



Australian Government

Australian Government response to the
Environment and Communications Legislation
Committee report:

Clean Energy Finance Corporation Amendment (Grid
Reliability Fund) Bill 2020

May 2024

Response

Dissenting Recommendation 1 (ALP)

That the bill be amended to remove the new power of the Energy and Emissions Reduction Minister to define new investments through regulation.

Response

NOTED

The Government notes this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Dissenting Recommendation 2 (ALP)

Amend the bill to retain the current definition of low emissions technology for electricity generation assets in both the broader CEFC and the Grid Reliability Fund.

Response

NOTED

The Government notes this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Dissenting Recommendation 1 (Greens)

The government should introduce separate legislation to authorise spending on its UNGI shortlist rather than force the CEFC to finance the loss-making shortlist from its limited \$1 billion in new funding.

Response

NOTED

The Government notes this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Dissenting Recommendation 2 (Greens)

Proposed subsection 60(4), which would overrule the CEFC's Board's definition of 'low-emissions technologies' should be removed from the bill to ensure the integrity and independence of the CEFC's investment decisions.

Response

NOTED

The Government notes this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Dissenting Recommendation 3 (Greens)

The proposed amendment to section 4, which would give the Minister regulation making power to allow loss-making investments and effectively direct the CEFC to fund the UNGI program should be removed from the bill, keeping the current definition of 'investment' in place.

Response

NOTED

The Government notes this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Dissenting Recommendation 4 (Greens)

Due to the Minister's presumed ability to determine sector specific funding requirements through setting the Investment Mandates, the CEFC should be updated to align with the Regional Investment Corporation Act 2018 so that Investment Mandates issued by Ministers are instruments disallowable by the Senate or the House of Representatives.

Response

NOTED

The Government notes this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Dissenting Recommendation 5 (Greens)

Given the current funding bottleneck of ARENA with no new funds available and the absence of any overarching rationale, the proposed limitations of CEFC profits being able to be paid to ARENA under the proposed amendment to subsection 50(2) should be removed from the bill.

Response

NOTED

The Government notes this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Dissenting Recommendation 6 (Greens)

To avoid doubt, the inclusion of 'fossil gas' and 'coal' should be inserted alongside carbon capture and storage, nuclear power and nuclear technologies as prohibited investments under section 62 of the Act.

Response

NOTED

The Government notes this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.