

**AGENCY  
BUDGET STATEMENTS**

**OFFICE OF THE  
RENEWABLE ENERGY  
REGULATOR**



# OFFICE OF THE RENEWABLE ENERGY REGULATOR

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## OFFICE OF THE RENEWABLE ENERGY REGULATOR

### Section 1: Overview

The Office of the Renewable Energy Regulator (ORER) administers the Government's mandatory renewable energy target. The target is enacted through the *Renewable Energy (Electricity) Act 2000*, the *Renewable Energy (Electricity) (Charge) Act 2000* and the *Renewable Energy (Electricity) Regulations 2001*.

**Table 1.1: Agency outcomes and output**

Outcome	Description	Output groups
<b>Outcome 1</b>		
Increased Renewable Electricity Generation	ORER administers the <i>Renewable Energy (Electricity) Act 2000</i> (the Act) which requires liable parties, typically large wholesale purchasers of electricity, to demonstrate they are using additional renewable energy each calendar year from 2001 to 2020 or pay a shortfall charge. Liable parties may use renewable energy certificates to demonstrate their compliance with the Act.	Output 1.1 Renewable Energy Certificate Management  Output 1.2 Managing Compliance with Legislation

## Section 2: Resources for 2006-07

### **2.1 APPROPRIATIONS AND OTHER RESOURCES**

Table 2.1 shows the total resources from all origins for 2006-07, including appropriations. The table summarises how resources will be applied by outcome, administered and departmental classification.

The total appropriation for the Office of the Renewable Energy Regulator (ORER) in 2006-07 is \$3.196 million.

**Table 2.1: Appropriations and other resources 2006-07 ('000)**

Office of the Renewable Energy Regulator										
Agency Resourcing—2006-2007										
Agency/Outcome/ Non-operating	Departmental					Administered				
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Receipts (a) \$'000	Appropriation Bill No. 1 \$'000	Appropriation SPPs \$'000	Other (b) \$'000	Appropriation \$'000	Special Receipt (a) \$'000	Total \$'000
Outcome 1										
Equity injections	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Previous years' outputs	-	-	-	-	-	-	-	-	-	-
Administered assets and liabilities	-	-	-	-	-	-	-	-	-	-
Special capital	-	-	-	-	-	-	-	-	-	-
Appropriation	2,749	-	-	-	-	-	-	447	-	3,196
<b>TOTAL</b>	<b>2,749</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>447</b>	<b>-</b>	<b>3,196</b>

(a) Departmental and administered receipts from independent sources that are available to be spent. This amount may differ from 'other resources available to be used' due to timing of cash flows.

(b) Includes new administered expenses and administered assets and liabilities.

## 2.2 2006-07 BUDGET MEASURES

ORER has no new measures for the 2006-07 Budget.

## 2.3 OTHER RESOURCES AVAILABLE TO BE USED

There are no other receipts available to be used by ORER in the 2006-07 Budget.

## 2.4 MOVEMENT OF ADMINISTERED FUNDS FROM 2005-06 TO 2006-07

There has been no movement of administered funds from 2005-06 to 2006-07 for ORER.

## 2.5 SPECIAL APPROPRIATIONS

The special appropriation represents penalty refunds, drawn down from the Official Public Account and paid to companies meeting certain conditions under the *Renewable Energy (Electricity) Act 2000* and able to redeem prior penalty payments

**Table 2.5: Estimates of expenses from special appropriations**

	Outcome	Note	Estimated expenses 2005-06 \$'000	Budget estimate 2006-07 \$'000
<b>Estimated expenses</b>				
<i>Renewable Energy (Electricity) Act 2000</i> , part 8	1		117	447
<b>Total estimated expenses</b>			<b>117</b>	<b>447</b>

## 2.6 SPECIAL ACCOUNTS

There are no special accounts for ORER in the 2006-07 Budget.

## 2.7 ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

ORER has not been appropriated any administered capital for 2006-07 and will not receive any departmental equity injection or loans in 2006-07.

