

ENFORCEABLE UNDERTAKING
Renewable Energy (Electricity) Act 2000

Section 154Q

Undertaking to the Regulator given for the purposes of paragraph 154Q(1)(d) of the
Renewable Energy (Electricity) Act 2000

by

SOLAR ISLAND ENERGY PTY LTD

ACN 144 717 493

Glossary

1. In this undertaking, unless the contrary intention appears, the following definitions apply:
 - "**Act**" means the *Renewable Energy (Electricity) Act 2000*.
 - "**CER**" means the Clean Energy Regulator.
 - "**Certificate**" means renewable energy certificate as defined in section 5 of the Act.
 - "**STCs**" means small-scale technology certificates.
 - "**Regulations**" means the *Renewable Energy (Electricity) Act 2001*.
 - "**Regulator**" means the Clean Energy Regulator.
 - "**small generation unit**" has the same meaning as it has under the Act.

Person giving undertaking

2. This undertaking is given to the Regulator by Solar Island Energy Pty Ltd for the purposes of paragraph 154Q(1)(d) of the Act.

Background

3. Solar Island Energy Pty Ltd is a duly incorporated company engaged in trade or commerce in Australia.
4. Solar Island Energy Pty Ltd is an an agent for the creation of Renewable Energy Certificates.
5. Solar Island Energy Pty Ltd is a registered person under Part 2, Division 2 of the Act.

The creation of Certificates

6. Under the Act, registered persons may create certificates in respect of energy which can be generated from renewable energy sources specified in the Act and Regulations.

7. Under Part 2, Division 4, Subdivision BA, section 23A of the Act, certificates cannot be created unless all information or documentation can be supplied to the Regulator.
8. Part 2, Division 2.3, section 19E of the Regulations, set out the conditions which must be satisfied before certificates can be created in respect of a small generation unit.

Improper creation of Certificates by Solar Island Energy Pty Ltd

9. It is alleged that Solar Island Energy Pty Ltd claimed the transitional multiplier when creating certificates in the rec registry without having the mandatory signed contractual agreement with the home owner.
10. It is also alleged that Solar Island Energy Pty Ltd supplied false information to claim certificates in the rec registry.
11. A review of documentation obtained under a monitoring warrant confirmed Solar Island Energy Pty Ltd improperly created certificates in relation to 5 installations. As a result 280 STCs were improperly created.
12. Solar Island Energy Pty Ltd acknowledges that the basis on which the Regulator has formed its conclusion is valid and the matter requires immediate attention.

Undertaking

13. Under subparagraph 154Q(1)(d) of the Act, a written undertaking given by a person that the person will surrender one or more renewable energy certificates under section 28A, to compensate for the creation of one or more certificates that the person was not entitled to create.
14. Solar Island Energy Pty Ltd hereby undertakes to, on or before 14th September 2012, surrenders 280 STCs to the Regulator.

Commencement of Undertaking

15. This Undertaking comes into effect when:
 - a. the Undertaking is executed by Solar Island Energy Pty Ltd ; and
 - b. the Regulator accepts the undertaking so executed.

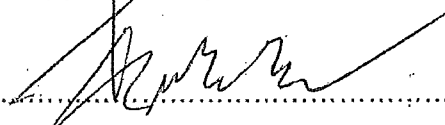
Acknowledgements

16. Solar Island Energy Pty Ltd acknowledges:
 - a. the Regulator will make this undertaking publicly available, including publishing it on the Regulator's website;
 - b. the Regulator and Officials of the Regulator will, from time to time, make public reference to this undertaking and the circumstances giving rise 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 Solar Island Energy Pty Ltd .

Executed by

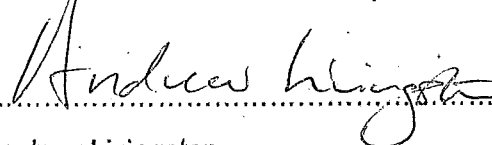
Solar Island Energy Pty Ltd ACN 144 717 493 by its authorised officer pursuant to s 127(1) of the *Corporations Act 2001*


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Secretary/Director

This 23 day of August 2012

ACCEPTED BY THE REGULATOR PURSUANT TO PARAGRAPH 154Q(1)(d) OF THE RENEWABLE ENERGY (ELECTRICITY) ACT 2000.


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Andrew Livingston

Delegate of the Regulator

This 28 day of August 2012