

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment portfolio

Question No: 220
Hearing: Additional Estimates
Outcome: Agency
Programme: Clean Energy Regulator
Topic: Fit and proper person test
Hansard Page: N/A
Question Date: 24 February 2016
Question Type: Written

Senator Back asked:

Why is it necessary to have a fit and proper person test in the Regulations?

Answer:

As outlined in the Explanatory Statement, Select Legislative Instrument 2012 No. 290 available at www.comlaw.gov.au/Details/F2012L02419/Download):

The *Renewable Energy (Electricity) Act 2000* (the Act) prescribes (in Division 2) that a person must be registered prior to being able to create Renewable Energy Certificates (RECs) under the Renewable Energy Target (RET) scheme.

In 2011, the Act was amended (at section 11(2A) and 30A (5A)) to prescribe powers for the [Clean Energy Regulator] CER to refuse an application for registration to create certificates, or suspend the registration of a registered person if the CER is satisfied that the applicant or the registered person is not a fit and proper person. The intended effect is to deter unscrupulous people from entering the scheme, and prescribes legislative power to the CER to exclude registered persons whom it considers not to be a fit and proper person.

The Act requires that in determining if a person is a fit and proper person, the CER must have regard to matters specified in the Renewable Energy (Electricity) Regulations 2001 (the Principal Regulations) and may have regard to such other matters as the CER considers relevant.