



19 August 2022

National GreenPower Accreditation Program  
GreenPower Secretariat  
Via: [Greenpower.admin@planning.nsw.gov.au](mailto:Greenpower.admin@planning.nsw.gov.au)

Dear Sir/Madam,

### **GreenPower program review 2022**

The Clean Energy Council (CEC) welcomes the opportunity to provide feedback on the first strategic review of GreenPower since 2015, and the role that it can and should play in accelerating Australia's transition to renewable energy.

As you are aware, the CEC is the peak body for the clean energy industry in Australia. We represent and work with over 1,000 leading businesses operating across the solar, wind, hydro energy, energy storage, and renewable hydrogen sectors.

GreenPower has played a valuable role in supporting the growth of the renewable electricity sector over the past quarter of a century by enabling voluntary action (beyond mandated targets) and building consumer trust. **While it can and should continue to play a valuable role, this is not assured unless the brand proposition is enhanced beyond additionality, and there is substantially more investment in marketing and promotion to build awareness among energy consumers.**

This strategic review of GreenPower represents a critical opportunity to **reset the brand** for success in the coming decade in rapidly changing energy markets, with renewable electricity shifting from a minor to a major share of the National Electricity Market, and householders continuing to install rooftop solar.

There are also market trends that the brand is well-positioned to take advantage of if it is seen to **provide value to both generators and consumers**: the growth in the voluntary abatement market, emerging renewable fuels with a need to demonstrate their green credentials, and a strong focus by governments and industry on social responsibility for renewable energy projects. GreenPower can take advantage of these factors.

The CEC is **broadly supportive of the short-term changes proposed for 2030, while noting that some careful design will be required in relation to incorporating the Renewable Energy Target (RET) in GreenPower products.**

In the Appendix we provide individual responses to the questions posed within the consultation paper regarding both the short and long-term change options.

Overall, the CEC's key recommendations for the review are that:

- 1) The additionality requirement be retained until 2030, in line with the existing RET scheme closure, by which time we expect a high share of renewable energy within the electricity market.

- 2) The brand expands its value proposition to incorporate social performance of projects, in line with recognised national standards/guidance for large-scale renewable energy projects. This is an area where the CEC can play an important role.
- 3) Ultimately, the GreenPower brand could be positioned as representing 'quality' renewable energy purchases, justifying the price premium associated with GreenPower purchases.
- 4) Significantly more investment should be directed towards marketing and promotional campaigns by GreenPower in order to increase awareness and stimulate customer demand for GreenPower products. Experience over the past decade shows that the program cannot rely on gentailers to promote GreenPower products.
- 5) The available GreenPower product range is streamlined to 50% and 100% products, inclusive of the Renewable Power Percentage.
- 6) A review of the accreditation process is undertaken to eliminate any superfluous reporting/documentation requirements, thus assisting to make the process more efficient and less resource intensive.

Please find overleaf a summary of our responses to the questions raised in the consultation paper, and we look forward to engaging you with you over the coming months as the strategic review and forward planning continues on how to reset GreenPower for success over the coming decade.

Yours sincerely,

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

Anna Freeman  
Policy Director – Electrification & Hydrogen

## APPENDIX

### RESPONSES TO CONSULTATION PAPER QUESTIONS – GREENPOWER PROGRAM REVIEW 2022

Question	Consultation question	Consultation paper context	CEC response
1, pg 8	Do you agree with the market changes described being the main drivers impacting GreenPowers sales, public perception and its future role?	<p>Changes to date</p> <ul style="list-style-type: none"> <li>• Uptake of rooftop solar</li> <li>• Renewable energy market penetration</li> <li>• The RET is met</li> <li>• States/territories have strong targets</li> <li>• Corporate purchasing of green/low-carbon electricity</li> <li>• Emergence of carbon offset electricity products</li> <li>• Retailers not promoting GreenPower</li> </ul> <p>Future changes/opportunities</p> <ul style="list-style-type: none"> <li>• Expected close of the RET scheme in 2030</li> <li>• Renewable energy making up most electricity generation in 2030</li> <li>• Recognising below baseline and other existing renewable energy capacity</li> <li>• Renewable energy challenges have changed</li> <li>• New renewable fuels are emerging</li> </ul>	<i>Yes, the CEC agrees with this list.</i>
2. pg 9	Should a vintage requirement for GreenPower certificates be introduced, and what should the validity period be? Should it be 36 months, shorter, longer or why?	There are currently no limits on how 'old' an LGC is in order to be accredited as GreenPower.	<i>The CEC supports the introduction of a 36-month 'vintage' requirement, on the basis that this aligns with international guidance, and that it would be better aligned with a consumer expectation that renewable electricity generation and consumption are within a reasonable period. We note that this would also bring it into line with Climate Active requirements.</i>