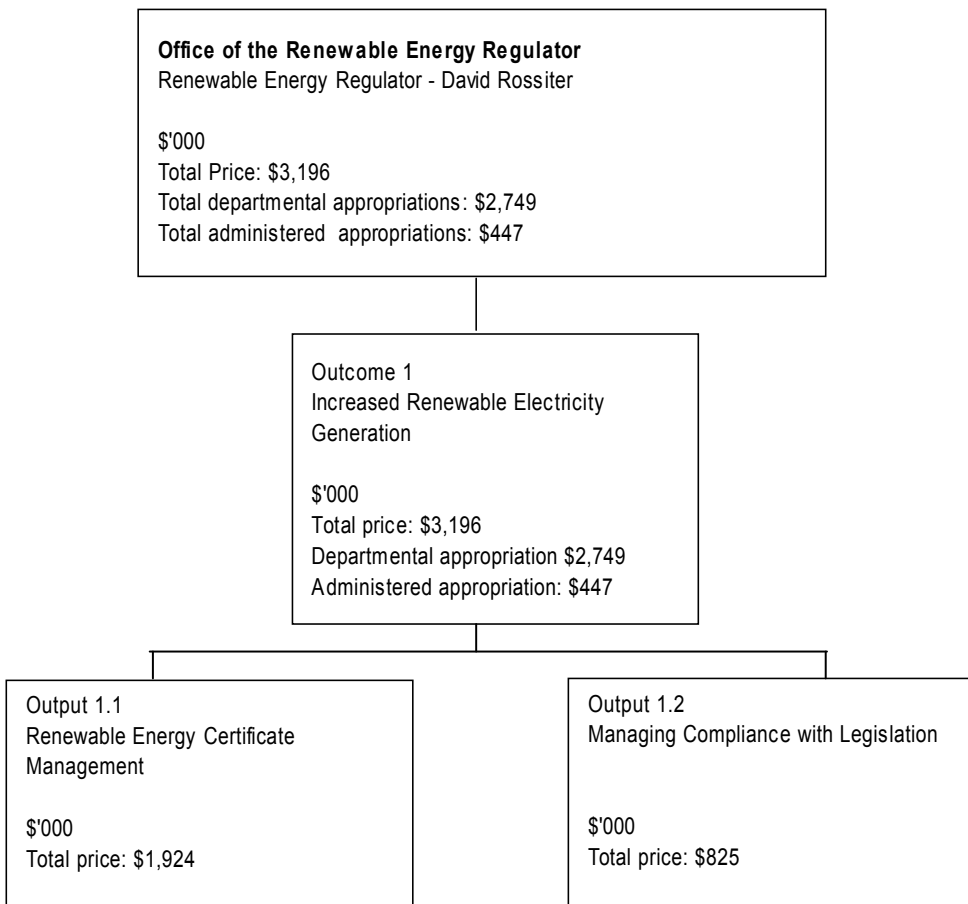
## Section 3: Outcomes

General Government Sector (GGS) agencies are required to plan, budget and report under an outcomes structure. GGS agencies produce outputs (departmental items) and also administer activities and programmes on behalf of the Government (administered items). This section explains how the resources identified in Section 2 will be used to deliver outputs and administered items to contribute to the outcome for the Office of the Renewable Energy Regulator (ORER).

### 3.1 SUMMARY OF OUTCOMES AND CONTRIBUTION TO OUTCOMES

The relationship between activities of ORER and the outcomes is summarised in Figure 4.

**Figure 4: Contributions to outcomes**



## **3.2 OUTCOMES — DEPARTMENTAL AND ADMINISTERED**

### **Departmental appropriations by outcome**

There is only one outcome for ORER.

### **Administered appropriations by outcome**

There is only one outcome for ORER.

### 3.3 OUTCOMES AND PERFORMANCE

#### Outcome 1 resourcing

Table 3.1 shows how the 2006-07 Budget appropriations translate to total resourcing for Outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs.

**Table 3.1: Total resources for Outcome 1 (\$'000)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000
<b>Administered appropriations</b>	117	447
<b>Total administered appropriations</b>	117	447
<b>Departmental appropriations</b>		
Output Group 1.1 -	1,881	1,924
<b>Subtotal Output Group 1.1</b>	1,881	1,924
<b>Departmental appropriations</b>		
Output Group 1.2 -	806	825
<b>Subtotal Output Group 1.2</b>	806	825
<b>Total revenue from government (appropriations) contributing to price of departmental outputs</b>	2,687	2,749
<b>Other resources available to be used</b>		
Administered Item 1	-	-
Administered Item 1	-	-
Output 1.1	-	-
Output 1.2	-	-
<b>Total revenue from other sources</b>	-	-
<b>Total resources</b> (Total revenue from government and from other sources)	2,804	3,196
<b>Total estimated resourcing for Outcome 1</b> (Total price of outputs and administered appropriations)	2,804	3,196
	2005-06	2006-07
<b>Average staffing level (number)</b>	11	12

## **Measures affecting Outcome 1**

There are no new measures for Outcome 1 in the 2006-07 budget.

