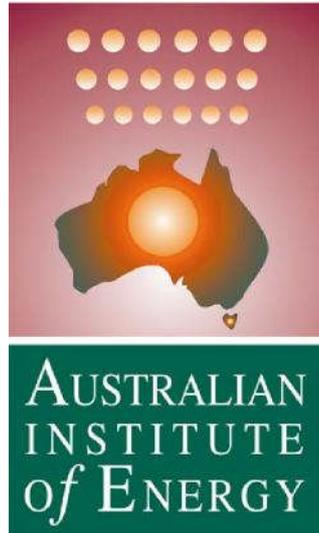


*THE AUSTRALIAN  
INSTITUTE of ENERGY*



*2009-10  
ANNUAL REPORT  
& ACCOUNTS*

ABN 95 001 509 173

# THE AUSTRALIAN INSTITUTE *of* ENERGY

**ABN 95 001 509 173**

*PO Box 193  
SURREY HILLS, Victoria, 3127*

*Free Call: 1800 629 945*

*Fax: (03) 9898 0249*

*[Email: aie@aie.org.au](mailto:aie@aie.org.au)*

*Web site: [www.aie.org.au](http://www.aie.org.au)*

*Registered Office:*

*c/o PAMS  
1st Floor, 613 Canterbury Road  
SURREY HILLS, Vic 3127*

# THE AUSTRALIAN INSTITUTE *of* ENERGY

## Annual Report 2009-10

### PRESIDENT'S REPORT

The Australian Institute of Energy has been providing its members with services for over 30 years, and has established a reputation for unbiased, factual and informative services to its members and the energy interests of Australia. Through our eight branches across Australia, the Institute will continue to encourage, support and facilitate the intelligent discussion of energy issues for our members and the wider community.

The 2009-10 year has been another great year for the Institute. We hosted more than 50 events across 8 states and territories, covering a very wide range of energy related issues, as can be seen in the Branch reports. Our journal and website are a prime source of energy information and help keep members and the public informed on a broad range of energy issues.

It is pleasing to see a growing awareness and interest in energy issues in the general community, and the Institute is now frequently called upon to provide comment and information for a wide range of media and other interests. Where we can identify members with expertise in the area, we provide a point of contact for those inquiries. In other cases, we direct the inquiry to organisations or individuals we know are able to respond with informed and unbiased comment.

We provided another travel scholarship in 2009, and although we exhausted the initial seed funds from the Energy Alliance of Australia, pleasingly, we have been able to establish a scholarship fund with generous donations from many Branches, and now have sufficient funds secured so that we can continue to provide an annual scholarship to one of our younger members every year.

Our membership has remained stable at about 1450 despite the economic downturn and the retirement of some of our long term members, but we have introduced some new initiatives to attract and retain members, including the recruit a friend discount.

PAMS, our administration group, has continued to provide high quality services to our membership and more of our branches are now using the on-line event registration facility.

The Young Energy Professionals – YEPs – have gone from strength to strength, and now have a local presence in Sydney, Newcastle, Melbourne, Canberra, Adelaide and Perth. The Board is keen to encourage the expansion of YEP activities, and their involvement in the 2010 National Conference will be the first time YEPs from different branches have come together at a major AIE event.

This is my first year as President, and I look forward to again serving the Institute in 2011. I would like to express my gratitude to the outgoing President, Murray Meaton, for his stewardship of the Institute over the last three years, and to all the Board members, for their continued dedication and support. While the Institute utilises the professional services of PAMS, a very significant amount of time is provided by volunteers at the Branch Committees.

I would like to thank each and every member for their continued support and look forward to meeting you at your functions during the coming year.

*Anthony Vassallo*

President

## SECRETARY'S REPORT

The Directors who served on the AIE Board in 2009-10 were:

Dr Tony Vassallo	President (from 25 March 2010) Vice-President (to 25 March 2010)
Mr Murray Meaton	President (to 25 March 2010) Vice-President (from 25 March 2010)
Mr Paul McGregor	Hon Secretary
Mr Glen Currie	Hon Treasurer
Dr David Allardice	
Mr Brian Truman	(From 25 March 2010)
Mr Patrick Burke	Tasmanian Branch Representative
Mr Michael Cochran	
Dr Andrew Dicks	Brisbane Branch Representative
Mr James Giblin	Newcastle Branch Representative
Mr Paul Riordan	
Dr Dennis van Puyvelde	(To 12 March 2010)
Mr Gerry Watts	(To 25 March 2010)

As the list indicates, the AIE lost through retirement in the 2009-10 year, two Directors who have made a significant contribution to the Institute:

Dr Dennis van Puyvelde joined the Board in 2008, and also served as Chair of the Canberra Branch.

Mr Gerry Watts joined the Board in 2002-03, representing the Tasmanian Branch and then again in 2007-09. He also served as Treasurer of the Tasmania Branch.

The Board thanks these members for their contribution to the development of the Institute.

We welcomed two new directors to the Board in 2010, Brian Truman, from the Perth Branch and Patrick Burke from the Tasmanian Branch. They are already making a significant contribution to the Institute's management.

This is the second full year of the AIE's secretariat functions being conducted by PAMS. In many ways this has been a continuing development but one that has been constructive to the improvement of services to our members.

*Paul McGregor*

Honorary Secretary

## MEMBERSHIP REPORT

The Membership Committee reports that during 2009-10 membership of the Institute was relatively stable with only a minor net reduction of 2 members as shown in Table 1.

While 143 members ceased membership for various reasons in 2009-10 as shown in Table 2, the net loss of 2 means the Institute recruited 141 new members during the year

**TABLE 1: AIE MEMBERSHIP DETAILS AS AT 30<sup>TH</sup> JUNE 2010**

Branch	Individual Grades					Corporate		TOTAL at 30 <sup>th</sup> June	
	Fellow	Member	Grad.	Student	Assoc.	Corporate Members	Multiple Reps	2010	2009
Brisbane	27	75	3	4	6	9	6	130	127
Canberra	12	18	1	3	0	4	1	39	42
Melbourne	90	166	8	24	12	33	37	370	386
Newcastle	11	20	2	4	5	3	2	47	41
Perth	34	71	7	4	10	60	60	246	235
South Australia	23	59	2	10	7	21	30	152	145
Sydney	79	193	22	34	25	29	33	415	423
Tasmania	3	16	2	0	1	0	0	22	26
Overseas	7	9	0	1	0	0	0	17	15
<b>TOTAL</b>	<b>286</b>	<b>627</b>	<b>47</b>	<b>84</b>	<b>66</b>	<b>159</b>	<b>169</b>	<b>1438</b>	<b>1440</b>

*Note: The Multiple Reps column shows the number Corporate Representatives which Corporate Member companies or organisations have nominated, in addition to their principal representative counted in the Corporate Members column.*

Table 1 is a breakdown of the membership by Branch and Membership Grade as of 30th June 2010. It shows that four Branches (Brisbane, Newcastle, Perth and South Australia) have shown an encouraging increase in Membership, with the strongest percentage growth in Newcastle (14.6% or 6 members). This may reflect the increased activities in these Branches with the formation of associated YEPS groups. The largest percentage losses were in Tasmania (15.4% or 4 members) and Canberra (7% or 3 members), but greater numbers were lost from Melbourne (16) and Sydney (8).

**TABLE 2: CEASED MEMBERSHIP DETAILS FOR 2009-10**

Member Type	Resigned	Deceased	Cancelled	TOTAL
Individual	51	5	54	110
Corporate	33	-	0	33
<b>TOTAL</b>	<b>84</b>	<b>5</b>	<b>54</b>	<b>143</b>

Table 2 shows the number of members who have ceased membership of the Institute for various reasons over the last year. The total loss due to either resignation, deceased or cancelled due for non-payment of fees, was 143 (8 more than during 2008-09 and 9.9% of the total Membership). Of the 143 members lost during this year 84 resigned, 5 were deceased and 54 were cancelled as required in the Constitution due to non-payment of fees for two consecutive years.

