

GREENBANK ENVIRONMENTAL PTY LTD ENFORCEABLE UNDERTAKING

Renewable Energy (Electricity) Act 2000

Undertaking to the Regulator given for the purposes of section 154Q of the *Renewable Energy Electricity Act 2000*

by

GREENBANK ENVIRONMENTAL PTY LIMITED

(ACN: 130 715 534)

Glossary

1. In this Undertaking, unless the contrary intention appears, the following definitions apply:

"Act" means the *Renewable Energy (Electricity) Act 2000*.

"Compliance Program" means the Renewable Energy (Electricity) Legislation Compliance Program undertaken by GBE in accordance with Annexure A to this Undertaking.

"Existing Non-Compliant PV Panels" means the existing non-genuine solar photovoltaic (PV) panels supplied and installed by non-related third parties that have been installed at the Sites.

"GBE" means Greenbank Environmental Pty Ltd of 5 Walkers Road Nunawading Victoria 3131 (ACN: 130 715 534).

"New Compliant PV Panels" means unused solar photovoltaic panels of the type agreed by the Regulator and GBE (with such type being listed in AS/NZS 5033 Compliant PV Modules).

"REC" means Renewable Energy Certificate.

"REC Registry" means the Regulator's online registry where RET participants create, transfer and surrender RECs.

"Regulations" means the *Renewable Energy (Electricity) Regulations 2001*.

"Regulator" means the Clean Energy Regulator.

"Regulatory Requirements" means the legal requirements required to be complied with for the installation and operation of PV panels in Australia and includes without limitation the Act/Regulations, Clean Energy Council Guidance, Australian Standards, Federal and State based Australian Consumer Law and laws in respect of health and safety.

"RET" means the Renewable Energy Target established under the Act and Regulations.

"Sites" means only the 182 addresses (provided by the Regulator to GBE) where the Existing Non-Compliant PV Panels have been installed.

“STCs” means small-scale technology certificates under the Act.

“Undertaking” means this enforceable undertaking.

Person giving Undertaking

2. This Undertaking is given to the Regulator by GBE for the purposes of section 154Q of the Act.

Background

3. GBE is an Australian company limited by shares with offices in Melbourne and Sydney.
4. GBE has been a registered person under the Act since 2003 and (amongst other things) creates, aggregates and sells STCs.
5. GBE is presently undergoing a corporate re-structure and may assign relevant parts of its businesses to another entity.

Improper creation of STCs

6. GBE improperly created, in contravention of section 24 of the Act, 14,101 STCs from installations of Existing Non-Compliant PV Panels.
7. GBE’s compliance procedures did not identify, at the time of STC creation, that the Existing Non-Compliant PV Panels were non-genuine solar PV panels.
8. GBE was, however, unaware at the time of STC creation, that the Existing Non-Compliant PV Panels were non-genuine solar PV panels and was not involved in the supply or installation of the Existing Non-Compliant PV Panels.

Undertaking

9. Under section 154Q of the Act, the Regulator may accept any of the following undertakings:
 - a. a written undertaking given by a person that the person will, in order to comply with the Act, the Regulations or the associated provisions, take specified action;
 - b. a written undertaking given by a person that the person will, in order to comply with the Act, the Regulations or the associated provisions, refrain from taking specified action;
 - c. a written undertaking given by a person that the person will take specified action directed towards ensuring that the person does not contravene the Act, the Regulations or the associated provisions, or is unlikely to contravene the Act, the Regulations or the associated provisions, in the future; or
 - d. a written undertaking given by a person that the person will surrender one or more renewable energy certificates under section 28A of the Act, to compensate for the creation of one or more certificates that the person was not entitled to create.

