



Australian Government

Department of Climate Change, Energy,  
the Environment and Water

# Renewable Electricity Certification

---

## Consultation summary

### Part 1: Overview

As part of the consultation on the proposed Guarantee of Origin scheme, on 12 December 2022, the Department released a consultation paper on a proposed approach to ongoing certification of renewable electricity. Consultation closed on 8 February 2023.

The paper proposed an enduring renewable electricity certificate mechanism (REGO), which would build on the effective and highly regarded framework for LGCs under the RET scheme. Similar to LGCs, the paper proposed that REGOs could be created by renewable energy generators and would represent one megawatt-hour of electricity from renewable sources. These certificates could be sourced by any entity seeking to make a voluntary claim about renewable electricity consumed by their organisation, including as an input to a Product GO certificate to verify the zero emissions attribute of electricity used in the production of hydrogen and other products.

The REGO mechanism is designed to provide transparency around renewable electricity claims in the voluntary market and as such, the Department proposed broad eligibility for REGO certificates, including for electricity which is not eligible to create LGCs – below baseline generation, exported electricity, electricity from small-scale generators and electricity dispatched from storage facilities. The paper also proposed that REGOs would have additional information attributes to support voluntary renewable claims, including a time stamp intended to enable organisations to match their electricity consumption from renewable sources on an hourly basis.

DCCEEW received 77 submissions in response to the REGO discussion paper. Respondents were generally supportive of the policy positions with some divergence of views on eligibility of below baseline generation (policy proposal #6), storage (policy proposal #4), small-scale generation (policy position #2), and the requirement to include a time stamp (policy position #12).

# Part 2: Feedback from submissions

## Design

**Policy position proposal 1:** The Department proposes to develop and implement an enduring tradeable renewable electricity certificate mechanism administered by the Clean Energy Regulator.

- 65 respondents (84 per cent) broadly agreed
- 2 respondents (3 per cent) broadly disagreed
- 5 respondents (6 per cent) neither agreed nor disagreed
- 5 respondents (6 per cent) did not specify a response

This position was overwhelmingly supported by stakeholders – most respondents either explicitly noted their support for the proposal or provided views that were consistent with support for an enduring certificate mechanism for renewable electricity. Many stakeholders commented that REGOs would provide investment certainty. Several stakeholders also strongly support the scheme being administered by the CER.

Two respondents suggested a separation of scheme operator and scheme regulator roles.

## Eligibility

**Policy position proposal 2:** The Department proposes to allow renewable electricity generation to create REGOs where that generation has not already created LGCs, STCs (unless the certificate creation period has passed) or other certificates.

- 40 respondents (52 per cent) broadly agreed
- 12 respondents (16 per cent) broadly disagreed
- 10 respondents (13 per cent) neither agreed nor disagreed
- 15 respondents (19 per cent) did not specify a response

This position was supported by stakeholders, with some noting that the approach would provide flexibility to generators to choose the certificate they see value in creating, which could incentivise investment. Others supported the approach to reduce the risk of double counting by enabling only one certificate for a volume of electricity.

Respondents that disagreed with the proposal were concerned about market impacts with LGCs and REGOs being available at the same time. They suggested that only LGCs operate until the RET ends. Some stakeholders suggested there could be technical and regulatory challenges with small-scale generators creating certificates.

Additional comments:

- Enabling the separate creation of LGCs and REGOs could create unnecessary complexity or undermine the integrity of certificates if REGOs for the voluntary market are valued differently to LGCs.
- Some respondents suggested that the mutual exclusivity of REGOs (where they can only be created for generation not eligible for LGCs or STCs) is unnecessary. They consider that REGOs could represent more granular volumes of electricity and include more detail

and suggest that the risk of double counting could be avoided if the more granular REGOs were surrendered with an accompanying LGC or STC.

## Renewable energy sources

**Policy position proposal 3:** The Department proposes to allow eligible renewable energy sources as defined under the Renewable Energy (Electricity) Act 2000 to create REGOs.

- 47 respondents (61 per cent) broadly agreed
- 7 respondents (9 per cent) broadly disagreed
- 7 respondents (9 per cent) neither agreed nor disagreed
- 16 respondents (21 per cent) did not specify a response

This position was supported by stakeholders. Several respondents suggested that secondary energy sources derived from renewable energy, such as renewable hydrogen used in electricity generation, should be considered eligible. Others commented that more detail is required for how secondary energy sources such as renewable hydrogen and biomethane could be treated in future.

Additional comments:

- A suggestion that generation consumed behind the meter be excluded, such that rooftop solar PV generation eligible for REGOs would only be net exported energy.
- A suggestion to include landfill gas as a renewable source (this is consistent with the policy position as landfill gas is already an eligible renewable energy source under the RET).