*Colin Paulson*

Membership Committee Convener

## BRANCH REPORTS

### **Brisbane Branch**

#### **Brisbane Branch Committee:**

Andrew Dicks	<i>Chair &amp; AIE Board member</i>
Leigh Morpeth	<i>Hon. Secretary</i>
Adrian Horin	<i>Hon. Treasurer</i>
Randeep Agarawal	
Sarah McDermott	
Nadine Rabu	

Following the re-launch of the Brisbane branch in 2009, a regular programme of events has been set up, and since the last report, we have run three highly successful evening functions, as shown below.

The Branch membership at 30<sup>th</sup> June 2009 was 132, which is reassuring in that the loss of members that we had sustained for the past 5 years has now stopped and we are starting to recruit members again. In addition to developing a broad range of evening seminars, the committee is looking at other formats, such as breakfast meetings, to further engage the local membership. We are also exploring the establishment of a YEP programme in Brisbane.

#### **Brisbane Branch 2009-10 Program:**

<b>Date</b>	<b>Topic</b>	<b>Presenter(s)</b>
November 2009	National AGM and seminar " <i>Integration of Renewable Energy in Power Networks</i> " and <i>Large Scale Commercial Solar Power Stations and their Implementation in Australia</i>	Greg Nielsen - Acting Assistant Director-General, Queensland Office of Clean Energy Christian Bindel - Phoenix Solar
February 2010	AGM and seminar " <i>Energy and the City</i> "	Peter Casey – Principal Engineer, Energy Efficiency; Brisbane City Council Peter James – Ecological Sustainable Development; Arup
May 2010	" <i>Solar Energy: Our Future?</i> <i>Round table discussion: Solar Energy in Queensland, 2050</i>	Dr Yogi Goswami - Co-Director of the Clean Energy Research Centre at the University of South Florida Darrin Crompton, Energex John Bell, QUT Paul Meredith, UQ

### **Canberra Branch**

#### **Canberra Branch Committee:**

Dennis Van Puyvelde	<i>Chair and AIE Board member (to 12 March 2010)</i>
Ross Calvert	<i>Hon. Secretary</i>
Ross Calvert	<i>Hon. Treasurer</i>
John Söderbaum	
Anttonette Joseph	<i>– YEP Representative</i>

The Canberra Branch was quieter this period due to a number of active members leaving Canberra region. Canberra often has difficulties maintaining medium and long-term active members, as it is a transient city with members often staying for short periods depending on work opportunities. This presents challenges in supporting and growing AIE members in the region.

Due to the transient behaviour of members, events during this period were combined or supported with other similar professional organisations. The branch did not hold specific AIE events due to a small committee and active members supported other events that fit within the AIE objectives, such as events

run with the Australian Solar Energy Society.

In 2010 effort was placed in recruiting active members to join the committee, particularly young professionals. Relationships with professional networks including APESMA, Engineers Australia, the Society for Sustainability and Environmental Engineering occurred to facilitate events in the future.

While there are many exciting developments in the energy scene resulting in many interesting speakers making their way to Canberra, they often have hectic schedules and already present to many AIE Canberra members through their place of employment. Nevertheless, the branch has held a number of committee meetings and continuing efforts placed in building up the committee. The build up to the Australian General Election meant that there was further uncertainty and many Australian Government speakers were reluctant to present and support new initiatives.

PAMS have been providing administrative functions to the branch which is allowing for committee members to focus on capacity development, relationship building and supporting events.

## **Melbourne Branch**

### **Melbourne Branch Committee:**

Alistair Urquhart	<i>Chair</i>	
Joy Claridge	<i>Deputy Chair</i>	
Glenne Drover	<i>Hon. Secretary</i>	
John Price	<i>Hon. Treasurer</i>	
David Allardice	<i>AIE Board member</i>	
Glen Currie	<i>AIE Board member</i>	
Clare Anderson		Peter Giannopoulos
Brian Johnston		Brendan Millane
David Peck		Matthew Sullivan – YEP Representative

2009-10 was a good year for the Melbourne Branch, with a wide-ranging series of regular events. The YEPs (Young Energy Professionals) have created considerable momentum and additional attraction to the Branch, culminating in being invited to organise and manage a conference stream at the All-Energy Conference held in October 2010.

The Branch has long-standing and useful connections into academia and other energy thinkers. We are also lucky to have good connections into the wider business and professional energy sector - one of the reasons for a good committee. Attendance at our luncheons and evening seminars is at a useful level. Overall membership numbers remains a challenge: the energy sector is competitive in more ways than one.

We have developed a better sponsor offer, which has kept down the price of events, particularly for members, and is helping the networking process at the same time.

Melbourne Branch contributed \$500 to the Victorian Secondary School Teachers Association 2009 Science Talent Search, with the theme being 'Astronomy: Science without limits'.

The relationship with our secretarial service PAMS was always positive, with a couple of minor adjustments to budget and methodology during the year.

One of the great benefits of being on an AIE Branch Committee is the discussion around the monthly meeting table where good friendships are forged. One pillar of our Melbourne Committee is David Allardice, who brings invaluable wisdom and experience at National and Branch levels.



*"Melbourne YEPs symposium on Intelligent Networks"  
– YEP members with Matt Sullivan, Melbourne Branch YEP representative on right*

**Melbourne Branch 2009-10 Program:**

<b>Date</b>	<b>Topic</b>	<b>Presenter(s)</b>
28 July 2009	"Energy Opportunities and Challenges Facing Victoria"	Prof. Frank Larkins, Chief Scientist Energy, Victorian Government Department of Primary Industries, and Prof. Emeritus in the University of Melbourne's School of Chemistry
25 August 2009	"The Clinton Foundation in Victoria"	Tony Wood, Director of the Clinton Foundation's Clean Energy Program in Australia
23 September 2009	"Shell Australia's Biofuels Agenda"	Mark Gerhardy, Biofuels Manager, Shell Australia
22 October 2009 <b>YEP Event</b>	"Current Projects and Policy Initiatives: Smart cities and clever meters"	Melbourne Young Energy Professionals (YEPs) – first 'Intelligent Network' symposium
5 November 2009 <b>YEP Event</b>	"The Empowering Potential of an Intelligent Network: What the future may hold"	Melbourne Young Energy Professionals (YEPs) – second 'Intelligent Network' symposium
11 November 2009	"Energy investment in a carbon-constrained world"	Steve Edwell, Chairman, Australian Energy Regulator
25 November 2009	"Sustainable Energy in the Second Decade of Docklands" VicUrban also hosted the AIE Melbourne Branch AGM	David Young, General Manager Project Planning and Innovation, VicUrban
23 February 2010	"The implications of carbon emissions trading on the Australian aluminium industry"	Tim McAuliffe, General Manager Carbon Strategy, Alcoa
11 March 2010	"Power, heating and cooling from the energy just under our feet"	Dr Don Payne, University of Melbourne; Dr Adrian Williams, formerly with Geodynamics; Dr Mirek Piechowski, Meinhardt Consulting; and Simon Molesworth AM QC, Greenerth
25 March 2010	"Renewable Energy in Europe and Australia" Evening event hosted by the Italian Trade Commission	Ing. Alfredo Picano, LABOR (a private technology research facility based in Italy), and Mr Michael Williamson, Principal Strategic Adviser, Sustainability Victoria
30 April 2010	"Sustainable Coal for Our Grandchildren" Luncheon event sponsored by ANLEC R&D	Dr John Topper, Managing Director, IEA Clean Coal Centre, and CEO of the Operating Agency for the IEA Greenhouse Gas R&D Program
7 May 2010	"What noise do wind turbines make?"	Erik Sloth, Senior Specialist, Suzlon Blade Technology

