



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**PROOF**

**RENEWABLE ENERGY (ELECTRICITY)  
AMENDMENT BILL 2009**

**RENEWABLE ENERGY (ELECTRICITY)  
(CHARGE) AMENDMENT BILL 2009**

**Second Reading**

**SPEECH**

**Monday, 17 August 2009**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

**Date** Monday, 17 August 2009  
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**Questioner**  
**Speaker** Sidebottom, Sid, MP

**Source** House  
**Proof** Yes  
**Responder**  
**Question No.**

**Mr SIDEBOTTOM** (Braddon) (12.37 pm)—I am very pleased to speak in support of the Renewable Energy (Electricity) Amendment Bill 2009 and cognate bill. I remind the member for Flinders as he leaves the House that in 2004 John Howard, contrary to the recommendations of his own committee, failed to expand the mandatory renewable energy target scheme. That saw the end of a major renewable energy manufacturing business in my region in Tasmania and of the expansion of that industry in Tasmania and elsewhere. So I find it a bit rich that the member for Flinders and others on the other side come here hand-wringing about this government's so-called inaction on introducing the Renewable Energy (Electricity) Amendment Bill 2009, which can and must be seen as part of the wider Carbon Pollution Reduction Scheme.

This legislation is part of our government's comprehensive plan of action to reduce Australia's national emissions. The key is to ensure that 20 per cent of Australia's electricity is supplied from renewable energy sources by 2020. The legislation has the agreement of the states through COAG, which can see just how important and beneficial it will be to rural and regional Australia and also to the future of our nation as a whole.

Under the Renewable Energy (Electricity) Act wholesale purchasers of electricity, or liable parties, will be required to meet a share of the renewable energy target in proportion to their share of the national wholesale electricity market. Generators of renewable energy can then create renewable energy certificates, or RECs, with one REC representing one megawatt hour of electricity from eligible renewable energy sources. These RECs can then be traded and sold to liable parties, which may surrender them to the Renewable Energy Regulator to demonstrate their compliance under the scheme and avoid paying a shortfall charge. This charge will be increased by the amendments in this legislation from \$40 per megawatt hour to \$65 per megawatt hour, but it is also aimed at encouraging compliance with the REC scheme.

The target is expected to drive around \$19 billion in investment in renewable energy in the period to 2020, importantly accelerating the introduction of a broad range of renewable energy technologies—and I note in particular wind energy in my home state of Tasmania. I am very pleased that there is a project on the books in

my region that could be worth up to \$800 million. That project has been anxiously awaiting this legislation going through. With the support of those opposite I hope that it will be announced that this project will get underway soon.

We as a government have acted and will act to stimulate the industry with significant direct support through a range of initiatives. Indeed, in the 2009-10 budget the government committed \$15 billion to climate change related initiatives, including \$4.5 billion for the Clean Energy Initiative, which will kick-start a range of critical low-emission energy technologies in the marketplace. These include \$1.5 billion for the Solar Flagships Program, which will aim to create an additional 1,000 megawatts of solar generation capacity. This ambitious target is three times the size of the largest solar energy project currently operating anywhere in the world. Another \$100 million will go to the Australian Solar Institute, which supports research into solar thermal, solar photovoltaic and other solar energy technologies. Renewables Australia will be established with \$465 million to support leading-edge technology research and to bring it to market.

On top of this is the \$480 million National Solar Schools Program, which is giving Australian schools a head start in tackling climate change and conserving our precious water supplies. Already over 4,000 schools have registered to participate and more than \$10 million in grants has already been approved. Expansion of renewable energy generation represents a significant opportunity to reduce Australia's energy sector emissions while driving \$19 billion of investment and creating the green jobs of the future as part of an estimated 30-fold increase in the renewable electricity sector by 2050. Let me repeat that for those across the way, who may have been a little stuck in their rut of denial: a 30-fold increase in green jobs in the renewable sector. These are jobs that regions like mine desperately need.

I congratulate the government on finally introducing this legislation. I look forward to those opposite supporting it and to a very positive future for the industries that will benefit from it and, particularly, for our environment.