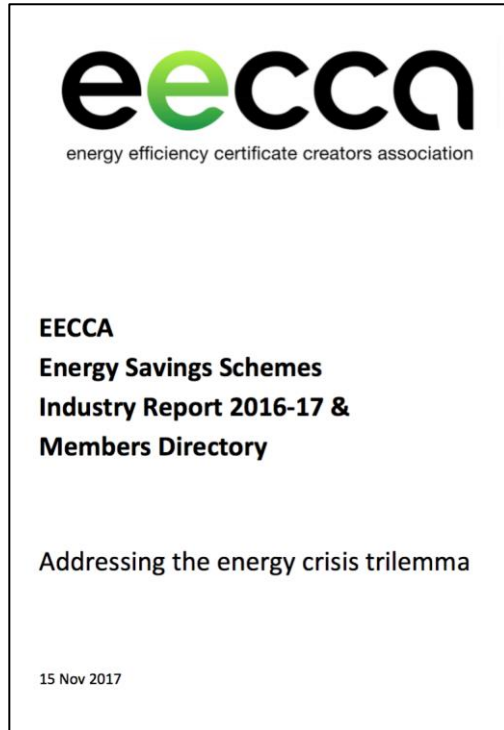


# EECCA + Certificate Creators Perspective

Hamish McGovern

# Energy Efficiency Certificates Creators Association – [www.eecca.org.au](http://www.eecca.org.au)



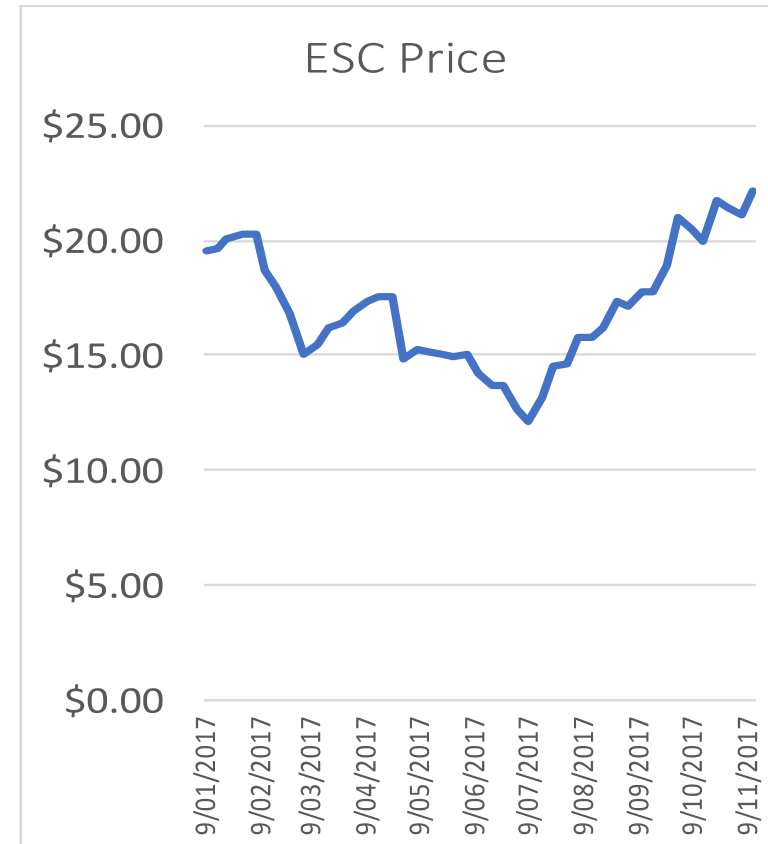
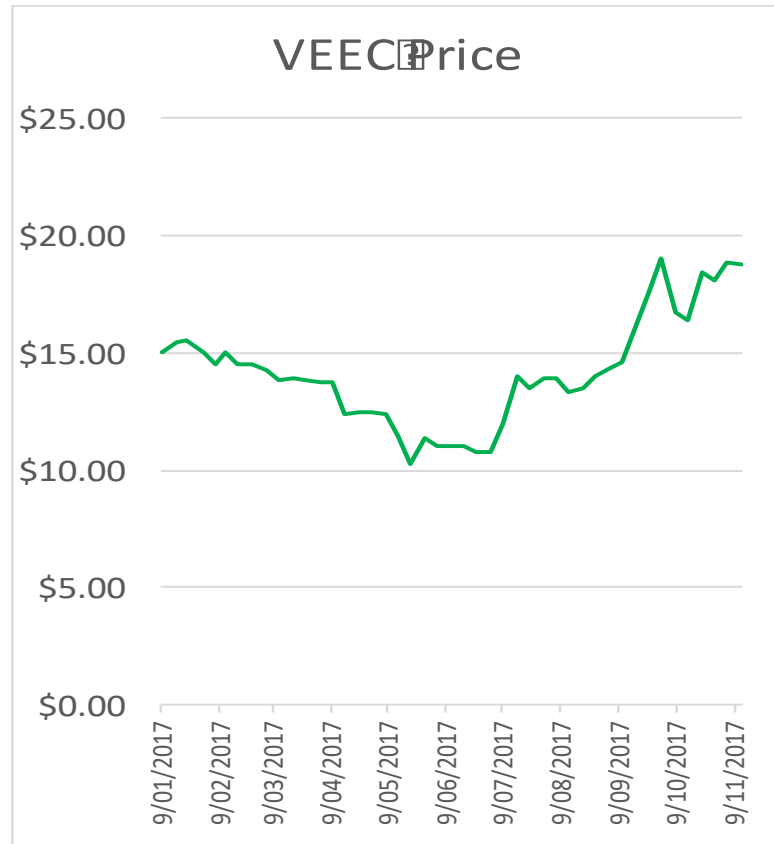
- 25 Members across VIC, NSW, SA schemes
- Our first Industry Report just released
  - Proven success of the schemes
  - Comparison by MWh & per capita
  - AU Warehouse + Factory to LED = Hazelwood Power Station
  - Rest of AU Commercial Lighting = Liddell Power Station

