Senate Standing Committee on Environment and Communications Legislation Committee

Answers to questions on notice **Environment and Energy portfolio**

Question No: 288

Hearing: Additional Estimates

Outcome: Agency

Programme: Clean Energy Regulator

Topic: Powers to suspend power station accreditation

Hansard Page:

Question Date: 14 March 2017

Question Type: Written

Senator Back asked:

Under the Act, if an accredited power station does not comply with reporting requirements or fails to disclose a breach of state law, what steps can the Regulator take to suspend the power station's accreditation?

Answer:

Section 30E of the *Renewable Energy (Electricity) Act 2000* (REE Act) gives the Clean Energy Regulator the authority to suspend the accreditation of an accredited power station if an electricity generation return has not been submitted (subsection 30E(1)), or the Clean Energy Regulator believes on reasonable grounds that the power station <u>is being operated</u> in contravention of a law of the Commonwealth, State or Territory (subsection 30E(3)).

Section 20 of the REE Act requires the nominated person of an accredited power station to provide an electricity generation return for each year. Section 18 of the Renewable Energy (Electricity) Regulations 2001 requires that the electricity generation return include details of any breach of the conditions of a permit, or a conviction of an offence, under State law. If the electricity generation return does not meet the requirements of section 20, including if the information was false or misleading, there may be grounds to consider if the electricity generation return was provided in accordance with the REE Act. This may potentially provide grounds to suspend the accreditation of the power station.

Decisions regarding compliance actions are made in accordance with the Clean Energy Regulator's *Compliance, Education and Enforcement Policy*. This policy is available on the Clean Energy Regulator's website. Compliance actions are applied in a manner proportionate to the severity of the contravention, or if non-compliance continues. Prior to a decision to suspend, we must show procedural fairness by giving an opportunity for the nominated person to respond. Any decision to suspend the accreditation of a power station can be referred to the Administrative Appeals Tribunal for a review of the decision.

If the Clean Energy Regulator suspends accreditation under Division 11 of Part 2 of the REE Act, the suspension only applies for the period of non-compliance, i.e. the relevant section is worded as: "**is** being operated in contravention of a law" (emphasis added). The suspension cannot operate retrospectively in relation to historical periods of non-compliance or in relation to potential future non-compliance.

The effect of suspension of a power station's accreditation, as stated in the note to section 30E, is that electricity generated by the power station, during a suspension period, must be excluded from the calculation used to create certificates under section 18 of the REE Act.