27 May 2010 <b>YEP Event</b>	"Energy efficiency: What's McKinsey on about?"	Peter Steele, Moreland Energy Foundation; Anthony Williamson, Department of Primary Industries; and Rob Murray-Leach, Energy Efficiency Council
18 June 2010	"Demonstrating carbon capture and storage" Symposium sponsored by Global CCS Institute	Dale Seymour, Senior Vice President–Strategy, Global CCS Institute; Barry Hooper, Chief Technologist, CO2CRC; and Dr Erik Meuleman, Research Team Leader, CSIRO

## **Newcastle Branch**

### **Newcastle Branch Committee:**

Jim Kelty	<i>Chair</i>
Behdad Moghtaderi	<i>Hon. Secretary</i>
Sarah Kemp	<i>Hon. Treasurer</i>
Ian Guy	<i>Assistant Hon. Secretary</i>
James Giblin	<i>YEP Representative &amp; AIE Board member</i>
Ross Dawson	Murray Halyburton
Peter Halyburton	Sarah Miller
Colin Paulson	Viv Paulson
Geoff Rigby	

The primary focus of the Newcastle Branch of the AIE throughout 2009-10 was to support its members by offering them the opportunity to attend a number of seminars/workshops (approximately 15) organised by the AIE and other local organizations including:

- The Priority Research Centre for Energy (The University of Newcastle)
- CSIRO Energy Division
- Environmental Engineering and Sustainability Society
- Engineers Aust, Newcastle - Chemical Engineering Group
- Engineers Aust, Newcastle - Electrical Engineering Group
- Hunter Environment Institute
- Energy Efficiency Opportunity Hunter Group Community of Practice
- ASME - Australia

The seminars/workshops covered a diverse range of topics in a number of key subject areas such as: "Energy Alternatives", "Clean Coal Symposium", "Energy Options for the Future", and "Oxy-Pulverised Coal combustion Technology for the Power Generation and CO<sub>2</sub> Capture".

The 2009 Annual General Meeting was held on 3 December 2009 at CSIRO Centre Mayfield West. Daniel Rowe and Tim Moore from CSIRO gave an interesting presentation and tour of the newly opened Renewable Energy Integration Facility which was constructed to conduct electricity grid research of national and international importance.

Membership numbers have increased primarily due to the efforts of the newly established YEP Newcastle group who organised two successful events during the year:

- "The Hunters Role in Australia's Future Energy Mix"; and
- "Smart Grids and Energy Efficiency in the Hunter".

## Perth Branch

### Perth Branch Committee:

Murray Meaton	<i>Chair &amp; AIE Board member</i>	
Les Farrant	<i>Vice Chair</i>	
Rani Thulasy	<i>Hon. Secretary</i>	
Ken Lee	<i>Hon. Treasurer</i>	
Brian Truman	<i>AIE Board member</i>	
Mathew Bowen		Tristy Fairfield
Richard Harris		Gary Jeffery
Derek Morrow		Rob Swan
Simon Thackray		

The Branch was involved in 10 very well attended functions in 2009/10 mostly involving a business lunch format in the City. In addition, our ninth Energy in Western Australia conference, held over two days, attracted 208 delegates.

### Perth Branch 2009-10 Program:

Date	Topic	Presenter(s)	Attendees
June 2009	LNG and LPG plant visit	Wesfarmers Energy, Kwinana	15
21 July 2009	Taking Stock: Western Australia's Electricity Market – Three Years On	Allan Dawson, CEO, Independent Market Operator	186
August 2009	Future energy challenges	Institute of Engineers panel	
26-27 August 2009	Energy in Western Australia conference	Theme: Challenging Times	208
21 October 2009	Solutions for the Solar Industry	Roger Little, Spire Corporation	60
16 November 2009	Geothermal Energy comes to Perth	Dr Jorg Baumgartner, CEO Green Rock Energy	83
30 November 2009	Western Australian Energy Market Study	Brad Page, CEO, Energy Supply Association of Australia	179
24 February 2010	Strategic Energy Initiative	Bill Moody, Premier Coal; Steve Lewis, North West Shelf Gas; Barry Lake, Worley Parsons	204
17 March 2010	APEX Asia-Pacific Regional Meeting Breakfast	Panel of Asian energy industry experts	170
14 April 2010	What is the government doing to my gas contract?	Mathew Bowen, Jackson McDonald	128
27 May 2010	Hydrocarbons – the Evolution and Revolution of an Industry	Jack Kerfoot, Murphy Oil	86
15 June 2010	Carbon capture and storage in the south west	Dominique Van Gent, Department of Mines and Petroleum	89
30 June 2010	Launch of Young Energy Professionals		150

The Perth Branch maintained its solid membership base (246) with a small increase (6%) on the previous year. Converting strong attendance at meetings into membership remains a challenge with most functions having twice as many guests in attendance as Branch members.

The Branch maintains a strong financial position and looks forward with confidence to pursuing the vision of 'Leadership in Energy' in 2011. The State Minister for Energy issued a challenge to those involved in energy issues in Western Australia to contribute to the development of an Energy Strategy. The Perth Branch has run one very well attended function to promote the development of this strategy and looks forward to the next phase involving the issue of a detailed discussion paper.



*The AIE in Perth – 2009-10*

In association with the government Office of Energy, the Branch now runs an annual Energy in WA conference. A two day program attracts several hundred attendees covering a broad range of energy professionals. The tenth conference will be run in September 2010.

Education of youth remains a strong focus through principal sponsorship of the Petroleum Club's Schools Information Program. This program has particular relevance in this state, involving major industry players and having knowledgeable speakers actively engaging senior school students in a creative and interactive program that explores petroleum as an integral part of energy in WA.

## **South Australia Branch**

### **South Australia Branch Committee:**

Graeme Bethune	<i>Chair</i>	
Graeme Atwell	<i>Hon. Secretary</i>	
Albert Thompson	<i>Hon. Treasurer</i>	
Michael Cochran	<i>AIE Board member</i>	
Rebecca Knights		Craig Langford
Shameni Nitchingham		Craig Oakeshott
Tony Owen		Bruce Parker
Mary Seely		Patrick Walsh

Through 2009-10 the SA Branch of the AIE continued to provide a wide- ranging and active program of events and sponsorships supporting AIE's role as a key interest group in South Australia, focussing on developments across all sectors of the rapidly changing energy industry.

The South Australian Branch continued past support by sponsoring education and awareness of the energy industry in South Australia with the following key activities:

- A grant of \$2310 to the South Australian Science Teachers Association as partial sponsorship in the annual Oliphant Science Awards;
- A Technology Study Award of \$220 to the Hamilton Secondary College; and
- A prize of \$500 for the best research poster on an energy theme for a final year undergraduate chemical engineering student at the University of Adelaide.

The Committee continues to evaluate ways in which the Branch can continually support increased awareness, knowledge and interest in energy issues in the community, particularly within the education system.

A major initiative during 2009-10 was the commencement of a Young Energy Professionals Group under the auspices of the AIE SA Branch. The principal objective of this group is to facilitate the broadening of knowledge and understanding of the energy industry for young members beyond their particular expertise or speciality. The activities of the Group commenced in February 2010, and events have been planned for the remainder of 2010. Not only has this created great interest within

South Australia but has also prompted interest for similar groups in AIE Branches in other States.

A further major initiative in 2009-10 was the decision of the Branch to stage a National Conference in Adelaide in November 2010. Planning is well progressed for the Conference (titled "Australia's Energy-Next Generation") with the program and speakers settled, a professional event organiser engaged, and securing of sponsorship well underway.

