

July 2025

## Clean Energy Council submission in response to the *Future Made in Australia* (Guarantee of Origin) Exposure draft (Tranche 2) rules consultation

The Clean Energy Council (CEC) welcomes the opportunity to provide feedback on the Tranche 2 consultation package of Guarantee of Origin subordinate rules, as well as the Energy Storage Systems concept paper.

The CEC is the peak body for the clean energy industry in Australia. We represent and work with around 1,000 businesses operating in Australia across solar, wind and hydro power, energy storage and renewable hydrogen. Our mission is to accelerate Australia's clean energy transition.

Decarbonisation commitments are gathering pace globally, and there is increasing demand for green and low-emissions products. The proposed Guarantee of Origin framework will provide Australia with an essential mechanism to be able to demonstrate the environmental credentials of the products we produce, for both domestic and international consumption.

We have been closely engaged in the development of the Guarantee of Origin ('GO') scheme over the past five years and are pleased to see the significant work that has been undertaken by the Department of Climate Change, Energy, Environment and Water ('the Department') to define the detailed operation of the scheme. We acknowledge the complexity of the electricity and emissions accounting methodologies relating to the Renewable Electricity Guarantee of Origin (REGO) and the Product Guarantee of Origin, and commend the Department on the thorough and consultative approach to developing the detail.

We are broadly supportive of the approach to the methodology development for various commodities, including the sequence of development, beginning with hydrogen, low-carbon liquid fuels and green metals. Given the complexity of a number of the accounting issues, the engineering and markets teams of our member companies will be best placed to comment on the approaches outlined in the draft Rules and Methodology Determination, and we will therefore limit the CEC's comments to the following matters:

1. Time stamping periods
2. Timing for inclusion of small-scale and aggregated systems
3. Inclusion of First Nations attributes on certificates
4. Rules relating to below-baseline certificate retirement
5. Cost recovery phase-in for the PGO scheme (relevant to the CER)
6. Timing for the introduction of the scheme.

### 1. Time stamping optionality provided

One of the key benefits of the REGO scheme is that it will make it possible to provide more granular information about the characteristics of renewable electricity generation, including the time, place and source of production. While we support the Act prescribing a time period of an hour over which certificates may be created, we welcome the flexibility that the Department has now also included within the draft rules, that would also allow generators to select longer time periods of a calendar day, a calendar month or a calendar year, if they so wished. We expect that market preferences may ultimately converge around certain time periods, but this flexibility is helpful to enable generators to make the choices that best suit their assets and customer needs as electricity markets evolve.

We look forward to DCCEEW providing greater clarity on the intended measurement requirements to help participants consider the time stamping they may be able to implement.

## **2. Timing for inclusion of small-scale and aggregated systems**

The CEC supports the principle that all recognised forms of renewable energy generation should be eligible to create renewable electricity certificates. We have previously noted however that there are a range of risks and complexities associated with how the inclusion of small-scale generation in the REGO scheme would work in practice, and careful policy design and planning will be required to ensure smooth implementation.

As such, we welcome the decision by the Department to delay the participation of small generation units until the sunset of the Small-scale Renewable Energy Scheme and the Renewable Energy Target on 31 December 2030. It will be important that this is coordinated with other regulatory reforms, such as the progression of the Consumer Energy Resources Roadmap. We look forward to working with the Department on the development of the rules relating to small scale and aggregated systems in the year ahead.

## **3. Inclusion of First Nations attributes on certificates**

The Clean Energy Council is deeply committed to the advancement of First Nations peoples as part of Australia's economic development and clean energy transition, and we actively promote best practice principles for improving outcomes for First Nations rightsholders and communities in the development of renewable energy projects. See our [Leading Practice Principles](#), which is a guide for renewable energy project proponents engaging with Australia's First Nations peoples.

While we support the Department and the First Nations Technical Working Group in exploring opportunities to promote leading practice through the Government's Future Made in Australia agenda, we have some concerns with the potential for '*inclusion of First Nations attributes*' on guarantee of origin certificates. The reason for this is that there are many qualitative aspects associated with high-quality, genuine engagement and participation opportunities – as set out within our Leading Practice Principles – and we consider there to be high risk of this being reduced to overly simplistic parameters if the attempt is made to reference it within REGO certificates.

More broadly, we also question whether REGO & PGO certificates are the right place for any kind of 'social benefit' measures or claims. We have previously proposed that the GreenPower scheme might be better placed to incorporate some form of social performance accreditation, as an additional layer of reporting through that voluntary scheme. This would allow for a more meaningful form of 'reporting' or claim verification.

## **4. Rules relating to self-consumption of below-baseline certificate retirement**

We have previously supported the adoption of special conditions relating to conditions in which certificates from 'below baseline' electricity generation may be retired prior to the conclusion of the Renewable Energy Target at the end of 2030, and overall believe that the legislated approach strikes an appropriate balance.

We would however like to see an amendment to Section 53 relating to the surrender of certificates for the electricity self-consumption of below-baseline generators. We believe it appropriate and reasonable that below-baseline generators are able to retire certificates on behalf of the entity as a whole, and not simply the individual generation facility that created them.

## **5. Cost recovery approach for the scheme**

We note the release of the draft regulations relating to the cost recovery approach for the Guarantee of Origin Scheme, and the Draft Cost Recovery Implementation Statement ('CRIS'), which the Clean Energy Regulator is consulting on.

The CEC supports the Government's intention for the administration of the scheme to be fully cost recovered. We acknowledge and support the alignment of the REGO cost recovery pricing with the RET cost recovery pricing through to the sunset of the RET at the end of 2030.

We also welcome the phased-in approach that will be applied for the Product Guarantee of Origin. In terms of the PGO cost recovery phasing structure set out within Table 1 of the CRIS (pg 8), we note that waiver amounts have been indicated for each of the given years between 2025/26 and 2031/32. Based on the fact that project development is proving to be slower than earlier expectations, we suggest that the CER may need to review the timelines for the decline rate in fee waivers, noting that even those projects which we consider to be at a more advanced stage of feasibility assessments and project planning are unlikely to be operational for a number of years.

## **6. Timing for the introduction of the scheme**

We welcome the indication that the Government is preparing to introduce the GO scheme from late 2025. However, noting that work remains to finalise the approach and rules to energy storage systems, and consult on any additional attribute options for certificates and draft measurement standards in a Tranche 3 consultation, we would like to highlight that industry prioritises consultative and careful policy design over rushed implementation. We are unaware of any urgent requirement for the completion of the scheme design within the coming few months, and would be comfortable with a modest delay (or a phased start to the scheme) enabling the Government and agencies the necessary breathing space to finalise the design of the robust and durable framework we need over the long term.

We look forward to working with the Department and the Clean Energy Regulator in the weeks and months ahead on the successful implementation of the scheme.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Anna Freeman', written in a cursive style.

Anna Freeman  
GM – Advocacy & Investment