# Ensuring Investment Certainty

- A challenging year for Accredited Providers
  - Regulation / Rule changes + Price Volatility

# 2017 VEEC / ESC Price

\* Pricing data from TFS Green

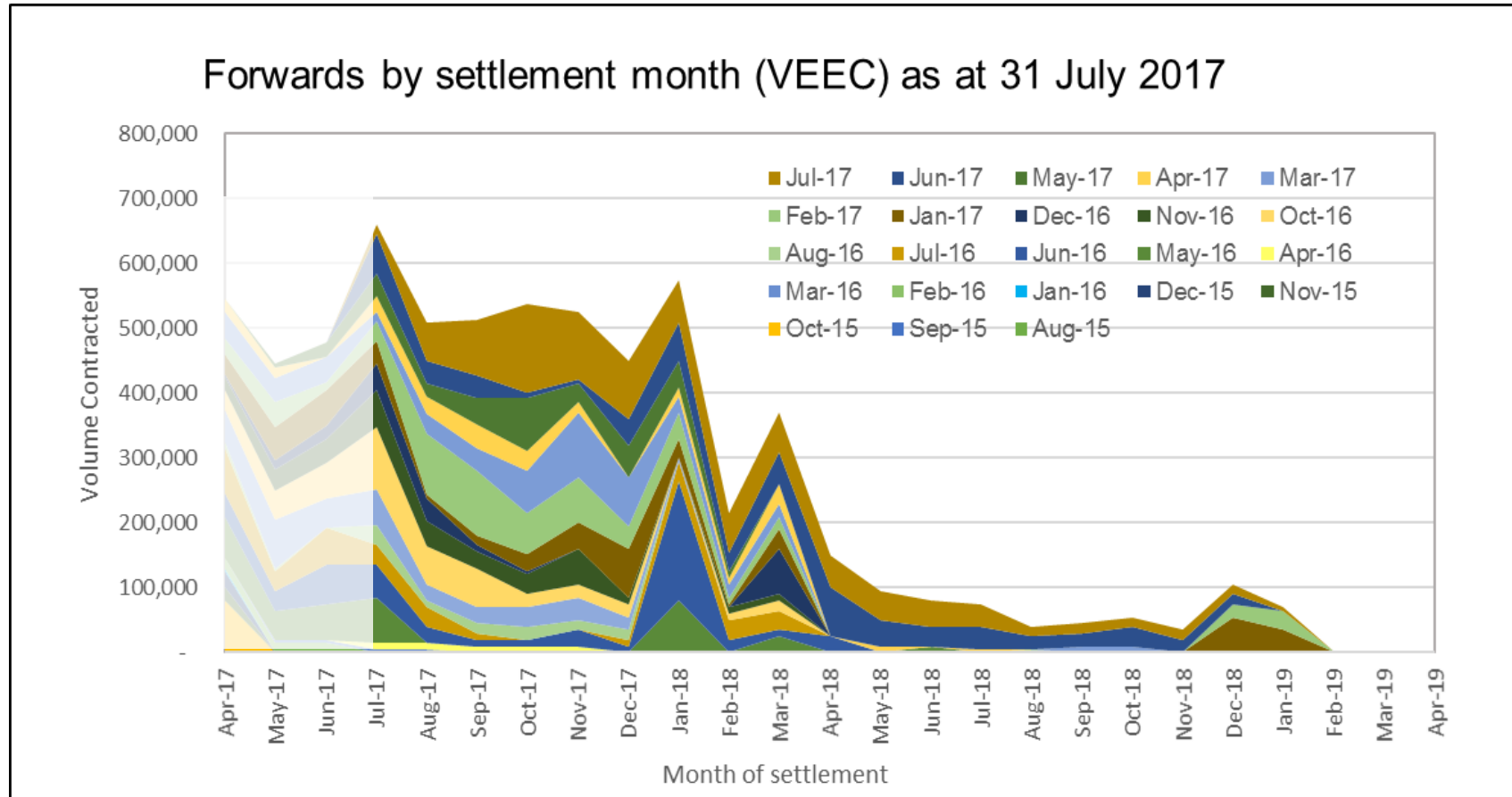


# Ensuring Investment Certainty

- A challenging year for Accredited Providers
  - Regulation / Rule changes + Price Volatility
- Time from Activity Sale to Certificates Sold
  - Deemed ~3-12 months, Projected 1-2 years
- Business Planning
  - Direction ~12-24 months forward
  - Hedging & Products ~6-9 months forward

# VEEC Forward Contracts

Courtesy of Green Energy Markets



8 months

# Ensuring Investment Certainty

- A challenging year for Accredited Providers
  - Regulation / Rule changes + Price Volatility
- Time from Activity Sale to Certificates Sold
  - Deemed ~3-12 months, Projected 1-2 years
- Business Planning
  - Direction ~12-24 months forward
  - Hedging & Products ~6-9 months forward
- Sizable Industry (350 business, 4,000 people)
  - APs need more predictable change process
  - Standard timing for changes to rules
  - Set targets a long way out
  - Larger targets