**South Australia Branch 2009-10 Program:**

Date	Topic	Presenter(s)
Jul 2009	QSN Pipeline- completing the missing link	Steve Banning, CEO Epic Energy
August 2009	Energy Policies and Challenges for SA	Hon Pat Conlon, SA Minister for Energy
September 2009	The new AEMO	Matt Zema, CEO AEMO
October 2009	Energy Technology Perspectives for Transport	Tony Owen, UCL School of Energy and Resources, Adelaide
November 2009	AGL's growing wind portfolio	Jeff Dimmery, Group GM, Merchant Energy, AGL Energy
December 2009	2009 Revisited- a quantum shift in energy regulation	Jeremy Schulz, Finlaysons
February 2010	State of the Australian Energy Market - 2009	Steve Edwell, CEO, Australian Energy Regulator
March 2010	Renewable Energy-Transmission is part of the solution	Ian Stirling, CEO, Electranet
April 2010	Fuelling Australia in 2020 to 2030	Grant King, MD Origin Energy
May 2010	The economic viability of Nuclear Power in Australia	Tony Owen, UCL School of Energy and Resources, Adelaide
June 2010	Natural Gas- Australia's Next Energy Advantage	David Knox, CEO Santos

**Sydney Branch**

**Sydney Branch Committee:**

Mr Craig Chambers	<i>Chair (to 8 February 2010)</i>	
Mr John Blik	<i>Chair (from 8 February 2010)</i>	
Mr Denis Cooke	<i>Vice-Chair</i>	
Dr David Hemming	<i>Hon. Secretary (to 8 February 2010)</i>	
Ms Manuela Crank	<i>Hon. Secretary (from 8 February 2010)</i>	
Mr Graham Lowry	<i>Hon. Treasurer</i>	
Mr Paul McGregor	<i>AIE Board member</i>	
Dr Tony Vassallo	<i>AIE Board member</i>	
Mr David Hawley		Mr Richard Hunwick (to 8 February 2010)
Dr Deborah Marsh		Dr Chris Sorrell
Mr Martin Thomas (to 8 February 2010)		
Mr David Lukas (from 8 February 2010)	–	YEP Representative

2009/10 saw the Sydney Branch hosting 14 technical meetings and symposia, including four co-hosted events and three Young Energy Professionals (YEP) events.

The Sydney Branch held two seminars during the year. On 26 August 2009, the YEP Working Group hosted *Emerging Technologies in the Energy Sector*. The event featured four speakers and was attended by 42 people from the energy industry, with many attendees being younger (<35 years old) members of the Institute. In May 2010 the Branch hosted the half-day symposium *NSW's Electricity Future 2020 (and beyond): What will it look like and how do we get there?* The symposium featured seven speakers and was attended by approximately 70 people from across the energy industry. The Branch was also pleased to arrange a presentation from the Group Chief Economist of BP reviewing world energy in 2009, with approximately 70 attendees.

On behalf of the Sydney Branch Committee, I would like to thank the speakers for their time and efforts in making presentations to our members and to the hosts who provided venues for the meetings held. Without this support the Committee would be unable to provide such an interesting program of events and serve to advance the collective knowledge of our members in all aspects of the energy industry.

### **Sydney Branch 2009-10 Program:**

<b>Date</b>	<b>Topic</b>	<b>Presenter(s)</b>
6 July 2009	"Solar-thermal energy conversion and storage are viewed widely as key platforms for clean and renewable energy resources of the near-future"	Dr Christopher Sorrell, UNSW Artur Zawadski, Wizard Power
10 August 2009	ERAA Retail Energy Market Briefing Supported by Australian Institute of Energy The Expanded Renewable Energy Target: Can our markets cope?	Prof Ross Baldick, University of Texas at Austin David Swift, AEMO Cameron O'Reilly, ERAA
26 August 2009 <b>YEP Event</b>	Seminar: Emerging Technologies in the Energy Sector	Dr Justin Blows, Griffith Hack Guy Pross, Better Place Australia Stuart Weylandsmith, Oceanlinx Christopher Short, Global Carbon Capture and Storage Institute
7 September 2009	Building Energy Efficiency and the NSW Energy Saving Scheme (ESS)	David Hemming, ex NSW Dept of Water & Energy Christallo Kouris, Fletcher Insulation Steve Franetic, Fletcher Insulation
6 October 2009 <b>YEP Event</b>	YEP AGM and technical meeting "What is Happening with Renewables in NSW"	Dr Yolande Stone, NSW Dept of Planning Andrew Durran, Epuron Patrick Ibbotson, Blake Dawson Paul Newman, Blake Dawson
2 November 2009	AGM & Evening Presentation: "Developing Coal Seam Methane – Challenges & Opportunities"	Roland Sleeman, Eastern Star Gas
17 February 2010	The Four Societies Meeting: "The current state of development of electricity-producing technologies"	Dr Christopher Dey, University of Sydney
2 March 2010	ERAA Retail Energy Market Briefing Supported by Australian Institute of Energy: Allowing energy markets to work: 1. Lessons of the California electricity crisis; 2. More than just a carbon hit on electricity prices	1. Prof James Sweeney, Stanford University 2. Edwin D. O'Young, Port Jackson Partners Limited
24 March 2010	Renewable Energy in Europe & Australia – Chemical & Biomolecular Engineering Foundation (University of Sydney) & Italian Trade Commission in Sydney	Ing Alfredo Picano, INNOVA Dr Jim Smitham, CSIRO Mr Glen Currie, Sustainable Renewable Energy Company (SREC)

28 April 2010	"Sustainable Sydney 2030: Moving Sydney Towards a Low Carbon Decentralised Energy Future"	Allan Jones, City of Sydney
6 May 2010	"What noise do wind turbines make?" - the view of a wind turbine noise and noise modelling specialist from Europe	Erik Sloth, Senior Specialist, Suzlon Blade Technology
24 May 2010	1/2 day Symposium – NSW's Electricity Future 2020 (and beyond): What will it look like and how do we get there?	Mark Duffy, Industry & Investment NSW Jim Snow, Oakley Greenwood Peter Coombes, Delta Electricity Paul Wentworth, Minter Ellison Ian Kay, Macquarie Bank Ross Fraser, Energy Response Michael Angwin, Australian Uranium Association Greg Joffe, The Nous Group
9 June 2010 <b>YEP Event</b>	"Workshop: Negotiation Skill"	Alan Limbury, Strategic Resolution Jamal Cheema, Energy Australia
25 June 2010	"BP Statistical Review of World Energy 2009-10"	Christof Ruehl, Group Chief Economist, BP

I would also like to express the Committee's gratitude to the organisations that have supported the activities of the Branch over the past year; in particular AE&E and Parsons Brinckerhoff, and also Cadden Crowe for the use of their meeting rooms during the year for our committee meetings. We would also like to thank Blake Dawson, the NSW Department of State and Regional Development and Tourism, Energy Australia, Griffith Hack, Credit Suisse, MinterEllison Lawyers and the University of Sydney for the use of their facilities for our technical presentations and other functions. The support of these organisations is crucial for us to continue to provide our members with an interesting and challenging program during the year. The Branch also thanks its event sponsors – NSW I&I Minerals & Energy Division, MinterEllison Lawyers, and the Nous Group. Again, the support of sponsors enables the Branch to continue to deliver quality events.

Thanks also to the members who contributed summaries and articles from a number of our events to the AIE national magazine Energy News, and to our Hon Secretary Manuela Crank who brought them to publication.

Finally we also thank our retiring Committee members Dr David Hemming, Mr Martin Thomas and Mr Richard Hunwick, all long-standing Committee members who have devoted much time and energy to the Institute and made very substantial contributions over their years of service to the success of the Branch and the AIE in general. Thank you also to Mr Craig Chambers who retired as Chair during the year but remains a committee member. Craig accepted the position of Chair in his first year on the Committee and brought new insights to the role as well as overseeing an ambitious program of events.



*"Developing Coal Seam Methane – Challenges & Opportunities" – Roland Sleeman, Eastern Star Gas*

And finally, the committee acknowledges the continued dedication and hard work of our Branch Secretariat, Gwen Cant and the assistance of Phillip Cant, throughout the year.

## Tasmanian Branch

### Tasmanian Branch Committee:

Patrick Burke	<i>Chair &amp; AIE Board Member</i>
Dr. Martin de Groot	<i>Vice Chair</i>
Dr Jane Sargison	<i>Hon. Secretary</i>
Patrick Burke	<i>Hon. Treasurer</i>
Arthur Masters	
Paul Turvey	

The Tasmanian Branch committee is a small group dedicated to providing Tasmanians with understanding and awareness of energy issues locally, nationally and globally. This year the Committee farewelled Arthur Masters who has provided many years of dedicated service. We thank Arthur for his efforts and wish him the best for the future.