## **Contributions to achievement of Outcome 1**

ORER contributes to increased renewable electricity generation through establishment of a market for renewable energy certificates. ORER oversees the implementation of the *Renewable Energy (Electricity) Act 2000*, the *Renewable Energy (Electricity) (Charge) Act 2000* and the *Renewable Energy (Electricity) Regulations 2001*.

## **Administered activities**

The administered activities of ORER comprise the management of revenue collected and refunds payable under the *Renewable Energy (Electricity) Act 2000*. This Act imposes obligations on wholesale purchasers of electricity to meet targets for purchasing renewable-based electricity in order to meet the outcome of increased renewable electricity generation.

## **Departmental outputs**

ORER has one output with two sub outputs.

Output 1.1 - management of renewable energy certificates.

The management of renewable energy certificates enables liable parties to demonstrate the level to which they are complying with the legislative requirements to use additional renewable energy each year from 2001 to 2010 in order to achieve the overall outcome of increased renewable electricity generation.

Output 1.2 - managing compliance with legislation.

This involves the assessment of annual compliance statements from liable parties, the imposition of any penalties and assistance to participants in providing required information to ORER, in order to ensure that the administration of the *Renewable Energy Acts* and regulations is effective in achieving the overall outcome of increased renewable electricity generation.

## **Performance information for Outcome 1**

Performance information for administered items, individual outputs and output groups relating to ORER are summarised in Table 3.2.

**Table 3.2: Performance information for Outcome 1**

**(A) Effectiveness – Overall Achievement of the Outcome**

Increased Renewable Electricity Generation	The amount of renewable electricity generated in the year and potentially eligible under the <i>Renewable Energy (Electricity) Act 2000</i> , expressed as a percentage of the mandated target for the year.
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**(B) Performance Information for Administered Items**

Incoming renewable energy certificate (REC) Quantity fees: REC management	Renewable energy certificate fees collected in line with the <i>Renewable Energy (Electricity) Act 2000</i> and agreed administrative guidelines for the collection of small amounts.
	Quality All renewable energy certificate fees transferred to the Official Public Account within 5 working days of receipt of fees and verification that amounts are correct.
Incoming penalty fees: Compliance	Quantity Ensure, through a comprehensive assessment process, that all renewable energy shortfall fees owing to the Commonwealth are recovered from liable parties.
	Quality All renewable energy shortfall fees transferred to the Official Public Account with 5 working days of receipt of penalty fees and verification that amounts are correct.
Outgoing REC fees: Compliance	Quantity Ensure that renewable energy shortfall refunds are correctly calculated taking into consideration the relevant administrative charges specified under the <i>Renewable Energy (Electricity) Regulations 2001</i> .
	Quality All renewable energy shortfall refunds paid to the liable party within 6 weeks of verification that shortfall refunds are legally payable under the <i>Renewable Energy (Electricity) Act 2000</i> and that amounts are correct.

**Table 3.2: Performance information for Outcome 1 (continued)****(C) Performance Information for Departmental Outputs**

<b>Output Group 1.1</b> – Renewable energy certificate management		
	<i>Quality</i>	Maintain register of registered persons, register of applications for accreditation, register of accredited power stations and register of Renewable Energy Certificates (RECs).  Manage accreditation of power stations.  Manage creation and validation of RECs.  Manage internet based registry facility including updating software.  Manage administrative updates to Regulations.
	<i>Quantity</i>	Number of RECs validly created in the year.  Total REC liability expressed as a percentage of the annual renewable energy target.  Total number of RECs surrendered in the year as a percentage of the target.
	<i>Price</i>	\$1.924m

**Table 3.2: Performance information for Outcome 1 (continued)**

<b>OUTPUT GROUP 1.2</b> – Managing compliance with legislation		
	<i>Quality</i>	Assess annual compliance statements. Impose any penalties. Assist participants in providing pertinent information to ORER. Redeem any shortfall charges. Audit participants. Maintain other administrative procedures for effective operation of the <i>Renewable Energy (Electricity) Act 2000</i> .
	<i>Quantity</i>	The percentage of accreditation applications assessed within six weeks of receipt of completed applications and other necessary information. The percentage of RECs annually created that are validated. The number of liable parties having shortfalls. The sum of all shortfalls expressed in RECs.
	<i>Price</i>	\$0.825m

**Evaluations for Outcome 1**

There are no evaluations or major reviews planned for ORER in 2006-07.

