



# AUASB Board Meeting Summary Paper

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**AGENDA ITEM NO.**           **9**

**Meeting Date:**               25 February 2013

**Subject:**                       NGERS, Carbon Pricing Mechanism and Related Schemes Assurance

**Date Prepared:**              7 February 2013

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**Action Required**

**For Information Purposes Only**

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## Agenda Item Objectives

To provide the Board with an update of activities relating to assurance under the National Greenhouse and Energy Reporting Scheme, Carbon Pricing Mechanism and Related Schemes and liaison with the Clean Energy Regulator (CER) and the Department of Climate Change and Energy Efficiency (DCCEE).

## Background

The AUASB issued ASAE 3410 *Assurance on Greenhouse Gas Statements* in June 2012, which closely conforms with ISAE 3410. In order to explain how ASAE 3410 is applied when providing assurance on emissions under the National Greenhouse and Energy Reporting Scheme (NGERS), Carbon Pricing Mechanism (CPM) and Related schemes, the AUASB issued GS 021 *Engagements under the National Greenhouse and Energy Reporting Scheme, Carbon Pricing Mechanism and Related Schemes* in November 2012. GS 021 also addresses how to apply other relevant AUASB Standards when providing assurance on non-emissions information under NGERS, CPM or related schemes, including energy production, energy consumption, revenue, production, expected production, basis of preparation, process flow diagrams and compliance with activity descriptions and record keeping requirements.

The AUASB Technical Group worked closely with the CER in developing GS 021 and at least two members of the CER's audit and assurance team attended each Project Advisory Group meeting.

## Matters to Consider

Feedback seems to indicate that GS 021 has been well received, although many of relevant assurance engagements are not required to be completed for the first time until later in the year. The CER are supportive of the new standard and guidance statement and have confirmed in communications with Registered Greenhouse and Energy Auditors that they expect auditors to apply ASAE 3410 when conducting assurance engagements on greenhouse gas emissions.

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We have presented at an industry conference in December 2012 on the topic of the new pronouncements and will have an article in Charter in March. There are a number of matters which the Technical Group continue to work on or monitor in relation to the CER's activities and the schemes which it administers.

The key matters being dealt with currently are summarised below:

	<b>On-going Work on CER Administered Schemes</b>	<b>Responsible Party</b>
1.	<p><b>Standardised report wording</b></p> <p>Development of proforma reports for each assurance requirement under the myriad of schemes, to be issued with or as part of a revised Handbook, <i>National Greenhouse and Energy Reporting Audit Determination Handbook</i>.</p>	CER with drafting input/advice from the AUASB Technical Group.
2.	<p><b>Workshops for GHE Auditors</b></p> <p>Workshops for Registered Greenhouse and Energy Auditors on assurance matters, including confirmation of the expectation that GS 021 is to be applied by all GHE Auditors when conducting assurance and agreed-upon procedures engagements under any of the schemes the CER administer.</p>	CER, with workshop segment presented by AUASB Technical Group
3.	<p><b>JCP &amp; PEC Assurance Conclusion Wording</b></p> <p>Liaison with DCCEE with respect to revisions to assurance requirements under the Jobs and Competitiveness program (JCP) and Partial Exemption Certificates (PEC) from Renewable Energy Target (RET) liabilities. These revisions are aimed at providing consistent requirements between JCP and PEC applications and relief from obtaining an assurance report for PEC applications where the work would be duplicative with JCP applications already provided.</p>	DCCEE with review/advice from AUASB

**Material Presented**

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