10. GBE hereby undertakes to:
- a. use best endeavours to obtain, within five months of the date of this Undertaking, the consent of the owners of the Existing Non-Compliant PV Panels and the occupiers of the Sites, to replace the Existing Non-Compliant Panels;
 - b. replace, in a manner which meets all Regulatory Requirements for solar PV panel replacement of existing systems, and within six months of the date of this Undertaking, those Existing Non-Compliant PV Panels in relation to which the consents specified in subclause 9(a) have been obtained, with New Compliant PV Panels;
 - c. surrender, within twelve months of the date of this Undertaking, a number of STCs equal to the number of STCs improperly created for those Existing Non-Compliant PV Panels which are not able to be replaced due to the consents specified in subclause 9(a) not being provided;
 - d. assist the Regulator in communicating with affected owners and occupiers of the Sites;
 - e. report to the Regulator, in writing:
 - i. once per month, against the undertakings in clause 10; and
 - ii. within three business days of an event occurring which is likely to have an effect on the fulfilling of the Undertaking in subclause 10(b); and
 - f. continue to implement its Compliance Program for a period of 12 months or until this Undertaking ceases to take effect, whichever comes later.
 - g. In the event that relevant parts of the GBE business are to be assigned to another entity, and the performance of the undertakings set out in (a) to (f) above are likely to be impacted by that assignment, GBE will inform the Regulator in writing at least 3 business days prior to the assignment occurring.

Acknowledgements

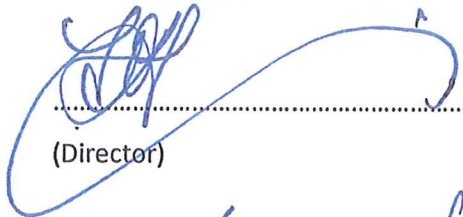
11. GBE acknowledges:
- a. the Regulator will make this Undertaking (including its annexures, but not including any personal information) publicly available, including by publishing it on the Regulator's website;
 - b. the Regulator and officers of the Regulator will, from time to time, make public reference to this Undertaking;
 - c. this Undertaking in no way derogates from the rights and remedies available to any other person arising from any conduct of GBE; and
 - d. GBE undertakes to pay all costs associated with its compliance with this Undertaking.

Commencement of Undertaking

12. This Undertaking comes into effect when:
- a. the Undertaking is executed by GBE; and
 - b. the Regulator accepts the Undertaking so executed.
13. This Undertaking ceases to have effect once the requirements of clause 10 have been completed.

Executed by

GREENBANK ENVIRONMENTAL PTY LTD by its authorised officers pursuant to section 127(1)(c) of the Corporations Act 2001


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(Director)

This 6 day of NOVEMBER, 2015

Accepted by the Clean Energy Regulator pursuant to section 154Q of the *Renewable Energy (Electricity) Act 2000*


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Delegate of the Regulator

This 9th day of NOVEMBER, 2015

Annexure A

Renewable Energy (Electricity) Legislation

Compliance Program

Greenbank Environmental Pty Ltd (GBE)'s Renewable Energy (Electricity) Legislation Compliance Program (**Compliance Program**) will include, as a minimum, the following:

1. GBE will continue to obtain contractual undertakings from all owners and installers with whom it deals to create STCs that information provided to GBE is complete and correct.
2. GBE will continue to check STC Assignment Forms and other supporting documentation to ensure installations have occurred. The percentage to be checked will not be lower than the rate as at 22 October 2015.
3. GBE will maintain at least the ratio of staff to create certificates who are responsible for day-to-day compliance work as at 22 October 2015.
4. GBE will continue to ensure all staff receive training from suitably qualified staff or external consultants regarding the compliance processes set out in this Annexure and the relevant legislation.
5. GBE will continue to ensure all new staff members are allocated to and supervised by an experienced employee until they are proficient in the application of the compliance processes set out in this Annexure and the relevant legislation.
6. GBE will continue to ensure that an employee or director of GBE will have the responsibility of ensuring the integrity of data, implementation of office procedures which reflect the law related to STCs (as amended from time to time), maintaining knowledge of the STC scheme, the researching of new compliance requirements and the dissemination of information to relevant staff.
7. GBE will continue to check serial numbers to confirm the PV panels are genuine. The number and frequency of these checks will not be lower than the rate as at 22 October 2015.
8. GBE will continue to require all paper claims to be submitted with a photo or photos of the inverter compliance plate and the compliance plate of each type of installed panel for each system for which certificates are to be created.
9. Where GBE's on-line portal is used, GBE will continue to specifically require the inclusion of photos of the kind referred to in (8) above.

10. GBE will continue to collect proof of purchase for each system installed.
11. GBE will, at its own expense, provide copies of any documents or information in respect of matters which are the subject of the Compliance Program, if requested by the Regulator.
12. GBE reports to the Regulator on:
 - a. any suspected non-compliance with the relevant legislation either by its own employees or by third parties; and
 - b. any substantial change to the Compliance Program, within 3 business days of becoming aware of such event.