## Section 4: Other reporting requirements

### 4.1 PURCHASER-PROVIDER ARRANGEMENTS

Agencies may need to provide resources to other General Government Sector (GGS) bodies, for example in payment for services rendered or as part of cross agency initiatives. Consequently, the sum of amounts in agency resourcing tables in Budget Paper No. 4, and in the resourcing tables in this document, will not equal total resourcing at the whole of government level (as reproduced in Budget Paper No. 1).

This section summarises significant transactions between GGS agencies that are not consolidated or reported at the whole of government level.

#### **Cross agency overview**

As a small agency the Office of the Renewable Energy Regulator (ORER) has established a cross agency agreement with the Department of the Environment and Heritage (DEH) for the provision of a range of ongoing corporate services on a commercial basis.

#### **Responsibility**

Due to the nature of this agreement with DEH, there are no formal reporting requirements. The current contract covers two financial years. The agreement will be renegotiated at the end of the current contract in June 2007.

#### **Control arrangements**

The agreement sets controls in place to ensure the items covered are specific to the nature and type of services that are required by ORER. The agreement has been constructed to enable monitoring as corporate services are delivered.

#### **Resourcing**

The pricing of this agreement is based on estimates of time taken for the various administrative functions undertaken by DEH on behalf of ORER.

#### **Performance against outcomes of purchased outputs**

Performance standards are mandated in a schedule to the contract. Where minimum performance levels are not achieved an adjustment to the fee may be negotiated.

## 4.2 COST RECOVERY ARRANGEMENTS

The *Renewable Energy (Electricity) Act 2000*, administered by ORER imposes obligations on wholesale purchasers of electricity to meet individual targets each calendar year for purchasing renewable-based electricity. This is achieved by obtaining and surrendering renewable energy certificates to ORER or applying a renewable energy shortfall charge.

Components of the programme for which charges are applicable are:

- The registration of individuals, companies and agents;
- Accreditation of power stations and generators; and
- The registration and surrender of certificates.

The Mandatory Renewable Energy Target (MRET) scheme is partly administered by way of a internet based electronic registry (the Renewable Energy Certificate registry) provided under a services contract. ORER charges a flat fee (currently \$0.08) for the creation and surrender of each Renewable Energy Certificate (REC). The registry also requires that individuals and companies be registered for the purpose of trading RECs and electricity generators be accredited for the purpose of creating RECs. Participation in the measure, both in terms of generation and liability is subject to audit by ORER.

The revenue received under this policy is transferred to the Official Public Account and is not available for use by the ORER.

### **Summary of cost recovery impact statement**

ORER's cost recovery arrangements have been assessed under the Environment and Heritage Portfolio Cost Recovery Impact Statement completed in 2005-06 as complying with the Australian Government's Cost Recovery Policy.

The MRET scheme is currently implemented on a partial cost recovery basis, averaged over all applicable activities. It is intended that the programme will move toward full cost recovery as the industry develops and the scheme is fully implemented.

In late 2005-06, a new REC registry contract is due to begin. The contract for this registry involves a fixed and variable component, the latter component of which is not possible to accurately cost until it is operational.

The majority of programme revenues are derived from REC creation fees and REC surrender fees, both are currently set at \$0.08 per REC. Once the operational costs of the new registry are fully known and the scheme reaches full cost recovery (around 2009-10), it is envisioned that REC fees will be revised.

Progress towards full cost recovery, as a percentage of expenditure, will take place over the next four years. The exact expenditure to be recovered, and the proposed

REC charge to ensure an appropriate recovery path will be subject to a further review and negotiation in 2009-10.

The MRET scheme was reviewed in 2003, incorporating a substantial stakeholder consultation process. It is recognized through feedback from stakeholders that there is sensitivity regarding the charges applied for registration and accreditation, and that higher charges may influence some in the market to avoid participation. This is particularly the case for individual registrations (the cost of which is set just below the lowest REC value) and accreditation of small generators, who would be unable to meet the cost of fully recovered accreditation. The considerations identified in the consultation process have been taken into account when designing the existing fee structure.

