

10 August 2022

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

Submitted via online submission portal

Dear Committee Members,

Climate Change Bill 2022 and the Climate Change (Consequential Amendments) Bill 2022

Hydro Tasmania welcomes the opportunity to provide comment to the Environment and Communications Legislation Committee on the Climate Change Bill 2022 and the Climate Change (Consequential Amendments) Bill 2022.

Hydro Tasmania has consistently expressed support for reducing Australia's greenhouse gas emissions. The creation and tabling of an Annual Climate Change Statement (the Statement) is an important tool in analysing and reporting on Australia's progress towards its emissions targets. There is also benefit in the Australian Government receiving third-party advice from the Climate Change Authority (CCA) on the Statement, as well as future (and adjusted) emissions targets. The CCA's advice can provide an opportunity for scientists, the community, and businesses to provide input into Australia's emissions trajectory.

The Climate Change Bill effectively incorporates the principle of transparency. The provisions around making the Statement, the CCA's advice and the Minister's decisions public ensure the Australian public can scrutinise and better participate in climate change policy and action. The provisions requiring public consultation, and the periodic independent review of the Act further contribute to the Bill's transparency.

We see particular benefit in the Climate Change (Consequential Amendments) Bill 2022 and the intention to embed the national emissions reduction targets into the objects and functions of a range

of Commonwealth entities and schemes. As explained in the Bill's Explanatory Memorandum¹, the amendments will:

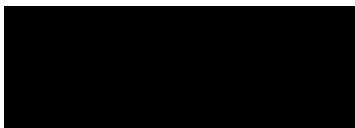
'...allow the Clean Energy Regulator to have functions conferred on it by regulations. This will allow for the conferral of functions on the Clean Energy Regulator that contribute to the achievement of Australia's greenhouse gas emissions reduction targets. The functions could relate to programs such as developing a Guarantee of Origin scheme for products such as hydrogen and the publication of the Regulator's Corporate Emissions Reduction Transparency Report.'

We believe this is a positive and necessary amendment that should be supported. Hydro Tasmania is actively involved in the Clean Energy Regulator's current trials for a Hydrogen Guarantee of Origin scheme and support its development being aligned to Australia's emissions goals via future regulation (as well as certification for other products such as renewable electricity). We also support the Corporate Emissions Reduction Transparency Report (CERT) and expect to participate in future iterations beyond the pilot year.

As Australia's largest renewable energy generator, Hydro Tasmania has long advocated for pursuing the significant opportunities for decarbonisation within the electricity sector, and of the prospect of zero emissions electricity being utilised to underpin emissions reductions in other sectors (such as transport and industrial processes). Hydro Tasmania also notes the recent consultation by the Energy Security Board (ESB) on the introduction of a capacity mechanism to the National Electricity Market (NEM). There have been discussions via ESB consultations and more broadly on the potential for the proposed capacity mechanism to include a carbon budget or emissions reduction objective in its design. Hydro Tasmania believes that if introduced, a capacity mechanism would need to align with, and support the achievement of, Australia's current and future emissions targets under this Bill.

If you would like to discuss this submission or any related matters with Hydro Tasmania, please contact myself ([REDACTED])

Yours sincerely,



Colin Wain
Manager Policy Development

¹ [Explanatory Memorandum](#), pg. 12.