

# STC Creation

## About the Small-Scale Renewable Energy Scheme (SRES)

The Australian Government is supporting the deployment of renewable energy in Australia's electricity supply through the Renewable Energy Target (RET) scheme.

The RET scheme guarantees a market for additional renewable energy generation, using a mechanism of tradeable renewable energy certificates (backed by a legislative obligation).

The Government's RET scheme is designed to ensure that 20 per cent of Australia's electricity comes from renewable sources by 2020. In ten years' time the amount of electricity coming from sources like solar, wind and geothermal will be about equal to all of Australia's current household electricity use.

## STC creation

Since 1 January 2011, the RET has operated as two separate parts – the Large scale Renewable Energy Target (LRET) and the Small scale Renewable Energy Scheme (SRES). For small scale renewable energy systems installed from 1 January 2011 under the SRES, the certificates created will be referred to as small scale technology certificates or 'STCs', formerly known as 'RECs'.

The RET scheme's rules allow owners of small-scale solar photovoltaic (PV) systems, solar hot water systems, small wind turbines and micro-hydro systems to create certificates equivalent to the output of up to 15 years.

This provides an upfront financial benefit to householders, businesses and community groups.

## The role of an agent

While system owners or installers can create certificates themselves, in practice an agent is often used to manage the STC creation process. Agents are parties that are registered with the Office of the Renewable Energy Regulator (ORER) to:

Assist owners in the purchase and installation of their solar water heaters (SWHs) or small generation units (SGUs) by providing them access to a financial discount in exchange for being assigned the right to create the STCs applicable to the installed system;

Create STCs in the REC Registry maintained by ORER;

Sell the STCs in the open STC market or through the STC Clearing House maintained by ORER

## STC Creation made easy

Demand Manager is an accredited agent and our aim is to make the STC creation process as easy as possible for our clients. Since the start of the RET scheme we have built up extensive experience and we have managed the creation of hundreds of thousands of STCs for our clients.

Benefits of using our services include that clients do not have to pay the fees associated with becoming a registered agent or have to find a buyer for the STCs. In addition the mandatory administration and record keeping requirements are taken care of, and clients do not have to get involved in any dealings with the Government.



Because we are confident in our ability to secure funding, Demand Manager operates on a no-win, no fee basis. In other words, we only get paid when we are successful in assisting funding for our clients.

Feel free to contact us at any time should you be interested to find out more about our services.