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13 July 2012

Committee Secretary Senate Standing Committees on Environment and Communications PO Box 6100 Parliament House Canberra ACT 2600 Australia

By email: ec.sen@aph.gov.au

Dear Sir/ Madam,

Response to the Greenhouse and Energy Minimum Standards Bill 2012 (Provisions)

The Clean Energy Council (CEC) is the peak body representing Australia's clean energy and energy efficiency industries with around 600 members.

Its priorities are to:

- create the optimal conditions in Australia to stimulate investment in the development and deployment of world's best clean energy technologies;
- develop effective legislation and regulation to improve energy efficiency; and
- work to reduce costs and remove all other barriers to accessing clean energy.

The CEC works with members and the government to identify and address the barriers to efficient industry development in the energy efficiency and stationary energy sector.

INTRODUCTION

The CEC welcomes the Government's commitment to establish a national legislative framework for regulating the energy efficiency of products supplied within Australia and its intention to allow the future expansion of the Equipment Energy Efficiency (E3) Program.

Energy efficiency remains one of the most important policies that governments can deliver to both reduce emissions and to protect consumers from rising electricity bills. A clear and consistent approach is needed to address the barriers to energy efficiency and drive the uptake of energy efficiency improvements. Currently the differing state based legislations in place throughout Australia have led to a confusing and uncertain environment for businesses and their consumers, especially those that operate across jurisdictions. A well coordinated and nationally consistent approach will reduce the regulatory burden on businesses and provide certainty to industry and end users.

The CEC supports the establishment of a single national regulator and the harmonisation of standards, registration processes and fees. It is however, imperative that there is ongoing dialogue and engagement with the States and the industry to build on what has already been learned from the existing programs and ensure only the best aspects are adopted.

The CEC is supportive of the framework's expansion of the scheme into a greater range of products, conditional upon the satisfactory completion of a rigorous cost-benefit analysis and effective product testing methodologies of the new technologies. The CEC commends the Greenhouse and Energy Minimum Standards (GEMS) 2012 Bill's intention to regulate businesses that import products from overseas closing the loopholes in state law that allow imported products to enter the Australian market without meeting minimum efficiency standards. It is important that the GEMS Bill ensures the national regulator has the power to effectively deal with non-compliant products.

To ensure new products meet the required minimum standards, products must undergo laboratory tests. The CEC supports the adoption of product testing methodologies such as those utilised by the Department of Primary Industries in the Victorian Energy Efficiency Target Scheme to ensure products satisfy minimum eligibility criteria. In line with the CEC's previous point on the desire to build upon what has already been learned from the existing state programs and ensure only the best aspects are adopted, these Victorian product testing regulations on new categories could be implemented into the GEMS Bill as a first step toward an Australian standard.

Closing

The Clean Energy Council looks forward to working with the Government on developing en	ergy
efficiency policy initiatives.	

Yours sincerely
Felicity Sands
Policy Analyst