Question	Consultation question	Consultation paper context	CEC response
3, pg. 10	Do you agree with the GreenPower aligning its generator accreditation dates with the CER accreditation dates	Generator accreditation dates for GreenPower are currently based on the application date for participation in the program. Alignment with the CER accreditation date would simplify systems.	<i>Yes, the CEC agrees with aligning these accreditation dates.</i>
4-6. pg. 11	Do you agree with incorporating the RET in within the GreenPower products, such that purchases may 'top-up' the Renewable Power Percentage already recognised within the electricity system?	<p>The Secretariat proposes Option A, outlined below :</p> <ul style="list-style-type: none"> <li>• A new logo be developed for 100% Renewable Electricity, which takes the RET into account</li> <li>• Keep all other GreenPower product options additional to the RET and voluntary (eg. a 50% GreenPower product would not include the RET).</li> <li>• A 100% GreenPower product would continue to be available (additional to the RET), but providers may no longer offer it.</li> </ul> <p>An Option B is also considered which would include the RET in every GreenPower product.</p> <p>To avoid annual changes to the Renewable Energy Percentage, the paper proposes to fix the percentage at 15%.</p>	<p><i>The CEC agrees that GreenPower needs to provide products that integrate the RET, in order to minimise the need for customers to pay in excess of their requirements.</i></p> <p><i>We consider that either option A or option B could work, but can see the practical advantages of Option A.</i></p> <p><i>Were Option B to be selected, the CEC understands the rationale for fixing the RET portion, to avoid yearly changes to the RPP. It may however be worth considering a 3 or 4 yearly periodic review of the fixed RET portion, to ensure that it does not get too far out of step with the renewable energy market share.</i></p> <p><i>Finally, should the RET be taken into account in an electricity product, the CEC would like to still see a connection made in the product branding to ensure that the GreenPower portion was recognised within the product, otherwise there is no impediment to every renewable energy product being able to have their own 100% Renewable Electricity brand.</i></p>
7, pg.12	Which minimum percentage do you think is the most appropriate if Option B noted in 4.3.2 is chosen, and why?	The current minimum GreenPower percentage is 10%. The program is considering increasing the minimum percentage to 30%, 50% or 100%.	<p><i>We support both simplifying the range of GreenPower products and increasing the minimum GreenPower percentage to 50% in 2023.</i></p> <p><i>GreenPower would then offer both a 50% and a 100% GreenPower product only.</i></p>

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8&9, pg. 14	<p>Should GreenPower's mission expand to include all forms of renewable energy, for example hydrogen, and is the role of GreenPower the same across different energy carriers?</p> <p>Should anything else be part of the GreenPower mission statement?</p>	<p>Current &amp; proposed mission statement:</p> <p>To drive investment in renewable energy in Australia, with a view to decreasing greenhouse gas emissions from <del>the generation of electricity</del> <b>energy use</b>, by increasing awareness of, and ensuring consumer confidence in, environmentally sound renewable energy products.</p>	<p><i>The CEC is comfortable with this change, which allows GreenPower the flexibility to play a valuable role in the emergence of green gases.</i></p> <p><i>This is on the basis that any additional forms of renewable energy, including hydrogen, are consistent with GreenPower's existing principles and scope relating to electricity production.</i></p> <p><i>We question whether the phrase 'energy use' could or should be expanded to cover 'energy generation and use'?</i></p> <p><i>GreenPower may also consider the inclusion of renewable energy which is 'socially responsible' within its mission.</i></p>
10, pg. 16	Please indicate which current and potential roles should be included within the GreenPower accreditation	See comprehensive list on page 16 of consultation paper	<p><i>The CEC considers that the GreenPower brand and assurance process should cover/represent:</i></p> <ol style="list-style-type: none"> <li><i>1. Renewable energy that is additional to the RET mandatory requirements (until 2030, aligned with the RET. After this time, this requirement could simply be for 100% renewable energy)</i></li> <li><i>2. Renewable energy that is socially and environmentally responsible.</i></li> </ol>
12. pg.17	Should GreenPower focus on maximum additionality, electricity carbon accounting, or should both types of products be supported?	<p>GreenPower was established to allow voluntary renewable energy purchases above the mandated RET ('additionality' to the RET).</p> <p>Some customers are indifferent to whether it's 'additional' – they just want renewable energy. Should the GreenPower brand cater to these customers?</p>	<p><i>GreenPower should continue to focus on additionality until 2030.</i></p> <p><i>However, should a Guarantee of Origin for Renewable Energy be established in advance of this time that covers pre-1997 baseline generators (largely hydro power), GreenPower may consider establishing a separate category of product for the non-additional renewable energy.</i></p>