## Storage

**Policy position proposal 4:** The Department proposes to allow storage facilities to create REGOs for electricity dispatched if they demonstrate that the stored energy came from eligible renewable electricity generation by first surrendering an appropriate REGO or LGC.

- 52 respondents (68 per cent) broadly agreed
- 5 respondents (6 per cent) broadly disagreed
- 7 respondents (9 per cent) neither agreed nor disagreed
- 13 respondents (17 per cent) did not specify a response

This position was supported by stakeholders. Some noted that the proposal to surrender REGOs from renewable generation before creating REGOs for storage adds to the traceability and integrity of the scheme. However, some submissions noted issues with losses through the storage system and queried whether the price differential would be economic enough to incentivise storage.

Additional comments:

- Some respondents raised the potential for storage REGOs to result in double counting of the same volume of generation.
- A REGO price signal could add complexity for some storage facilities and there may be potential metering issues for hybrid generator-storage arrangements.

## Offshore generation and generation for export

**Policy position proposal 5:** The Department proposes that electricity generated by offshore renewable energy power stations and storage facilities located within coastal waters of states and territories, the territorial sea of Australia, and Australia's Exclusive Economic Zone, and electricity that is exported internationally, be eligible to create REGOs.

- 48 respondents (62 per cent) broadly agreed
- 2 respondents (3 per cent) supported the proposal
- 2 respondents (3 per cent) broadly disagreed
- 25 respondents (32 per cent) did not specify a response

This position was supported by stakeholders. Some respondents were concerned that exported REGOs could be double-counted by both countries. Others commented on the need for REGOs to match international standards for the region and recipient markets if they are being exported.

Additional comments:

- Some noted potential issues with acceptance of REGOs in other schemes where there is cross-border consumption of electricity.

## Below-baseline generation

**Policy position proposal 6:** The Department proposes to allow all renewable electricity generation to create REGOs regardless of power station age.

- 35 respondents (45 per cent) broadly agreed
- 7 respondents (9 per cent) provided conditional support
- 12 respondents (16 per cent) broadly disagreed
- 4 respondents (5 per cent) neither agreed nor disagreed
- 19 respondents (25 per cent) did not specify a response

The majority of stakeholders supported the premise of this policy position – to enable broad eligibility for all forms of renewable electricity to be certified. They noted that broad eligibility would provide flexibility in the certificate market and help lower costs of making renewable claims. Some also noted that broad eligibility is consistent with the intent of the policy to promote transparency in renewable electricity claims.

Over half of the respondents either explicitly noted their support for the proposal or provided views that were consistent with support for allowing below baseline generation to create REGO certificates. Some supported the proposal on the basis that GO represents a modern scheme that serves the needs of all participants and would provide flexibility to respond to customer needs.

Several stakeholders provided conditional support for the proposal if it is accompanied by measures to drive investment in renewable energy. Those submissions largely noted concerns with the potential impact that certificates for below baseline legacy generation could have on LGC prices and investment signals.

Other respondents noted concerns about the potential effect on integrity of the certificates, or that they could be enabling greenwashing.

Additional comments:

- Several respondents commented that the proposal would help to reduce costs and that arguments for additional generation incentives do not apply to REGOs.
- Some suggested limiting the application of below baseline REGOs to exported outputs, delaying commencement until after 2030, or increasing the LRET target by the quantity of below baseline certificates that could be created.

## Size threshold

**Policy position proposal 7:** The Department proposes to allow all renewable electricity generation to create REGOs regardless of power station or storage facility capacity.

- 48 respondents (62 per cent) broadly agreed with the policy proposal.
- 8 respondents (10 per cent) broadly disagreed
- 6 respondents (8 per cent) neither agreed nor disagreed
- 15 respondents (20 per cent) did not specify a response

This position was broadly supported in principle. Some stakeholders raised issues with the design and implementation of the proposal.

Some respondents strongly support the inclusion of time-stamped small-scale certification and suggested that it be further refined to enable greater granularity. These stakeholders noted that small-scale generators might take several days to create 1MWh, which would mean hourly time-stamping for small systems would not be accurate. They suggested that REGOs should be able to capture a greater level of time granularity for small-scale systems down to 1 watt-hour.

Several respondents, including those that agreed or disagreed with the proposal, considered that the costs and administrative burden could be prohibitive for small-scale generators to create certificates. Some questioned whether there would be demand for these certificates in the short term and suggested it would need further consideration to implement.

Some respondents, including those that agreed and disagreed with the proposal, noted that implementation of time stamping would require specific metering, particularly for smaller generators where some electricity is consumed behind the meter. It was also suggested that small-scale systems should be in a separate certification scheme.

## Energy attributes

**Policy position proposal 8:** The Department proposes to require REGOs include all the information currently displayed on LGCs, and that this information be publicly visible.