The Branch focuses its efforts on holding quality events with significance to those in the wider energy industry and those with an interest in the industry itself. This year the AIE Tasmania Branch successfully collaborated with The Royal Society of Tasmania and undertook several student focused activities with the University Of Tasmania School Of Engineering.

Five meetings were organised during the year which have been well attended and while not making a large profit have been well received.

### Tasmanian Branch 2009-10 Program:

Date	Topic	Presenters
July 2009	In conjunction with the Royal Society of Tasmania - Winter Lecture Series 2009	Dr. Mike Connarty <i>Hydro Tasmania</i> Dr. David Griffin <i>CSIRO</i> John Titchen <i>Roaring 40's</i>
Aug 2009	In conjunction with the Royal Society of Tasmania - Winter Lecture Series 2009	Mark McKenzie – <i>RARE Consulting</i> Dr. Martin de Groot – <i>CSIRO</i> Assoc. Prof. Graeme Wells – <i>University of Tasmania</i>
Oct 2009	University of Tasmania, School of Engineering, Best Final Year Energy Related Honours Project	
Oct 2009	Tasmania Energy Conference 2009	Multiple presenters
March 2010	School of Engineering – Students meet the Energy Industry	Patrick Burke – <i>AIE</i> Paul Coull – <i>Tyco Tamar</i>

## Hydrogen Division

As advised in the 2008-09 Report the AIE agreed to support the formation of a new association, known as the Australian Association for Hydrogen Energy (AAHE).

In September 2009 the AAHE was established and is operating.

The funds held by the AIE, for the International Association for Hydrogen Energy, following WHEC 2008 in Brisbane, and those held by the AIE Hydrogen Division, have been transferred to the AAHE with IAHE and AIE Hydrogen Division agreement. This has provided the new organisation with a strong financial base on which to grow.

With the formation of AAHE, the AIE Hydrogen Division has been closed, although a register of members interested in hydrogen energy will be maintained.

Further information on the AAHE is available at the website [www.hydrogenaustralia.org](http://www.hydrogenaustralia.org).

## Oil & Gas Special Interest Group (SIG)

The Oil & Gas SIG convened by Eriks Velins has continued to provide a service via the website to members with an interest in this area. The website has two components, Oil & Gas Links and Interesting & Useful Articles.

The Links comprise links to sources of information on Regulation of Oil & Gas Industry, Australian and Overseas Associations, Australian and Overseas News and Articles, Australian and International Statistics and Technical-Economic data.

They have been selected to provide the user with a free, independent and reliable overview of the industry.

The Articles have been selected to provide insight into particular issues faced by the industry in order to stimulate an informed discussion. The Convenor welcomes feedback and contributions.

## YOUNG ENERGY PROFESSIONALS (YEPs)

This encouraging movement within the AIE membership continues to gain momentum in the Institute.

The foundation group in Sydney has now been joined by similar groups in Adelaide, Melbourne, Newcastle and Perth. A YEP group is also being considered for Brisbane and Canberra.

A separate page, on the AIE website, has been created for each YEP group. The adjacent YEP logo has also been created for the YEPs and features on banners for display at meetings.

The groups have conducted a range of meetings as listed and described in the respective host Branch programs above.

Interestingly YEP members have now joined the AIE Board and Branch committees and this augurs well for the future of the Institute.



## THE AIE SCHOLARSHIP FUND

The AIE scholarship funded during the 2009-10 was won by Anntonette Joseph, who is a member of the AIE Canberra Branch. Anntonette used her scholarship to attend the Future World Energy Conference in Abu Dhabi in January 2010. This conference was particularly insightful as the first major energy conference post Copenhagen with Presidential representatives from a number of countries. At the same time, Anntonette met with and presented to the Future Young Energy Leaders Forum and observed the first meeting of the International Renewable Energy Agency.

The report on her attendance at this Conference was published in the March 2010 issue of the AIE Energy News.

These scholarships have been funded with a grant from the Energy Alliance of Australia (EAA – formerly the Energy Council of Australia) in recognition of AIE's contribution in organising the Youth Forum at the 2004 World Energy Congress in Sydney. The available resource from these funds was exhausted in the 2009 scholarship.

The AIE has used the opportunity to build up a Scholarship Reserve fund with the objective of continuing to support an annual scholarship program from the interest on this fund. We have now reached and exceeded the initial target of \$100,000 for this fund, with transfers from AIE Board reserve funds, contributions from conference profits and contributions from some Branch reserve funds, particularly from Melbourne, Perth, Sydney and South Australia.



*Anntonette Joseph (Canberra) and Shaikha Al Ajami, Masdar Institute, UAE at the World Future Energy Conference*

## COMMUNICATIONS

### *The AIE Energy News Journal*

The official publication of the Australian Institute of Energy, *Energy News*, continues to be an important service to members, both for its interesting content and its role in communication between the members, the Board and Branches.

Four full colour issues were published in 2009-10 and, and the quality of presentation and content continues to improve. The Board congratulates our editor, Joy Claridge on her excellent work in steadily raising the standard and profile of the Journal, which is one of the key services provided to AIE members.

Thanks to Joy's efforts, the revenue from advertising, mainly from Corporate Members, continues to increase and is now making a significant contribution to publication costs. The Corporate Member Directory in the journal has proved very popular because it gives companies an excellent profile for a modest cost. The first small single listing is free, however a number of company members have opted for a sequence of four larger listings for a modest charge. This section has become a regular feature of the journal and we encourage members to support our advertisers.

The editor is always delighted to receive suggestions, articles and letters and looks forward to hearing from you in 2010-11 at [editor@aie.org.au](mailto:editor@aie.org.au).

### *Monthly Email News*

The Board uses the facilities provided by PAMS to distribute a regular monthly email to members who have provided email addresses, and to an extended contact list of interested parties.

The objective is to promote attendance at AIE Meetings and to advise of energy related meetings scheduled by others, particularly not-for-profit organisations. The message also provides information on other energy matters such as government requests for submissions or applications for grants as well as notices on AIE administration matters such as the call for Board and Committee nominations or the availability of the Annual Report on-line.

The email, in an attractive new format, has links to meeting flyers, registration forms and on-line registration services for Branches using these facilities. Some branches follow this up with Branch emails direct to their Branch members and contacts to reinforce the message.

PAMS distributes the email on the second Tuesday of each month and a reminder is sent to Branches a week before to provide content and links to register for meetings which Branches wish to promote. Branches are encouraged to make full use of this promotional service provided at Board expense.

If you have an email address but have not provided it, please contact PAMS ([aie@aie.org.au](mailto:aie@aie.org.au)) to add it to your database record, or edit your record in the database on-line. You never know what you might be missing out on.

We do not make our mailing list (email or snail mail) available to third parties so you are not going to be flooded with spam.

### *On-line News*

The daily energy news clipping service continues to be one of the draw cards for visits to the AIE web site. The service provides a screened list of links to local energy news stories. Many members use it as their home page when they open their internet browser each day.

### *AIE Webpage*

The AIE webpage at [www.aie.org.au](http://www.aie.org.au) incorporates a website content management system to enable Branches and other users to manage their own web page, and provides a range of new on-line services. The webpage rates highly as a source of information on Australian energy matters through our fact sheets, links to other energy-related sites and content from expert presentations to AIE events. If you have any suggestions on additions and improvements to the site, please email us on [aie@aie.org.au](mailto:aie@aie.org.au) or phone our free call number (1800 629 945).

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## AUSTRALIAN INSTITUTE OF ENERGY

A Company Limited by Guarantee

### DIRECTORS' REPORT

Your Directors submit herewith their report of the Australian Institute of Energy for the financial year ended 30 June 2010.

