance, loss of wildlife habitat. Visual impacts. Plans for decommissioning stage e.g. rehabilitation of site to its original state, disposal/reuse of materials.
WIND FARM	Noise, and visual amenity – assessment of impacts and minimisation efforts for local residents (e.g. proximity to domestic dwellings). Potential land-use impacts – interference with cultural heritage and archaeological sites, high conservation value area, recreational use. Biodiversity impacts – vegetation clearance, loss of wildlife habitat, interference with bird migratory routes. Eco-tourism considerations – increased traffic issues, road access, visitor facilities and parking etc. Plans for decommissioning stage – rehabilitation of site to its original state, disposal/reuse of turbines and blades.
HYDRO	Locational considerations including cultural, wilderness, scientific, recreational and conservation values. Construction impacts e.g. noise and dust, downstream nutrient and sediment effects, barriers to fish migration, disturbance to breeding habitat for birds and fish. Biodiversity impacts – changes to terrestrial/riverine habitats, soil erosion, effects on migratory fish species, reductions in in-stream fisheries (fish barrier). Changes to water quality and groundwater recharge e.g. nutrient concentration levels, O_2 concentrations, temperature, and pH. Transmission lines and road access considerations e.g. visual intrusion, habitat fragmentation, and disturbance of historical sites, land-use changes. Consideration of mitigation measures or offset, restorative and compensatory opportunities to address potential adverse affects outlined above (contamination and physical, ecological etc.) Management measures for adequate environmental flows. Impact of variations in downstream water flows. Plans for decommissioning stage e.g. rehabilitation of site to its original state, disposal/reuse of materials. Approved water management plan for the sustainable management of the hydro catchment (where applicable).
BIOMASS General *These issues should be*	Compliance of generator with relevant 'best-practice' environmental pollution requirements (i.e. noise, air emissions) e.g. EPA requirements. Air quality impacts/improvements – assessment of air emissions levels (e.g. NOx, SOx, dioxins, particulates, ash).

Generator Type	Key ESD Considerations
considered for all types of biomass (below). Biomass (cont.)	Water quality impacts – surface and groundwater pollution. On-going monitoring and treatment/control measures proposed. Use or disposal of by-products (e.g. ash recycling, landfilling). Diversion of material from other disposal mechanisms e.g. pit-burning, landfill. Noise, visual amenity, odour and health impacts during construction and operational stages. Effect on existing industries or activities (e.g. will the project support marginal activity or encourage expansion?). Transmission lines and road access considerations e.g. visual intrusion, habitat fragmentation, and disturbance of historical sites, land-use changes. Consideration of production of biomass in a landscape context, with farm management practices linked to regional targets for sustainable environmental and natural resource management. Fuel transport - energy used and distance travelled to site. Plans for decommissioning stage e.g. rehabilitation of site to its original state, disposal/reuse of materials. Appropriate and transparent community consultation process from siting stage throughout project development.
Landfill Gas	On-going monitoring and treatment/control measures proposed e.g. cleaning of landfill gas prior to burning, scrubbers, and catalytic converters. Land-use impacts – potential interference of gas extraction with landfill site rehabilitation and intended use.
Municipal Solid and Green Wastes	Application of the Waste Management Hierarchy Diversion from existing use and consideration of alternative uses, avoidance/reuse/reprocess mechanisms (e.g. composting, horticultural) Diversion from other disposal mechanisms e.g. pit-burning, landfill Quantity of non-renewable materials converted to energy (e.g. plastics).
Wood Wastes	Compliance of fuel source with GreenPower wood waste requirements and guidelines, and ability to meet verification conditions (Appendix A). Diversion from existing use and consideration of alternative uses, avoidance/reuse/reprocess mechanisms (e.g. composting, horticultural) Influences of generation project on future operational viability of agricultural site (i.e. host industry).
Agricultural Wastes	Influences of generation project on future operational viability of agricultural site (i.e. host industry). Diversion from existing residue utilisation (e.g. field retention, composting, stockfeed, animal bedding). Impact of storage.
Wet Wastes	Use or disposal of post-digested waste (e.g. fertiliser). Impact of transport and storage of pre- or post-digested wastes (e.g. odour). Avoidance of toxic and noxious emissions.
Energy Crops	Sustainability of agricultural practices (e.g. use of fertiliser, irrigation, herbicides, pesticides). Biodiversity impacts - vegetation clearance, loss of wildlife habitat. Salination and nutrient cycling considerations. Additional uses and benefits of product produced.