- 54 respondents (70 per cent) broadly agreed with the policy proposal.
- 3 (4 per cent) broadly disagreed
- 4 (5 per cent) neither agreed nor disagreed
- 16 (21 per cent) did not specify a response

This position was supported by stakeholders.

Some recommended that the recipients of information should be restricted to those with a 'need-to-know', such as government and end consumers, as publicly visible information on generation sources and timing is market-sensitive and would impact fair competition.

Additional comments:

- Some respondents raised concerns about data privacy for small scale generators.
- Some suggested there should also be mandatory information on whether the generation was 'additional'.

## Additional voluntary attributes

**Policy position proposal 9:** The Department proposes to allow RET participants to choose to include on LGCs some or all of the additional information required on REGOs.

- 43 respondents (56 per cent) broadly agreed with the policy proposal.
- 2 respondents (3 per cent) partially agreed
- 5 respondents (7 per cent) broadly disagreed
- 9 respondents (12 per cent) neither agreed nor disagreed
- 17 respondents (22 per cent) did not specify a response

This position was supported by stakeholders. Several respondents emphasised that including additional information on LGCs should be voluntary.

Some respondents suggested all additional information required on REGOs should also apply to LGCs for accuracy, consistency and transparency.

Additional comments:

- Several respondents raised issues with location and time stamp information on LGCs being public and also whether it would be possible for some smaller generators that do not produce one megawatt in an hour.
- Some suggested the policy proposal could lead to less liquidity and fragmenting of the LGC market, noting that stratified markets will generally produce less efficient outcomes overall.

## Power station age

**Policy position proposal 10:** The Department proposes to require REGOs include the commissioning date of the power station or storage facility creating the certificates.

- 49 respondents (64 per cent) agreed or broadly agreed
- 8 respondents (10 per cent) broadly disagreed
- 6 respondents (8 per cent) neither agreed nor disagreed
- 14 respondents (18 per cent) did not specify a response

This position was supported by stakeholders. Several respondents suggested that this requirement would support new renewable energy and hydrogen projects.

However, several stakeholders (25 per cent) – whether or not they supported the proposal for mandatory information on commissioning date to be included on REGOs – highlighted that upgrades, refurbishments, replacements, expansions and/or additional capacity would be equally relevant.

Additional comments:

- Some suggested this requirement should be voluntary, with customers able to demand more information if necessary.
- Others suggested it should not be required for small-scale renewable energy or storage.
- Some respondents suggest more detailed information is better for consumers.

## Location of generation

**Policy position proposal 11:** The Department proposes to require REGOs to include the grid location of the power station or storage facility creating the certificates.

- 54 respondents (70 per cent) broadly agreed
- 3 respondents (4 per cent) broadly disagreed
- 4 respondents (5 per cent) neither agreed nor disagreed
- 16 respondents (21 per cent) did not specify a response

This position was supported by stakeholders. Some stakeholders raised data privacy considerations for small-scale generators, and highlighted difficulties with more granular grid location data such as accounting for interconnector congestion.

Additional comments:

- There were suggestions to use exact grid location and GPS coordinates, and the grid carbon emissions intensity at the time of generation.

## Time of generation

**Policy position proposal 12:** The Department proposes that REGOs created by power stations and storage facilities over 1 MW in capacity be required to include a timestamp reflecting the hour in which the electricity was dispatched by the power station or storage facility.

- 37 respondents (48 per cent) broadly agreed
- 14 respondents (18 per cent) broadly disagreed
- 13 respondents (17 per cent) neither agreed nor disagreed
- 13 respondents (17 per cent) did not specify a response

The majority of respondents who provided a view on the time stamping proposal supported it, with 76 per cent of those who agreed with the proposal specifically indicating it should be a mandatory requirement. A further 19 per cent who were supportive of time stamping thought it should only be optional for generators to include a time stamp on REGOs. The remaining 5 per cent of those that support time stamping did not outline a view on whether it should be mandatory or optional.

Some stakeholders noted issues with the approach to time stamping for smaller generators and suggested that the proposal to carry over generation would not be desirable. It was suggested that instead, REGOs could capture output at a more granular level (1 watt-hour) to address this.

Some suggested that time stamping would provide hydrogen producers with the option to demonstrate compliance with temporal standards internationally. Others considered that mandatory timestamping should be implemented at a more granular level, consistent with 5-minute settlement.

The respondents who either disagreed or were neutral on this policy proposal outlined potential issues with implementation and didn't consider there was a strong demand for time matched renewable electricity purchases yet. Some stakeholders considered that the costs could exceed benefits. Some did not support time stamping due to the potential to create inefficiency by fragmenting the certificate market.

Additional comments:

- Some noted that there are already mechanisms in the market to facilitate time-matched trade of renewable electricity if desired.
- Others noted it would require adequate controls to avoid double counting and time matching claims being misrepresented.