The names of the directors in office at any time during, or since the end of, the year are:

Murray Meaton	Tony Vassallo	Paul McGregor
Glen Currie	David Allardice	Dennis van Puyvelde
Michael Cochran	Patrick Burke	Paul Riordan
Andrew Dicks	James Giblin	Brian Truman
Gerry Watts		

All Directors are members of the Australian Institute of Energy and hold qualifications in energy related disciplines.

The principal activities of the Institute in the course of the year were to advance the scientific, technological and social studies and professional practice of energy disciplines and to enhance their contribution to the public welfare by encouraging the development of all branches of energy disciplines. There was no significant change in the nature of the principal activities or state of affairs of the Institute nor are there any likely future developments which require comment herein.

The consolidated surplus of the Institute for the year was \$28,034 (2009: \$89,595).

No matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the operations of the Institute, the results of those operations or the state of affairs in future financial years except as noted herein.

The operations of the Institute are not regulated by any significant environmental regulation under the law of the Commonwealth or of a State or Territory.

The following table sets out the number of Board meetings held during the year ended 30 June 2010 and the number of meetings attended by each Director.

Director	Board Meetings	
	Attended	Eligible
Mr Murray Meaton ( President to 25 March 2010 )	4	4
Dr Tony Vassallo ( President from 25 March 2010 )	4	4
Mr Paul McGregor ( Hon Secretary )	4	4
Mr Glen Currie ( Hon Treasurer)	4	4
Dr David Allardice	4	4
Mr Patrick Burke	4	4
Mr Michael Cochran	4	4
Dr Andrew Dicks	4	4
Mr James Giblin	2	4
Mr Paul Riordan	1	4
Dr Dennis van Puyvelde ( to 12 March 2010 )	2	2
Mr Brian Truman ( from 24 March 2010 )	1	2
Gerry Watts ( to 25 March 2010 )	0	2

Since the Institute is a non-profit organisation the Directors recommend that no dividend be paid. No amounts have been declared or paid by way of dividends since the end of the previous financial year.

No indemnities have been given or insurance premiums paid, during or after the end of the financial year, for any person who is or has been an officer or auditor of the Institute.

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## AUSTRALIAN INSTITUTE OF ENERGY

A Company Limited by Guarantee

### DIRECTORS' REPORT (Continued)

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out below.

This report is made in accordance with a resolution of the Directors and is signed for and on behalf of the Directors by:

Glen Currie - Honorary Treasurer



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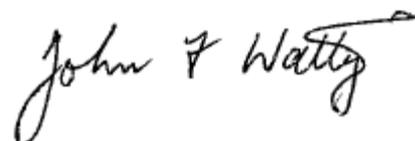
Dated: 20 October 2010

Melbourne

### AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF AUSTRALIAN INSTITUTE OF ENERGY

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



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**John Francis Watty**  
Registered Company Auditor  
255 Whitehorse Rd,  
Balwyn Vic 3103

Dated: 20 October 2010

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2010**

	NOTE	2010	2009
		\$	\$
<b><u>REVENUE FROM ORDINARY ACTIVITIES</u></b>			
<b>Operating activities</b>			
Proceeds from meetings, functions and conferences		150,940	173,544
Sponsorship, donations and other revenue		16,443	26,529
Subscriptions from members		132,602	133,196
Journal sales and advertising		3,300	9,244
Share of Profit from other conferences		73,843	60,112
		377,128	402,625
<b>Non-operating activities</b>			
Interest received		23,247	29,922
		23,247	29,922
<b>TOTAL REVENUE FROM ORDINARY ACTIVITIES</b>		<b>400,375</b>	<b>432,547</b>
<b><u>EXPENDITURE FROM ORDINARY ACTIVITIES</u></b>			
AIE promotion and development		2,855	3,308
Audit and accountancy fees	15	8,482	7,483
Bank charges		3,676	4,367
Bad debt		483	-
Cost of ties sold and gifted		-	285
General expenses		2,730	5,036
Insurance		4,008	3,937
Internet expenses		7,695	9,873
Journal publication costs		51,295	52,104
Meetings and functions		132,277	127,613
Obsolete stock written off		1,755	-
Office equipment purchases		220	-
Postage and telephone		8,010	5,052
Printing and stationery		1,580	7,778
Scholarships, prizes and awards		12,065	21,350
Sponsorship		4,545	1,000
Subscriptions		454	-
Travel and board meeting expenses		10,753	9,781
Administration services		91,886	83,985
<b>TOTAL EXPENDITURE FROM ORDINARY ACTIVITIES</b>		<b>344,769</b>	<b>342,952</b>
<b>OPERATING SURPLUS FOR THE YEAR</b>		<b>55,606</b>	<b>89,595</b>
<b>Plus:</b> Transfer from Gippsland Reserve		-	15,000
<b>Less:</b> Contribution to Australian Association of Hydrogen Energy		27,572	-
<b>INCREASE IN RETAINED EARNINGS FOR YEAR</b>		<b>28,034</b>	<b>104,595</b>

The accompanying notes form part of these accounts and are to be read in conjunction therewith.

**BALANCE SHEET  
AS AT 30 JUNE 2010**

<i><b>CURRENT ASSETS</b></i>	<b>NOTE</b>	<b>2010</b>	<b>2009</b>
		<b>\$</b>	<b>\$</b>
Cash and cash equivalents	2	648,253	745,142
Trade and other receivables	3	64,299	8,171
Inventories	4	846	2,601
Other current assets	5	11,258	1,521
<b>TOTAL CURRENT ASSETS</b>		<b>724,656</b>	<b>757,435</b>
<b><u>NON-CURRENT ASSETS</u></b>			
Property, plant and equipment	6	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>724,656</b>	<b>757,435</b>
<b><u>CURRENT LIABILITIES</u></b>			
Trade and other payables	7	36,529	35,141
Subscriptions received in advance	8	74,937	77,026
IAHE/AAHE funds held in trust		-	60,112
<b>TOTAL CURRENT LIABILITIES</b>		<b>111,466</b>	<b>172,279</b>
<b>TOTAL LIABILITIES</b>		<b>111,466</b>	<b>172,279</b>
<b>NET ASSETS</b>		<b>613,190</b>	<b>585,156</b>
<b><u>EQUITY</u></b>			
Gippsland Reserve	9	-	-
Retained Earnings		613,190	585,156
<b>TOTAL EQUITY</b>		<b>613,190</b>	<b>585,156</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2010**

	<b>Retained Earnings</b>	<b>Gippsland Reserve</b>	<b>Total</b>
	\$	\$	\$
Balance at 30 June 2008	480,561	15,000	495,561
Surplus for the year	104,595	(15,000)	89,595
Balance at 30 June 2009	585,156	-	585,156
Surplus for the year	28,034	-	28,034
Balance at 30 June 2010	613,190	-	613,190

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2010**

		<b>2010</b>	<b>2009</b>
		\$	\$
<b>Cash flows from Operating Activities</b>			
Receipts from operating activities		321,000	413,238
Interest received		23,247	29,922
Payments for operating activities		(381,024)	(310,620)
Net cash flow provided by operating activities	11a	(36,777)	132,540
<b>Cash flows from investing activities</b>		-	-
<b>Cash flows from financing activities</b>			
IAHE/AAHE funds held in trust		(60,112)	60,112
Net increase in cash held		(96,889)	192,652
Cash at the beginning of the financial year		745,142	552,490
Cash at the end of the financial year	11b	648,253	745,142

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 1 - SIGNIFICANT ACCOUNTING METHODS**

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The Institute is a non-profit organisation and received the major part of its income from subscriptions, conferences and lectures.

The financial report complies with Australian Accounting Standards which include Australian equivalents to International Financial Reporting Standards ("AIFRS").

