

ENFORCEABLE UNDERTAKING

Renewable Energy (Electricity) Act 2000

Section 154Q

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

by

URBAN GROUP ENERGY PTY LTD (ACN: 145 563 702)

Glossary

1. In this Undertaking, unless the contrary intention appears, the definitions in section 5 of the Act, regulation 3 of the Regulations, and this clause apply:

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

"certificate" means a renewable energy certificate;

"REC Registry" means the public registry of information maintained by the Regulator in accordance with Part 13 of the Act and which is published at <http://www.rec-registry.gov.au>;

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

"Regulator" means the Clean Energy Regulator;

"STCs" means small-scale technology certificates; and

"Urban Group Energy" means Urban Group Energy Pty Ltd.

Person giving Undertaking

2. This Undertaking is given by Urban Group Energy for the purposes of section 154Q of the Act.

Parties

3. The Regulator is a statutory agency with responsibility for administering and enforcing the Act and Regulations.
4. Urban Group Energy is a duly incorporated company engaged in trade or commerce in Australia.

5. Urban Group Energy is an agent registered with the Regulator and maintains the right to create Renewable Energy Certificates (RECs) within the online REC Registry on behalf of owners of solar water heaters (SWHs) and small generation units (SGUs).
6. Urban Group Energy is a registered person under Part 2, Division 2 of the Act.

The creation of certificates

7. Under the Act, registered persons can create certificates for energy generated from certain renewable sources.
8. Regulation 20AC of the Regulations sets out the conditions which must be satisfied, including information provision requirements, before certificates can be created for a small generation unit.
9. Certificates only become valid once they have been registered by the Regulator.

Provision of False and Misleading information

10. Urban Group Energy has confirmed to the Regulator that, during the period 26 April – 15 August 2012, false and misleading information was provided to Urban Group Energy by third parties. Urban Group Energy then relied on this information to create certificates in the REC Registry. The Regulator considers that, as a consequence, Urban Group Energy breached subsection 24A (1) of the Act.
11. Internal investigations conducted by Urban Group Energy confirmed that third parties had falsely claimed that photovoltaic systems had been installed at 193 addresses. In fact no systems were installed at those addresses. This resulted in the improper creation by Urban Group Energy of 20,301 STCs in the REC Registry. Urban Group Energy immediately notified the Regulator of the results from their internal investigation and assisted the Regulator with its review.
12. The Regulator has formed the conclusion that 20,301 STCs are required to be surrendered by Urban Group Energy.

Acknowledgements

13. Urban Group Energy acknowledges that the basis on which the Regulator has formed its conclusion is valid and that the matter requires immediate attention.
14. Urban Group Energy acknowledges that:

- 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; and
- c. this Undertaking in no way derogates from the rights and remedies available to any other person arising from any conduct of Urban Group Energy.

Undertaking

15. Under section 154Q of the Act, the Regulator may accept a written undertaking given by a person that, the person will take, or refrain from, specified actions.
16. Urban Group Energy undertakes to surrender to the Regulator, under s28A of the Act, 20,301 STCs in accordance with the following timetable:
 - a. 1,000 STCs to the Regulator each week for 20 weeks, beginning on 17 February 2014; and
 - b. 301 STCs to the Regulator on 7 July 2014.

Duration of Undertaking

17. This Undertaking comes into effect from 17 February 2014.
18. This Undertaking ceases to have effect once the requirement of clause 16 has been completed.

Executed by

Urban Group Energy Pty Ltd, ACN 145 563 702 by its authorised officers pursuant to s 127(1) of the *Corporations Act 2001*



Adam Pearce
Director/ Secretary

This 31st day of January 2014

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



Mark Williamson
Delegate of the Regulator

This 7th day of February 2014.