The Program Manager will provide examples of the above criteria upon request.

4. Generator Fees

As from 1 January 2003 a generator assessment fee applies to all GreenPower accreditation applications for projects greater than 1MW. An annual accreditation fee was applied to all New GreenPower Generators (≥1MW) from 1 January 2004.

The fee structure is detailed in the following table.

Type	Description	Fee
Generator Assessment Fees		
Small Projects	Small scale projects, less than 1MW. For example, domestic solar installations and Solar in Schools projects.	No charge
Pre–approval Assessment of projects (or upgrades)	The generator is seeking board approval (either own or GreenPower Provider) for a development or upgrade and GreenPower pre-approval will add weight to the proposal; A submission has been received prior to development permits being granted, or to community consultation having been undertaken. In these situations, a pre-approval may be granted.	$500 (non-refundable)
Projects (or upgrades) greater than or equal to1MW	Full GreenPower approval process, including stakeholder consultation.	$1000* *$500 if pre-approved (i.e. Total: $1000)
Annual Accreditation Fees for GreenPower Generators (applicable from 1 January 2007)		
Applicable only to projects greater than or equal to 1 MW	Maintain accreditation and benefits thereof, including use of GreenPower Generator Logo; administration of ongoing generator concerns/appeals etc	$1000 per year

Generator Assessment Fees are applied to both successful and unsuccessful applications. All applicants will be invoiced the associated fee on completion of the assessment process.

A maximum of $4,000 per annum is charged to owners of multiple GreenPower Generators as an annual accreditation fee.

The annual accreditation fee must be settled by the GreenPower Generator owner on an annual basis.

The Program Manager reserves the right to change Annual Accreditation and Generator Assessment Fees without notice.

Appendix C: Definition of Terms

Accreditation Criteria	The criteria for GreenPower Products as detailed in Section 3, 4 and 5 of this document.
Program Rules	This document and its appendices as may be amended from time to time.
GreenPower Customer	A domestic or commercial entity for which the GreenPower Provider has established a contract for the provision of a GreenPower Product. In the event that several contracts have been established for a single agency or commercial entity (e.g. for separate retail outlets or government agency departments) then each contract should be considered a separate customer.
Force Majeure	In relation to a party, means any cause outside the affected party's control including, but not limited to, an act of God, fire, lightning, explosion, flood, subsistence, insurrection or civil disorder, war or military operation, sabotage, vandalism, embargo, government action, or compliance in good faith with any law, regulation or direction by any Federal, State or Local Government or authorities, any network failure, or any failure on the part of the Network Operator or a generator, industrial disputes of any kind.
Gasification	The efficient conversion of solid fuel to gaseous fuel. The gas made can produce heat and electricity using gas engine generators.
GreenPower Designated Account	A separate 'account' created by a GreenPower Provider on the various REC Registry websites for the purpose of surrendering RECs which have been transferred into this account for compliance with the Accreditation Criteria.
GreenPower Generation	Electricity generated by a GreenPower Generator.
GreenPower Generator	For the purposes of this Program, a GreenPower Generator is defined as an electricity generator approved by the Program Manager that results in greenhouse gas emission reduction (within the electricity sector) and Net environmental benefits, and is based primarily on a Renewable Energy resource.
GreenPower Generator Eligibility Requirements	The requirements to which generators must comply in order to gain and maintain GreenPower Generator approval, as detailed in Section 5 and Appendix A and B of this document.
GreenPower Product	Any product or service that enables customers to voluntarily contribute financially to Renewable Energy generation from GreenPower Generators, and has been accredited under the National GreenPower Accreditation Program.
GreenPower Provider	Any person or organisation that operates a GreenPower Product.
GreenPower Right	A right to claim any eligible GreenPower generation (or a portion of generation) from a GreenPower Generator that may be bought by or transferred to a GreenPower Provider for use in respect of a GreenPower Product.
Incineration	The burning of solid or liquid residues or wastes to produce heat and electricity using steam turbine generators.
Industrial/Commercial/Municipal Solid Wastes	Mixed waste stream sourced from domestic garbage collections and council operations (e.g. sweeping and litter bins), commercial and industrial collections, which can include food waste, organic matter, plastics, paper and other materials.
Mandatory Renewable Energy Target (MRET)	A federal target for the additional uptake of Renewable Energy established under the Renewable Energy (Electricity) Act 2000. The Commonwealth Government now requires all electricity GreenPower Providers (and wholesale purchases) to source an additional 9500 gigawatt hours (GWh) of their product from Renewable Energy sources by the year 2010, based on their 1997 output.
Municipal Green Waste	Trimmings, prunings and clippings from domestic and council vegetation management and gardening activities including grass, leaves, mulch, branches/twigs, tree boles, stumps and loppings.