## International export and storage

**Policy position proposal 13:** The Department proposes to require REGOs to include information indicating whether the certificate was created for generation exported overseas, or for electricity dispatched from a storage facility.

- 40 respondents (52 per cent) respondents broadly agreed
- 7 respondents (9 per cent) broadly disagreed
- 13 respondents (17 per cent) neither agreed nor disagreed
- 17 respondents (22 per cent) did not specify a response

This position was supported by stakeholders, although several respondents raised potential complexities in determining energy destination (domestic versus export) when creating REGOs.

Additional comments:

- The potential for double counting of certificates was raised if the electricity is exported.
- Others did not agree on the value of storage stamping as the process of creating REGOs should make this unnecessary.

## Surrender

**Policy position proposal 14:** The Department proposes that anyone may surrender a REGO at any time, including for the purpose of creating a product Guarantee of Origin certificate.

- 43 (56 per cent) respondents broadly agreed
- 10 (13 per cent) broadly disagreed
- 8 (10 per cent) neither agreed nor disagreed
- 16 (21 per cent) did not specify a response

This position was supported by stakeholders. Several respondents noted support for flexibility to surrender REGOs at any time.

Conversely, several respondents suggested setting a vintage requirement on surrenders to limit when they can be used.

Additional comments:



- Alternative suggestions included an accounting mechanism for energy losses and mandatory surrender of REGOs to meet a target, or restrictions on surrender of below baseline if allowed to create REGOs.
- Time of use and grid-based matching requirements were also suggested.

## Energy attribute matching

**Policy position proposal 15:** The Department proposes that the Clean Energy Regulator develop systems and processes to facilitate the voluntary matching of certificates based on time or other energy attributes.

- 42 respondents (55 per cent) respondents broadly agreed
- 10 respondents (13 per cent) broadly disagreed
- 10 respondents (13 per cent) neither agreed nor disagreed
- 15 respondents (19 per cent) did not specify a response

While this position was supported by stakeholders. Some requested more detail about the costs and benefits of energy attribute matching. Some suggested that the cost of implementation could be prohibitive and that matching would need to be automated.

Several respondents suggested that third party providers should be accredited to facilitate matching.

Additional comments:

- There was a mix of views as to whether matching should be voluntary or mandatory, with some concerned that it could delay implementation of the scheme.
- Some suggested alternative methods for time matching through AEMO and Power Purchase Agreements.

## Proxy surrenders

**Policy position proposal 16:** The Department proposes to require REGOs to include the name of the person or organisation on whose behalf the REGO is being surrendered, where applicable and if the surrender is being made on behalf of many organisations.

- 44 respondents (57 per cent) broadly agreed
- 8 respondents (10 per cent) broadly disagreed
- 7 respondents (9 per cent) neither agreed nor disagreed
- 18 respondents (24 per cent) did not specify a response

While this position was broadly supported. Some respondents commented that while they support market transparency, publication of information should not be mandatory given privacy concerns. Others suggested there may be issues with identifying specific beneficiaries if a parent company is published.

Some respondents suggested including National Meter Identifiers to support better matching.

Some stakeholders suggested that the information on surrender should be recorded on a registry or stamp but not on the REGO itself.

Additional comments:

- Some respondents supported more detailed disclosures.
- Others suggested further audit and assurance was required to demonstrate that electricity generated matches certificate surrenders.

## Surrender purpose

**Policy position proposal 17:** The Department proposes that additional information capturing the purpose of the REGO surrender be required to be provided when a person or organisation surrenders a REGO, and be publicly visible.

Respondents commented on the two parts to this proposal – whether there should be any information on REGOs about the purpose of the surrender and whether that information should be required to be included and made public. In regard to the proposal to include the purpose of the surrender on REGOs:

- 38 respondents (49 per cent) respondents broadly agreed
- 7 respondents (9 per cent) broadly disagreed
- 12 respondents (16 per cent) neither agreed nor disagreed
- 20 respondents (26 per cent) did not specify a response

Some respondents provided more detailed views on whether the inclusion the purpose for surrender should be mandatory and publicly visible:

- 20 respondents (26 per cent) respondents providing broad support
- 9 respondents (12 per cent) indicating qualified support
- 4 respondents (5 per cent) indicating no support
- 44 respondents (57 per cent) did not specify a response

Some stakeholders commented that transparency of surrender helps build trust in the certificates.

Others suggested structured options for the surrender reason that could be selected, instead of a free text field.

Conversely, some respondents commented that while they support market transparency, they do not support mandatory disclosure where there is no commensurate benefit.

Additional comments:

- Some suggested that REGO surrender should reflect whether it relates to scope 1, 2 or 3 emissions.
- Others suggested that information on surrender should be recorded on a registry or stamp but not on the REGO itself.