### **4.3 AUSTRALIAN GOVERNMENT INDIGENOUS EXPENDITURE (AGIE)**

There is no Australian Government Indigenous expenditure for ORER.

## Section 5: Budgeted financial statements

### **ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

The budgeted departmental financial statements for the Office of the Renewable Energy Regulator (ORER) are presented in this section. Information from the budgeted financial statements, forms part of the financial statements that will appear in ORER's 2006-07 Annual Report, and is also required as input into the Whole of Government Accounts.

ORER is forecasting a balanced budget for 2006-07. ORER also estimates a balanced budget for 2005-06.

Total departmental revenue for 2006-07 is slightly increased from previous years and reflects the increasing administration costs of the mandatory renewable energy target as the target grows in size and the numbers of participants increases.

During the 2005-06 financial year ORER continued development of the new internet registry. This asset is due to be capitalised toward the end of the 2005-06 financial year with an expected life of around 5 years. As a consequence, the remaining value of the software licence for the previous REC registry was written off at the end of the 2004-05 financial year.

ORER is also responsible for collecting administered funds, with incoming revenue returned to the Official Public Account. The revenue received is from statutory fees for the creation and surrender of renewable energy certificates and renewable energy shortfall related fees. A small amount of administered appropriation is also managed by the office. This is appropriated to meet the cost of refunding renewable energy shortfall fees. All funds received are immediately transferred to the Official Public Account. Likewise, administered appropriation is drawn down as required.

## BUDGETED FINANCIAL STATEMENTS TABLES

**Table 5.1: Budgeted departmental income statement  
for the period ended 30 June**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	2,687	2,749	2,631	2,664	2,693
Goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
Other	-	-	-	-	-
<b>Total revenue</b>	<b>2,687</b>	<b>2,749</b>	<b>2,631</b>	<b>2,664</b>	<b>2,693</b>
<b>Gains</b>					
Net foreign exchange gains	-	-	-	-	-
Reversals of previous asset write-downs	-	-	-	-	-
Net gains from sale of assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total gains</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total income</b>	<b>2,687</b>	<b>2,749</b>	<b>2,631</b>	<b>2,664</b>	<b>2,693</b>
<b>EXPENSE</b>					
Employees	1,060	1,090	1,164	1,240	1,320
Suppliers	1,578	1,505	1,303	1,250	1,193
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	49	154	164	174	180
Finance costs	-	-	-	-	-
Write-down of assets and impairment of assets	-	-	-	-	-
Net losses from sale of assets	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses</b>	<b>2,687</b>	<b>2,749</b>	<b>2,631</b>	<b>2,664</b>	<b>2,693</b>
Share of operating results of associates and joint ventures accounted for using the equity method	-	-	-	-	-

**Table 5.1: Budgeted departmental income statement  
for the period ended 30 June (continued)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>Operating result from continuing operations</b>					
Operating result from discontinued operations	-	-	-	-	-
Gain (loss) on remeasuring discontinued operations	-	-	-	-	-
<b>Operating result</b>					
Minority interest in net surplus or (deficit)	-	-	-	-	-
<b>Net surplus or (deficit) attributable to the Australian Government</b>	-	-	-	-	-

SECTION 5 - OFFICE OF THE RENEWABLE ENERGY REGULATOR

**Table 5.2: Budgeted departmental balance sheet  
as at 30 June**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	31	147	278	419	611
Receivables	358	358	358	358	358
Investments accounted for under the equity method	-	-	-	-	-
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Other investments	-	-	-	-	-
Tax assets	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>389</b>	<b>505</b>	<b>636</b>	<b>777</b>	<b>969</b>
<b>Non-financial assets</b>					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Investment properties	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	597	493	349	195	15
Biological assets	-	-	-	-	-
Assets held for sale	-	-	-	-	-
Other	-	-	-	-	-
<b>Total non-financial assets</b>	<b>597</b>	<b>493</b>	<b>349</b>	<b>195</b>	<b>15</b>
<b>Total assets</b>	<b>986</b>	<b>998</b>	<b>985</b>	<b>972</b>	<b>984</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdraft	-	-	-	-	-
Other	-	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employees	298	310	297	284	296
Other	-	-	-	-	-
<b>Total provisions</b>	<b>298</b>	<b>310</b>	<b>297</b>	<b>284</b>	<b>296</b>
<b>Payables</b>					
Suppliers	130	130	130	130	130
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Finance costs	-	-	-	-	-
Other	-	-	-	-	-
<b>Total payables</b>	<b>130</b>	<b>130</b>	<b>130</b>	<b>130</b>	<b>130</b>
Liabilities included in disposal groups held for sale	-	-	-	-	-
<b>Total liabilities</b>	<b>428</b>	<b>440</b>	<b>427</b>	<b>414</b>	<b>426</b>