National GreenPower Accreditation Program	The framework established for GreenPower Products, as described in this document.
Net Environmental Benefit	The environmental benefits associated with a project outweigh the adverse environmental impacts. Impacts are considered within an Ecologically Sustainable Development (ESD) framework and include: greenhouse gas reduction; water and air quality; land use; impact on flora and fauna; impact on cultural/natural heritage; visual and noise impacts; use and disposal of waste products; transport etc.
Product Development Plan	GreenPower Providers will need to provide a Product Development Plan in any product application for GreenPower accreditation. This includes details of GreenPower Generators to be used in the proposed GreenPower Product, including description, type of unit, location, ownership details and capacity (where known). Where details of a specific generator have not yet been identified, the plan would include a general description of the development direction of the product.
Program Manager	The Program Manager nominated by the NGPSG, the contact details for whom are set out after the contents pages of these Program Rules.
Pyrolysis	The production of a carbon rich solid fuel and a hydrocarbon rich gas by heating a biomass feedstock in the absence of oxygen.
Renewable Energy	Energy which is naturally occurring and which is theoretically inexhaustible, such as energy from the sun or the wind, and which by definition excludes energy derived from fossil fuels or nuclear fuels. (*Source:* The Macquarie Concise Dictionary)
Renewable Energy Certificates (RECs)	RECs are created by electricity generators that have been accredited and registered for MRET or VRET (1 REC = 1 MWh).
Settlement Period	1 January through to 31 December each year unless otherwise agreed with the Program Manager.
Sustainably harvested	Harvesting operations undertaken in a manner as to maintain the area's ecological viability and productive capacity*, and minimise any adverse environmental impacts in accordance with the principles of ecologically sustainable development e.g. to prevent soil erosion and contamination, protect water resources, provide for biodiversity conservation and protect culturally significant sites and threatened species habitat. Operations are approved under, or comply with, relevant Commonwealth, State or Territory planning and assessment processes. *Where applicable i.e. for agriculture, plantation forests, energy crops.
Victorian Renewable Energy Target (VRET)	A Victorian Government target for the additional uptake of Renewable Energy established under the Victorian Renewable Energy Target Act 2006, retailers and wholesale purchasers of electricity will be required to contribute proportionately towards a Renewable Energy target of an additional 3,274 GWh of Renewable Energy by 2016.
Waste Management Hierarchy	A system of prioritising ecologically sustainable waste solutions, based on the maximum conservation of resources (listed in order of preference): 1. Cleaner production 2. Waste avoidance 3. Waste minimisation 4. Re-use or recycle 5. Waste to energy 6. Landfill

Appendix D: National GreenPower Steering Group Charter

The National GreenPower Accreditation Program in Australia is governed by a national body known as the National GreenPower Steering Group (NGPSG). The NGPSG is responsible for the overall management of the affairs of the Program.

