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Independent Pricing and Regulatory Tribunal
2-24 Rawson Place
Sydney NSW 2000

21/09/2022

Dear Sir/Madam,

Clear Environment Pty Ltd Submission: Consultation on Combined Audit Process for Scheme Participants

Thank you for the opportunity to provide this submission to the Independent Pricing and Regulatory Tribunal (IPART) on a proposed combined audit process for the Peak Demand Reduction Scheme (PDRS) and Energy Savings Scheme (ESS) reporting obligations.

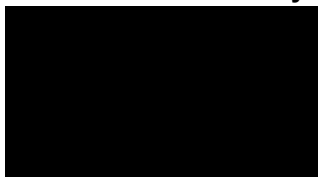
We understand the rationale for combining the audit process for both schemes and support efforts to improve efficiency. However, we would prefer to keep the audit and compliance processes for each scheme separate for the following reasons:

- Audits of Annual Energy Savings Statements under the ESS are currently required to be completed by 30 April each year. These audits are usually undertaken concurrently with Annual Energy Acquisition Statement audits under the Victorian Energy Upgrade Program (VEU) (due 30 April) and GreenPower audits (due 31 March). Undertaking ESS audits with VEU and GreenPower audits currently delivers significant efficiencies, noting that much of the information audited is common across these schemes and the reporting periods are common across all these schemes (calendar year).
- Although combining PDRS and AESS audits offers efficiencies, the greater efficiencies obtained from undertaking AESS audits with VEU and GreenPower audits will be lost. As the reporting periods associated with PDRS and AESS audits differ it will be more efficient to undertake these audits separately.
- It is proposed that AEMO data will be provided for both PDRS and AESS in mid-August or maybe later, depending on when the data is available. This timing would mean that auditors would have up to six weeks to undertake the combined ESS/PDRS audits and possibly less. Although it is possible to undertake some of the audit tasks prior to the AEMO data being released, this would result in the audits being undertaken in a piecemeal manner which is very inefficient.

We note that National Greenhouse and Energy Reporting (NGER) audits are due on 31 October of each year. These are very involved audits and are typically undertaken from September to October each year (with much of the work being undertaken in September). Scheduling the combined PDRS/ESS audits in September will clash with existing auditing obligations and will limit the availability of auditors. We would therefore prefer to spread the workload of PDRS and ESS audits across the periods March/April and August/September.

Please contact the undersigned if you would like to discuss any aspect of this submission.

Yours faithfully,
Clear Environment Pty Ltd



Greg Loftus
Director, NGER Auditor