**Table 5.2: Budgeted departmental balance sheet  
as at 30 June (continued)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	558	558	558	558	558
<b>Total parent entity interest</b>	558	558	558	558	558
<b>Minority interest</b>					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
<b>Total minority interest</b>	-	-	-	-	-
<b>Total equity</b>	558	558	558	558	558
<b>Current assets</b>	389	505	636	777	969
<b>Non-current assets</b>	597	493	349	195	15
<b>Current liabilities</b>	229	233	229	225	229
<b>Non-current liabilities</b>	199	207	198	189	197
*Note: 'equity' is the residual interest in assets after deduction of liabilities.					

## SECTION 5 - OFFICE OF THE RENEWABLE ENERGY REGULATOR

**Table 5.3: Budgeted departmental statement of cash flows  
for the period ended 30 June**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	-	-	-	-	-
Appropriations	2,687	2,749	2,631	2,664	2,693
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>2,687</b>	<b>2,749</b>	<b>2,631</b>	<b>2,664</b>	<b>2,693</b>
<b>Cash used</b>					
Employees	1,038	1,078	1,176	1,253	1,308
Suppliers	1,697	1,505	1,303	1,250	1,193
Grants	-	-	-	-	-
Financing costs	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>2,735</b>	<b>2,583</b>	<b>2,480</b>	<b>2,503</b>	<b>2,502</b>
<b>Net cash from or (used by) operating activities</b>	<b>(48)</b>	<b>166</b>	<b>151</b>	<b>161</b>	<b>191</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	-	-	-	-	-
Purchase of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Loans made	-	-	-	-	-
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Other	471	50	20	20	-
<b>Total cash used</b>	<b>471</b>	<b>50</b>	<b>20</b>	<b>20</b>	<b>-</b>
<b>Net cash from or (used by) investing activities</b>	<b>(471)</b>	<b>(50)</b>	<b>(20)</b>	<b>(20)</b>	<b>-</b>

**Table 5.3: Budgeted departmental statement of cash flows  
for the period ended 30 June (continued)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity					
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Repayments of debt	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	(519)	116	131	141	191
Cash at the beginning of the reporting period	550	31	147	278	419
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
<b>Cash at the end of the reporting period</b>	31	147	278	419	611

**Table 5.4: Departmental statement of changes in equity — summary of movement (Budget 2006-07)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2006</b>					
Balance carried forward from previous period	558	-	-	-	558
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>558</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>558</b>
<b>Income and expense</b>					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
<b>Sub-total income and expense</b>					
Net operating result	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>					
<b>Transactions with owners</b>					
<i>Distribution to owners</i>					
Returns on capital					
Dividends	-	-	-	-	-
Returns of capital					
Restructuring	-	-	-	-	-
Other	-	-	-	-	-
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	-	-
Other:					
Restructuring	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2007</b>	<b>558</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>558</b>

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**Table 5.5: Departmental capital budget statement**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	-	-	-	-	-
<b>Represented by:</b>					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total represented by</b>	-	-	-	-	-
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	-	-	-	-	-
Funded internally by					
Departmental resources	471	50	20	20	-
<b>Total</b>	471	50	20	20	-

**Table 5.6: Departmental property, plants, equipment and intangibles - summary of movement (Budget year 2006-07)**

	Land investment property	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2006</b>								
Gross book value	-	-	-	-	-	646	-	646
Accumulated depreciation	-	-	-	-	-	(49)	-	(49)
<b>Opening net book value</b>	-	-	-	-	-	<b>597</b>	-	<b>597</b>
Additions:								
by purchase	-	-	-	-	-	50	-	50
by finance lease	-	-	-	-	-	-	-	-
internally developed	-	-	-	-	-	-	-	-
from acquisitions of entities or operations (including restructuring)	-	-	-	-	-	-	-	-
Revaluations and impairment through equity	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	-	-	(154)	-	(154)
Impairments recognised in operating result	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Disposals:								
from disposal of entities or operations (including restructuring)	-	-	-	-	-	-	-	-
other disposals	-	-	-	-	-	-	-	-
<b>As at 30 June 2007</b>								
Gross book value	-	-	-	-	-	696	-	696
Accumulated depreciation	-	-	-	-	-	(203)	-	(203)
<b>Estimated closing net book value</b>	-	-	-	-	-	<b>493</b>	-	<b>493</b>

