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## Guidance on top-up Energy Savings Certificate (ESC) creation under the Project Impact Assessment Method

The purpose of this notice is to provide guidance on how an Accredited Certificate Provider (ACP) may satisfy the Scheme Administrator that energy savings calculated in accordance with clause 7.4.6(a) of the *Energy Savings Scheme Rule of 2009* (ESS Rule) under the Project Impact Assessment Method (PIAM) have actually occurred.

### ACPs must satisfy the Scheme Administrator that additional energy savings under PIAM have actually occurred prior to ESC registration

Under clause 7.4.6 of the ESS Rule, ACPs can calculate additional energy savings at the end of the first or second forward creation periods by determining the difference between the energy savings calculated using **Equation 2 of the ESS Rule** and the discounted energy savings calculated using **Equation 3 of the ESS Rule** over the relevant forward creation period.

Before ESCs can be registered for the additional energy savings, ACPs must demonstrate to the satisfaction of the Scheme Administrator that the energy savings calculated under clause 7.4.6(a) from the relevant forward creation period have actually occurred.

Where an ACP creates ESCs from additional energy savings without first satisfying the Scheme Administrator that the savings have actually occurred, these ESCs would be improperly created.

### We recommend using a pre-registration audit to demonstrate you meet the requirements of clause 7.4.6 of the ESS Rule

The Scheme Administrator will have regard to the outcome of a pre-registration audit report in deciding whether an ACP has:

- ▼ established to its satisfaction that the energy savings calculated under clause 7.4.6(a) have actually occurred, and
- ▼ that the requirements of clause 7.4.6 have been met.

The Scheme Administrator may have regard to any matter it considers relevant but the receipt of assurance over ESC calculations would ordinarily be sufficient for the Scheme Administrator to advise that it is satisfied the energy savings calculated under clause 7.4.6(a) have actually occurred.

The scope of the pre-registration audit does not need to be limited to additional energy savings calculated in accordance with clause 7.4.6. Other proposed ESC creation may be included in the audit. Upon being satisfied that the energy savings calculated under clause 7.4.6(a) have actually occurred, the Scheme Administrator will issue the ACP with a notice to that effect and that the ESCs can be registered.

Alternatively the Scheme Administrator may *require* that a pre-registration audit be undertaken under clause 56 of the *Electricity Supply (General) Regulation 2014* to meet the requirement.