The financial report is in respect of the Australian Institute of Energy as an individual entity and complies with all AIFRS in their entirety.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**Basis of Preparation**

*Reporting Basis and Conventions*

The financial report has been prepared on an accruals basis except for certain small branches which amounts have been recorded on the cash basis, and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

**Accounting Policies**

a) Accounting for Regional Branches and Division

All activities of the Branches and the Hydrogen Division, as presented in the audited financial statements to the Board, have been included in the Income Statement and the known assets of each Branch as at 30 June 2010 have been included in the Balance Sheet.

b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs.

c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. Fixed assets are depreciated by the straight-line method over a four year period.

d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

e) Revenue

Revenue from membership subscriptions is recognised in the period to which it relates. Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of these grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided. All revenue is stated net of the amounts of goods and services tax (GST).

f) Contributions

The Institute receives non-reciprocal contributions from other parties for a nominal value. These contributions are recognised at the fair value on the date of receipt at which time an asset is recorded in the balance sheet and revenue in the income statement.

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 1 - SIGNIFICANT ACCOUNTING METHODS (cont'd)**

g) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

h) Critical Accounting Estimates and Judgments

There were no critical accounting estimates and judgments in respect of the amounts in this Report.

i) Financial Instruments

*Recognition and Initial Measurement*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. The entity does not have complex financial instruments. The financial instruments on the entity's balance sheet are all non-derivative in nature, namely cash and cash equivalents, receivables and payables.

Financial instruments are classified and measured as set out below.

*Derecognition*

Financial assets are derecognised where the contractual rights to receipt or cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire.

*Classification and Subsequent Measurement*

*(i) Receivables*

Receivables are non-derivative financial assets that have fixed maturities and fixed determinable payments, and it is the entity's intention to hold these investments to maturity.

*(ii) Financial Liabilities*

Non-derivative financial liabilities are measured at cost.

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 2 – CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents – Scholarship Reserve	127,293	81,621
Cash and cash equivalents – Other	287,500	414,339
Cash and cash equivalents – Term deposits	233,460	249,182
	<u>648,253</u>	<u>745,142</u>
<b>NOTE 3 – TRADE AND OTHER RECEIVABLES</b>		
Other receivables	64,299	8,171
	<u>64,299</u>	<u>8,171</u>
<b>NOTE 4 – INVENTORIES</b>		
Stock of ties	-	1,755
Stock of AIE medals	846	846
	<u>846</u>	<u>2,601</u>
<b>NOTE 5 – OTHER CURRENT ASSETS</b>		
Prepayments	11,258	1,521
	<u>11,258</u>	<u>1,521</u>
<b>NOTE 6 – PROPERTY, PLANT AND EQUIPMENT</b>		
Equipment – at cost	-	-
Less: Accumulated depreciation	-	-
	<u>-</u>	<u>-</u>
<b>NOTE 7 – TRADE AND OTHER PAYABLES</b>		
Accrued expenses	5,000	9,632
Sundry creditors	29,733	21,785
GST	1,796	3,724
	<u>36,529</u>	<u>35,141</u>
<b>NOTE 8 – UNEARNED INCOME</b>		
Subscriptions received in Advance	74,937	77,026
	<u>74,937</u>	<u>77,026</u>
<b>NOTE 9 – RESERVES</b>		
Gippsland Reserve		
Opening balance	-	15,000
Transfer to Retained Profits	-	15,000
Closing balance	<u>-</u>	<u>-</u>

The reserve contained funds relating to the Gippsland Branch following its closure during the 2003 financial year. During the 2009 financial year these reserve funds were transferred to retained earnings.

**NOTE 10 – CLAUSE 8 OF THE CONSTITUTION OF THE AUSTRALIAN INSTITUTE OF ENERGY**

*“Every member of the Institute undertakes to contribute to the assets of the Institute in the event of the Institute being wound up during the time that they are a member, or within one year after they cease to be a member, for payment of the debts and liabilities of the Institute contracted before they cease to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding fifty dollars.”*

The Institute had 1,438 members (2009: 1,440).

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 11 – CASH FLOW INFORMATION</b>		
a. Reconciliation of cash flow from operations with surplus for the year ended 30 June 2009.		
Surplus for the year	28,034	89,595
Depreciation	-	-
(Increase) Decrease in receivables	(56,128)	10,613
(Increase) Decrease in inventories	1,755	285
(Increase) Decrease in prepayments	(9,737)	74
Increase (Decrease) in creditors	1,388	25,523
Increase (decrease) in unearned income	(2,089)	6,450
Net cash flow from operating activities	(36,777)	132,540
b. Reconciliation of Cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:		
– Cash and cash equivalents	648,253	745,142

**NOTE 12 - SEGMENT INFORMATION**

The Australian Institute of Energy is an Australian professional association operating to advance the development of all energy disciplines, by publishing a journal and holding conferences, seminars and meetings on energy related topics. The operating surplus of \$28,034 (2009: \$89,595) was derived entirely from these activities.

**NOTE 13 - RELATED PARTY INFORMATION**

The following persons each held office as Directors of Australian Institute of Energy during the year :

Murray Meaton	Tony Vassallo	Paul McGregor
Glen Currie	David Allardice	Dennis van Puyvelde
Michael Cochran	Patrick Burke	Paul Riordan
Andrew Dicks	James Giblin	Brian Truman
Gerry Watts		

Directors do not receive any remuneration or other benefits. Consequently there are no key management personnel compensation benefits to disclose.

**NOTE 14 – FINANCIAL RISK MANAGEMENT**

**a. Financial Risk Management Policies**

The entity's financial instruments consist solely of deposits with banks, accounts receivable and payable. The entity does not have any derivative instruments at 30 June 2010.

- i. Treasury Risk Management  
The board of directors meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.
- ii. Financial Risk Exposure and Management  
The main risks the entity is exposed to through its financial instruments are interest rate risk and liquidity risk.

*Interest rate risk*

Interest rate risk is managed with a mixture of fixed and floating rate bank deposits. At 30 June 2010 approximately 36% of bank deposits are on fixed terms.

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 14 – FINANCIAL RISK MANAGEMENT (cont'd)**

*Foreign currency risk*

The entity is not exposed to fluctuations in foreign currencies.

*Liquidity risk*

The entity manages liquidity risk by monitoring forecast cash flows.

*Credit risk*

The entity does not have any material credit risk exposure.

*Price risk*

The entity is not exposed to any material commodity price risk.

**b. Financial Instruments Composition and Maturity Analysis**

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing		Non Interest Bearing		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>										
Cash and cash equivalents	3.34	4.61	414,793	495,960	233,460	249,182	-	-	648,253	745,142
Trade and other receivables	-	-	-	-	-	-	64,299	8,171	64,299	8,171
<b>Total financial assets</b>			<b>414,793</b>	<b>495,960</b>	<b>233,460</b>	<b>249,182</b>	<b>64,299</b>	<b>8,171</b>	<b>712,552</b>	<b>753,313</b>
<b>Financial Liabilities</b>										
Trade and other payables	-	-	-	-	-	-	111,466	172,279	111,466	172,279
<b>Total financial liabilities</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111,466</b>	<b>172,279</b>	<b>111,466</b>	<b>172,279</b>

Trade and other payables comprise principally of subscriptions received in advance in the amount of \$74,937 (2009: \$77,026), IAHE/AAHE funds held in trust of \$Nil (2009: \$60,112) and the following other payables which are expected to be paid as follows:

	2010	2009
	\$	\$
Less than 6 months	36,529	35,141
6 months to 1 year	-	-
<b>Total trade and other payables</b>	<b>36,529</b>	<b>35,141</b>

Trade and other receivables are expected to be collected within 30 days.

**Sensitivity analysis**

*Interest rate risk*

The entity has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity with could result from a change in this risk.

As at 30 June 2010, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

**Change in profit**

- Increase in interest rate by 2%	13,000	15,000
- Decrease in interest rate by 2%	(13,000)	(15,000)

**Change in equity**

- Increase in interest rate by 2%	13,000	15,000
- Decrease in interest rate by 2%	(13,000)	(15,000)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged. No sensitivity analysis has been performed for foreign exchange risk, as the entity is not exposed to fluctuations in foreign exchange.