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**Table 5.7: Schedule of budgeted income and expenses administered on behalf of government for the period ended 30 June**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
<b>Total taxation</b>	-	-	-	-	-
<b>Non-taxation</b>					
Goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other sources of non-taxation					
Statutory fee revenue	584	796	936	1,078	1,221
Penalties	408	202	248	298	352
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
<b>Total non-taxation</b>	992	998	1,184	1,376	1,573
<b>Total revenues administered on behalf of Government</b>	992	998	1,184	1,376	1,573
<b>Gains</b>					
Net foreign exchange gains	-	-	-	-	-
Net gains from sale of assets	-	-	-	-	-
Other gains	-	-	-	-	-
<b>Total gains administered on behalf of Government</b>	-	-	-	-	-
<b>Total income administered on behalf of Government</b>	992	998	1,184	1,376	1,573
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Employees	-	-	-	-	-
Suppliers	-	-	-	-	-
Depreciation and amortisation	-	-	-	-	-
Write down and impairment of assets	-	-	-	-	-
Finance costs	-	-	-	-	-
Other	117	447	583	718	864
<b>Losses</b>					
Net foreign exchange losses	-	-	-	-	-
Net loss from sale of assets	-	-	-	-	-
Other losses	-	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	117	447	583	718	864

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**Table 5.8: Schedule of budgeted assets and liabilities administered on behalf of government as at 30 June**

ORER does not administer any assets and liabilities on behalf of the government

**Table 5.9: Schedule of budgeted administered cash flows for the period ended 30 June**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
Sales of goods	-	-	-	-	-
Rendering of services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends					
Statutory fee revenue	584	796	936	1,078	1,221
Penalties	408	202	248	298	352
<b>Total cash received</b>	<b>992</b>	<b>998</b>	<b>1,184</b>	<b>1,376</b>	<b>1,573</b>
<b>Cash used</b>					
Financing costs	-	-	-	-	-
Employees	-	-	-	-	-
Grant payments	-	-	-	-	-
Interest paid	-	-	-	-	-
Subsidies paid	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	117	447	583	718	864
Other	-	-	-	-	-
<b>Total cash used</b>	<b>117</b>	<b>447</b>	<b>583</b>	<b>718</b>	<b>864</b>
<b>Net cash from or (used by) operating activities</b>	<b>875</b>	<b>551</b>	<b>601</b>	<b>658</b>	<b>709</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment and intangibles	-	-	-	-	-
Proceeds from sales of equity instruments	-	-	-	-	-
Proceeds from sales of investments	-	-	-	-	-
Repayments of advances	-	-	-	-	-
Transfers from other entities	-	-	-	-	-
Investments (s.39 FMA Act, s.18 CAC Act, s.19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 5.9: Schedule of budgeted administered cash flows  
for the period ended 30 June (continued)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	-	-	-	-	-
Purchase of equity instruments	-	-	-	-	-
Advances and loans made	-	-	-	-	-
Transfers to other entities	-	-	-	-	-
Investments (s.39 FMA Act, s.18 CAC Act, s.19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) investing activities</b>	-	-	-	-	-
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from borrowing	-	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Net repayment of borrowings	-	-	-	-	-
Dividends paid	-	-	-	-	-
Cash to Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>					
Cash at beginning of reporting period					
Cash from Official Public Account for:					
- appropriations	117	447	583	718	864
- special accounts	-	-	-	-	-
Transfers from other entities (Finance - Whole of Government)	-	-	-	-	-
Cash to Official Public Account for:					
- appropriations	993	998	1,184	1,376	1,573
- special accounts	-	-	-	-	-
Transfers to other entities (Finance - Whole of Government)	-	-	-	-	-
Effect of exchange rate movements on cash at beginning of reporting period	-	-	-	-	-
<b>Cash at end of reporting period</b>	-	-	-	-	-

## **NOTES TO THE FINANCIAL STATEMENTS**

Capitalisation of the new Renewable Energy Certificate registry is due to occur late 2005-06. An allowance for minor additional capital work for the first few years of its life has been included in the above statements.