Representatives

The NGPSG is comprised of representatives from participating state government agencies in the ACT, NSW, Queensland, South Australia, Victoria and Western Australia, in correspondence with non-financial member organisations in Tasmania, Northern Territory and the Commonwealth. Agencies include:

• Chief Minister's Department	ACT
• Department of Water and Energy	NSW
• Office of Clean Energy	Queensland
• Department of Transport, Energy and Infrastructure	South Australia
• Sustainability Victoria	Victoria
• Office of Energy	Western Australia
• Department of Environment and Heritage	Commonwealth
• Department of Infrastructure, Energy and Resources	Tasmania
• Department of Business, Industry and Resource Development	Northern Territory

Mission

Delivering effective strategic management of the National GreenPower Accreditation Program through widespread collaboration with all relevant stakeholders on accreditation and policy issues to guarantee program integrity, consistency and credibility.

The Role of the NGPSG

- To facilitate the operation of the National GreenPower Accreditation Program in keeping with its aim to drive investment in the Renewable Energy industry in Australia;
- To ensure the rules of the program evolve and develop over time to maintain the program's relevance according to the changing market environment, consumer behaviour and industry conditions;
- Address and resolve strategic and policy issues as they arise;
- To ensure that the accreditation and verification of GreenPower Products and GreenPower Generators is handled in a credible, timely and effective manner;
- To determine and implement modifications to the GreenPower Logos;
- To determine the removal of accreditation of GreenPower Products;
- To resolve any disputes that arise through the appeal process;
- To agree the annual program budget and to review the appointment of the Program Manager at the end of each three year term; and
- To carry out any other such activities as are necessary for the successful operation of the National GreenPower Accreditation Program.

In each state, NGPSG participants are responsible for building relationships with local GreenPower Providers and other stakeholders, and providing support for any general policy and generator accreditation issues. Specifically, each participant agrees to:

- Help to undertake marketing activities;
- Liaise with stakeholders to identify and address local issues associated with particular generators, generator proposals, or GreenPower Products; and with the press on local issues;
- Advise the Program Manager of specific or potential local issues arising which may have an impact on the National GreenPower Accreditation Program; and
- Inform relevant local community and industry members via the GreenPower progress reports (quarterly and annual) and other related materials.

These agencies may also co-ordinate information and education activities within their jurisdiction to support the efforts of GreenPower Providers. Such campaigns may include advertising, joint promotional events, seminars or provision of information in hard copy or on-line.

The NGPSG encourages all stakeholders to participate in the growth and evolution of the National GreenPower Accreditation Program.

Role of the Program Manager - Accreditation

Day-to-day management of the Program rests with the Program Manager, currently the NSW Department of Water and Energy (DWE). In brief, DWE is responsible for:

- initial and ongoing accreditation of GreenPower Products and GreenPower Generators;
- reporting – quarterly and annual audits;
- provision of information to participating agencies, GreenPower Providers, GreenPower Generators, potential and actual GreenPower Customers and consumer groups;
- coordinating consultation and central contact point for stakeholders (i.e. environmental and consumer organisations, GreenPower Providers and GreenPower Generators) with regard to changes to the program or issues as they arise; and
- other projects and activities as they arise.

Role of the Program Manager - Marketing

- development of marketing guidelines;
- processing licence applications to use the GreenPower Customer logo;
- maintaining the national website at www.greenpower.gov.au; and
- other projects and activities as they arise.

Further information

The NGPSG meets at least twice a year, and new representatives may join as the National GreenPower Accreditation Program expands into new states or regions.

For contact details of the NGPSG, visit www.greenpower.gov.au.