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 15 – AUDITORS’ REMUNERATION</b>		
Audit fees paid to Bentleys	-	5,639
Audit fees paid to John F Watty	7,250	-
Audit fees paid to branch auditors	1,232	1,844
	<u>8,482</u>	<u>7,483</u>

**NOTE 16 – EVENTS AFTER THE BALANCE SHEET DATE**

- a. No significant events have occurred after the balance sheet date.
- b. The financial report was authorised for issue on the date specified in the Directors’ Declaration.

**NOTE 17 – COMPANY DETAILS**

The registered office of the company is:  
The Australian Institute of Energy  
First Floor, 613 Canterbury Road  
Surrey Hills Vic 3127

The company did not employ any staff on a full time basis during the year.

## DECLARATION BY THE BOARD

The Directors of the Australian Institute of Energy declare that:

1. The financial statements and notes, as set out on pages 3 to 11, are in accordance with the *Corporations Act 2001*;
  - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position of the Institute as at 30 June 2010 and of its performance for the year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Institute will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Directors and is signed for and on behalf of the Directors by:



Glen Currie  
Honorary Treasurer

Dated: 20 October 2010

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF THE AUSTRALIAN INSTITUTE OF ENERGY**

**Report on the Financial Report**

I have audited the accompanying financial report of the Australian Institute of Energy (the Institute), which comprises the balance sheet as at 30 June 2010, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the Institute comprising the consolidated accounts of the Institute and the Branches and Division it controlled at the year's end or from time to time during the financial year.

***Directors' Responsibility for the Financial Report***

The directors of the Institute are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes complies with IFRS.

***Auditor's Responsibility***

My responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The names of the branches and the division controlled during all or part of, or at the end of the financial year are set out below. We have not acted as auditors for all of these branches and the division. We have, however, received sufficient information concerning those branches and the division to enable us to form an opinion on the consolidated accounts.

Brisbane Branch;  
Canberra Branch;  
Melbourne Branch;  
Newcastle Branch;  
Hydrogen Division.

Perth Branch;  
South Australia Branch;  
Sydney Branch;  
Tasmania Branch; and

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Independence***

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

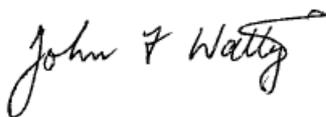
**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF THE AUSTRALIAN INSTITUTE OF ENERGY**

***Auditor's Opinion***

In our opinion:

the financial report of the Australian Institute of Energy is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Institute's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.



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**John Francis Watty**  
Registered Company Auditor  
255 Whitehorse Road  
**Balwyn**

Dated: 20 October 2010

**AUSTRALIAN INSTITUTE OF ENERGY - BOARD**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010	2009
		\$	\$
<b><u>REVENUE FROM ORDINARY ACTIVITIES</u></b>			
Interest received		18,192	22,011
Contributions to scholarship funds		-	10,000
Profit share from conferences		-	36,067
Subscriptions		132,270	133,196
Journal sales and advertising		3,300	9,244
Contribution received – Balance ECA Scholarship	1	8,013	-
Sundry income		3,109	1,512
		164,884	212,030
<b><u>EXPENDITURE FROM ORDINARY ACTIVITIES</u></b>			
AIE promotion and development		2,854	3,308
Audit and accounting fees		6,000	5,639
Bank charges		2,105	2,214
Cost of sales		-	75
Depreciation		-	-
General expenses		925	799
Grants to branches		-	3,000
Insurance		4,008	3,936
Internet expenses		6,058	8,694
Journal publication costs		51,295	52,104
Obsolete stock written off		1,320	-
Office equipment purchases		220	-
Postage and telephone		5,552	3,736
Printing and stationery		1,320	3,233
Scholarship expenses		6,000	-
Scholarships, prizes and awards		455	-
Travel and Board Meeting Expenses		10,753	9,781
Administration services		60,314	56,163
		159,179	152,682
<b>TRADING SURPLUS FOR YEAR</b>		5,705	59,348
<b>Plus:</b> Transfer from Gippsland Reserve		-	15,000
		5,705	74,348
<b>SURPLUS FOR YEAR</b>		5,705	74,348

**AUSTRALIAN INSTITUTE OF ENERGY - BOARD  
BALANCE SHEET  
AS AT 30 JUNE 2010**

	NOTE	2010 \$	2009 \$
<b><i>CURRENT ASSETS</i></b>			
Cash and cash equivalents – Scholarship Reserve		127,293	81,621
Cash and cash equivalents – Other		326,853	471,766
Trade and other receivables		2,750	2,805
Prepayments		1,259	1,521
Inventories		846	2,166
<b>TOTAL CURRENT ASSETS</b>		<b>459,001</b>	<b>559,879</b>
<b><u>NON-CURRENT ASSETS</u></b>			
Property, plant and equipment		-	-
Less: Accumulated depreciation		-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>459,001</b>	<b>559,879</b>
<b><u>CURRENT LIABILITIES</u></b>			
Trade and other payables		25,456	33,192
Subscriptions received in advance		74,937	77,026
IAHE/AAHE funds held in trust		-	60,112
Branch and division funds		238	28,871
<b>TOTAL CURRENT LIABILITIES</b>		<b>100,631</b>	<b>199,201</b>
<b><u>NON-CURRENT LIABILITIES</u></b>			
Contribution received – Balance of ECA Scholarship Contribution	1	-	8,013
<b>TOTAL LIABILITIES</b>		<b>100,631</b>	<b>207,214</b>
<b>NET ASSETS</b>		<b>358,370</b>	<b>352,665</b>
<b><i>EQUITY</i></b>			
Retained Surplus at the beginning of the financial year		352,665	278,317
Net Surplus for the financial year		5,705	74,348
<b>TOTAL EQUITY</b>		<b>358,370</b>	<b>352,665</b>

**Note 1**

An amount of \$25,000, which was previously received by the Sydney branch during the 2005 financial year from the Energy Council of Australia, was transferred to the Board in the 2007 financial year.

This amount has been earmarked for a national scholarship fund. The amount received has been recorded as a non-current liability in the Board's financial report and will be credited to income as and when scholarship expenses are incurred. During the 2007 financial year an amount of \$6,000 was paid as scholarship and a corresponding amount was recognised in the Board's revenue. During the 2008 financial year, a further amount of \$10,987 was paid as scholarship and a corresponding amount was recognised in the Boards' revenue. No amounts were paid out as scholarship during the 2009 financial year. During the 2010 financial year, a further amount of \$6,000 was paid out as a scholarship with a corresponding amount being recognised as revenue and the board resolved that the balance of ECA Scholarship Contribution \$2013 be cleared out by recognising this balance as a scholarship contribution in the Board's 2010 revenue.

**AUSTRALIAN INSTITUTE OF ENERGY - BOARD**

**TREASURER'S REPORT**

The attached Income Statement and Balance Sheet for the year 1 July 2009 to 30 June 2010 are in accordance with the books and records and present a true and fair view of the state of affairs as at 30 June 2010 and of the results for the year ended on that date for the Board of the Australian Institute of Energy.



Glen Currie  
Honorary Treasurer

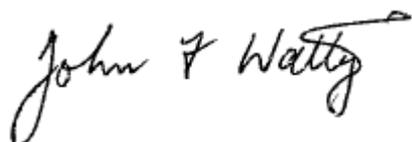
Dated: 20 October 2010

Melbourne

**AUSTRALIAN INSTITUTE OF ENERGY - BOARD**

**AUDITOR'S REPORT**

The attached Income Statement and Balance Sheet for the year 1 July 2009 to 30 June 2010 are in accordance with the books and records and present a true and fair view of the state of affairs as at 30 June 2010 and of the results for the year ended on that date for the Board of the Australian Institute of Energy.



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**John Francis Watty**  
Registered Company Auditor  
255 Whitehorse Rd  
Balwyn Vic 3103

Dated: 20 October 2010