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			<i>Very clear labelling/messaging around product variations would be required in order to ensure that the differences were understood by consumers.</i>
13. pg.18	Should a vintage requirement for GreenPower certificates be considered in the long-term design of GreenPower, and why?		<i>Yes, we consider the three-year vintage requirement appropriate for the long-term design of GreenPower, as it will be more likely to meet consumer expectations of the product they are buying.</i>
14. pg19	Should GreenPower consider a generator age limit approach? If so, why?	The program review report by Common Capital has suggested	<i>No, we don't believe a generator age limit would be helpful to generators who require long-term commitments, and it would likely act as a disincentive for generators to go through the process (and cost) of becoming accredited GreenPower producers.</i>
15&16. pg.19	Should GreenPower restrict participating generators to new projects only, and why?	An option to increase additionality is for GreenPower to only consider accrediting generators that are built in relation to a GreenPower purchasing agreement.	<i>The CEC does not support this major change to the way the program operates, as it would unnecessarily restrict the scope of the program and further increase consumer prices.</i>
17 &18. pg.20	Which organisations would be most suited to partner with GreenPower to drive awareness and uptake of GreenPower, and why? Would you support GreenPower increasing program fees so that the program manager can increase its marketing and promotional activities?	The program review report proposes to broaden the distribution channels of GreenPower and enter into partner promotion strategies.	<p><i>GreenPower must be able to promote its value proposition independently of the retailers, and an increase to the GreenPower marketing budget is essential – the program must be able to strengthen and broaden awareness of the GreenPower proposition, or customer awareness of the GreenPower brand is at risk of decline, and demand for the product will not reach its full potential.</i></p> <p><i>The Clean Energy Council's interests are strongly aligned with the strength of the GreenPower brand, and we are pleased to support consumer awareness of the brand where relevant/appropriate.</i></p>

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19&20. pg.21	<p>Should retailers be blocked from joining GreenPower if they sell green products that are not linked to renewable energy generation?</p> <p>What other changes to the program could provide the same level of clarity for consumers?</p>	<p>This is an opportunity to review whether GreenPower wants to continue working with providers that offer products that are not best-practice, such as carbon offset electricity products.</p> <p>Some GreenPower Providers actively divert customers away from GreenPower</p>	<p><i>While the CEC understands the rationale for this proposal, it may risk scoring an own-goal, whereby retailers will ultimately choose to opt-out of supporting GreenPower altogether in a formal way, which would result in even lower levels of engagement and support from this highly influential stakeholder group.</i></p> <p><i>We suggest that an effective and long-term marketing campaign explaining directly to consumers (and voluntary corporate buyers) what GreenPower is, and promoting GreenPower retailers, would encourage consumers to ask their retailers for the product/s.</i></p> <p><i>It may however be justified to consider a code of conduct for GreenPower providers, which requires these retailers to commit their organisation not to actively engage in dissuading customers from purchasing GreenPower.</i></p>
21. pg.22	Should GreenPower set strict requirements for how providers promote GreenPower and onboard GreenPower customers?	There is confusion among most customer types about what different 'green' products mean.	<p><i>The CEC agrees with the program review report that recommended that GreenPower take a leadership role in differentiating its product from that of generic 'carbon neutral electricity' products. This should involve GreenPower clearly explaining how GreenPower is different, and providing confidence that customers are supporting investment in renewable energy projects across Australia.</i></p>
22&23. pg.22	Are there any other customer segments that are unable to access GreenPower? How can GreenPower support more flexibility for small energy users to purchase small quantities of GreenPower?	The program review report suggests that other organisations, such as councils, supermarket chains or banks, could offer GreenPower in small quantities, which would act as demand aggregators.	<p><i>The CEC supports initiatives which will make access to GreenPower more accessible.</i></p> <p><i>We are unaware of other customer segments who are unable to access GreenPower, other than those identified in the paper.</i></p>