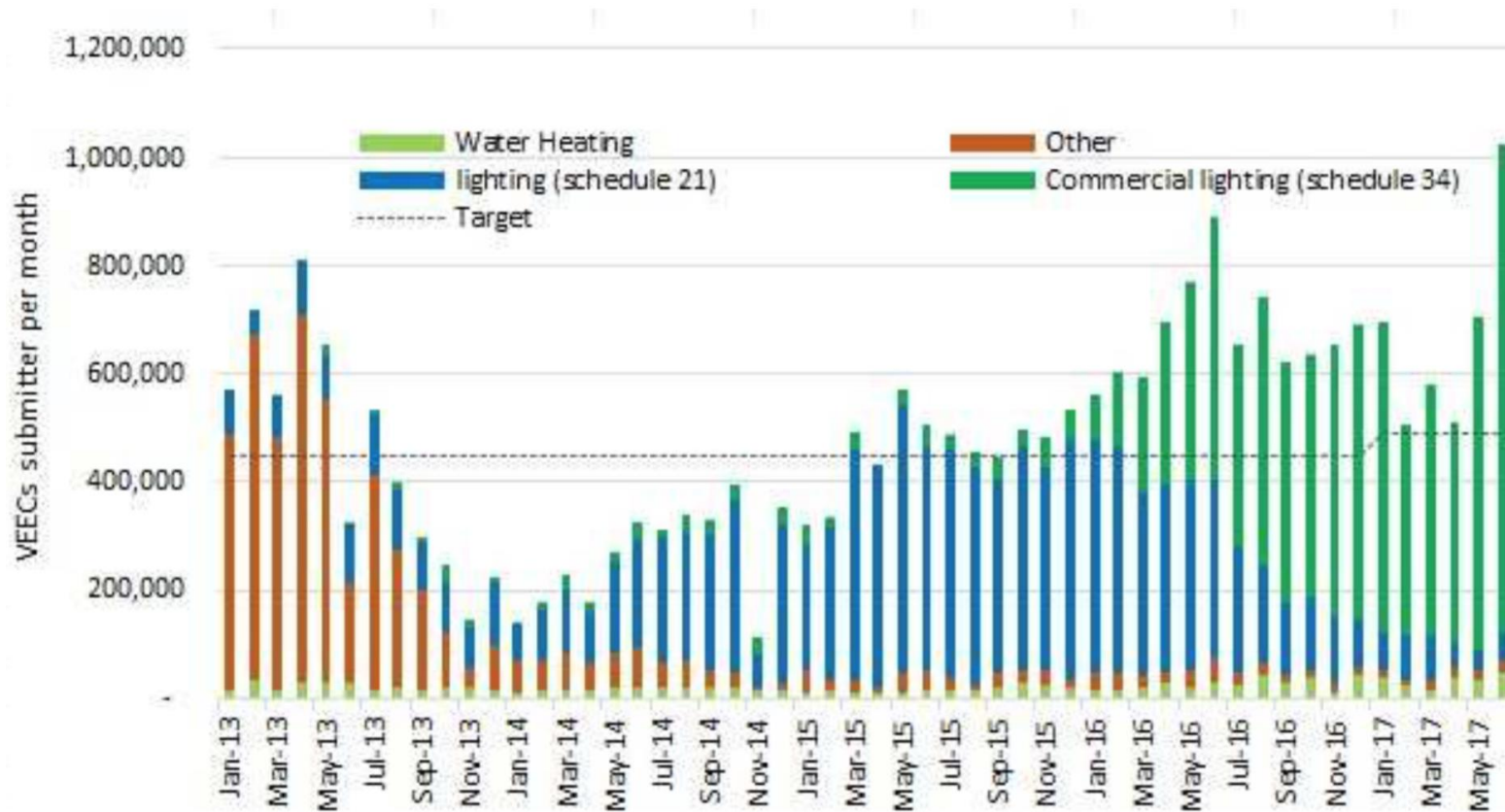
# Free vs Co-payment

- Speed of adoption
- Focus on lowest cost abatement method
- Certificate supply – boom / bust
- Customer engagement - product approvals
- Maturity of the industry / uptake
- Policy drivers



# What's next?

VEU – source of VEECs



# What's next

- Deemed vs Measured / Project
- Higher VEEC, ESC prices
  - NSW Residential (HEER), Biz Appliances (HEAB)
  - ESS PIAM&V, VIC PBA?, NBBL?
  - VEU Residential Lighting
- HVAC, Commercial Building esp. Tier2
  - EECCA / AREMA working group
- Schemes continually overachieve & can do much more
  - Larger targets in existing schemes
  - QLD Energy Security Taskforce, WA?
  - NEG? Demand Management?