



ENFORCEABLE UNDERTAKING

Renewable Energy (Electricity) Act 2000

Section 154Q

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

by

SOLARPOWERREX PTY LTD

ACN: 108 670 837

Glossary

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

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

"CEC" means the Clean Energy Council

"ORER" means the Office of the Renewable Energy Regulator.

"REC" means renewable energy certificate as defined in section 5 of the Act.

"REC Registry" means internet based REC Registry where all RECs are created, traded and surrendered.

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

"Regulator" means the Renewable Energy Regulator under section 142 of the Act.

"RECs" means Renewable Energy Certificates.

"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 SolarpowerRex Pty Ltd for the purposes of paragraph 154Q(1)(a) of the Act.



Background

3. SolarpowerRex Pty Ltd is a duly incorporated company engaged in trade or commerce in Australia.
4. SolarpowerRex Pty Ltd is an Australian owned company that provides renewable energy solutions and increased energy efficiency to the Australian community. SolarpowerRex Pty Ltd is a registered person and agent under the Act, which allows SolarpowerRex Pty Ltd to have RECs assigned to them on behalf of owners of SGU systems and allows them to create RECs for these SGU installations on the REC Registry. SolarpowerRex Pty Ltd is an independent trader of RECs in Australia. SolarpowerRex Pty Ltd process and register environmental credits under the various state and federal schemes as well as the voluntary offset market.
5. SolarpowerRex Pty Ltd is a registered person under Part 2, Division 2 of the Act.

The creation of RECs

6. Under the Act, registered persons may create RECs in respect of energy which has been generated from renewable energy sources specified in the Act and Regulations.
7. Under Part 2, Division 4, Subdivision BA of the Act, a registered person can create RECs in respect of small generation units.
8. The Act and the Regulations set out the conditions which must be satisfied before RECs can be created in respect of a small generation unit.
9. The Act and the Regulations sets out the circumstances in which certificates may be created for a small generation unit in section 23B of the Act and regulation 20AC of the Regulations.
 - The small generation unit was designed and installed by a person or persons:
 - If the unit is a stand-alone power system — accredited for stand-alone power systems under the Australian Business Council for Sustainable Energy accreditation scheme (the **ABCSE accreditation scheme**) or the Clean Energy Council accreditation scheme (the **CEC accreditation scheme**); and
 - If the unit is a grid-connected power system — accredited for grid-connected power systems under the ABCSE accreditation scheme or the CEC accreditation scheme; and
10. If these circumstances are not present in respect of a small generation unit, the person who is entitled to create RECs in respect of the unit is not entitled to create the number of RECs due to system not being installed by a person accredited under the CEC accreditation scheme.



Improper creation of RECs by SolarpowerRex Pty Ltd

11. Between 10 June 2010 and 12 August 2010, SolarpowerRex Pty Ltd created 6096 RECs in respect of the installation of thirty five (35) small generation units based on information provided by a third party.
12. The ORER has conducted an investigation into the creation of those RECs. The ORER has concluded its investigation and, based on the results of that investigation, the Regulator is satisfied that between 10 June 2010 and 12 August 2010, SolarpowerRex Pty Ltd created 6096 RECs where it was not entitled to do so because the system had not been installed by a person accredited under the CEC accreditation scheme.
13. Accordingly, the Regulator is satisfied that between 10 June 2010 and 12 August 2010, SolarpowerRex Pty Ltd created 6096 RECs in circumstances in which SolarpowerRex Pty Ltd was not entitled to create those RECs.
14. SolarpowerRex Pty Ltd acknowledges that it was not entitled to create the RECs referred to at paragraph 13.

Undertaking

15. Under subparagraph 154Q(1)(a) of the Act, the Regulator may accept a written undertaking given by a person that the person will, in order to comply with this Act, the regulations or the associated provisions, take specified action; namely
16. SolarpowerRex Pty Ltd hereby undertakes to, on or before 28 March 2011, return to each installation site identified by ORER and have an accredited Clean Energy Council installer inspect the said solar photovoltaic system and sign a statutory declaration to that effect and a document signed by the system owner / resident of the said address confirming the attendance of the CEC accredited installer, to compensate for the creation of the RECs referred to in paragraphs 13 and 14 above.

Commencement of Undertaking

17. This Undertaking comes into effect when:
 - a. the Undertaking is executed by SolarpowerRex Pty Ltd; and
 - b. the Regulator accepts the undertaking so executed.

Acknowledgements

18. SolarpowerRex Pty Ltd acknowledges:
 - a. the Regulator will make this undertaking publicly available, including by publishing it on the Regulator's website;



Australian Government
Office of the Renewable Energy Regulator

- b. the Regulator and officers of the ORER 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 SolarpowerRex Pty Ltd

Executed by

SolarpowerRex Pty Ltd ACN 108 670 837 by its authorised officers pursuant to s 127(1) of the Corporations Act 2001.

Director

Secretary/Director

This 21 day of February 2011

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

Andrew Livingston

Renewable Energy Regulator under the Act

This 24 day of February 2011