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24&25. pg. 24	<p>Should GreenPower reduce its accreditation requirements, or make them stricter?</p> <p>What are the most important aspects that GreenPower should consider in its generator assessment?</p>	<p>GreenPower has strict criteria for generators that wish to become accredited under the Program, in addition to the Clean Energy Regulator requirements for participation in the RET. This was critical in the first decade of the Program's operation when Australian planning laws were inconsistent and often had only minimal requirements.</p> <p>However, the planning system has improved significantly, and most generators now meet GreenPower's requirements if they use an eligible technology, simply by complying with local planning requirements.</p>	<p><i>GreenPower can add value in providing information to customers about aspects of renewable energy projects which are 'voluntary' or not required under legislation/regulations.</i></p> <p><i>Accordingly, the accreditation process should be fit for purpose to address the desired characteristics which are not mandatory for renewable energy project development/operation, as these will typically be covered by state/territory/federal laws. Accordingly, GreenPower should not be duplicating criteria which will have been addressed by environment or planning laws.</i></p> <p><i>Even if GreenPower's remit/scope were expanded to incorporate social licence, this would not necessarily represent the program becoming 'stricter' but rather addressing the issues pertinent to the accreditation.</i></p> <p><i>We recommend that GreenPower work in consultation with industry to identify these pertinent issues, and the opportunities for streamlining unnecessary disclosure or documentation obligations.</i></p> <p><i>We consider that in addition to additionality, the GreenPower accreditation could require assurance that appropriate and recognised standards/processes of community engagement and consultation had been employed within the project's development and ongoing operation.</i></p>



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26&27. pg 24	<p>Do you see value in an official environmental rating for electricity retailers, and in GreenPower developing this rating?</p> <p>How could this be made administratively efficient and commercially attractive for retailers that perform well environmentally?</p>	<p>A renewable energy and emissions performance rating for energy retailers could complement GreenPower's current accreditation. It could provide an independent reference for consumers wishing to make more sustainable choices even if they are unable or unwilling to pay for GreenPower accredited electricity.</p>	<p><i>The CEC considers an environmental rating would be valuable if there was a robust and transparent methodology adopted.</i></p> <p><i>If the results were widely publicised, it could have material commercial implications for retailers.</i></p>
28&29	<p>What would the minimum fund size need to be to provide material incentives for industry participation in reverse auctions?</p> <p>How could the fund's emissions reductions be allocated to investors or GreenPower customers?</p>	<p>An alternative to the current GreenPower design is the establishment of an electricity emissions fund committed to driving investment in renewable energy development, collecting funding from GreenPower customers directly to invest in generators (pooling funding from public and private organisations and individuals to fund reverse auctions).</p>	<p><i>This idea is exciting and attractive for its ability to deliver a real tangible impact to consumers.</i></p> <p><i>The CEC is concerned however that it may be beyond the administrative means of the program resourcing at the present time. It would require significant investment in order to be able to design and run these reverse auctions.</i></p>
30. pg 25	<p>How important is 24/7 renewable electricity coverage to businesses in Australia? Are companies prepared to pay more than normal GreenPower for a 24/7 load-matched product accredited by GreenPower?</p>	<p>Large organisations such as Google are considering how they can cover their load with 24/7 renewable electricity.</p>	<p><i>There is growing interest in closer 'time matching' of generation and consumption of renewable electricity in some international jurisdictions, and some early work is currently being undertaken by the Clean Energy Regulator to explore the feasibility of building this reporting functionality within its systems should it be required at a date in the future.</i></p> <p><i>We note that the RACE for 2030 co-operative research centre has recently commenced a research project (24/7 TRUZERO) to explore both the local demand for corporate renewables accounting and contracting approaches, including 24/7 certification, that can enable</i></p>

			<i>customers to establish a stronger link between their electricity consumption and renewables purchases. The study is being led by UNSW and Curtin University, and it will be worth staying in touch with the results of this research project.</i>
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