

27 May 2010



Committee Secretary
Senate Standing Committee
on Environment, Communications and the Arts
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Inquiry into the Renewable Energy (Electricity) Amendment Bill 2010 [Provisions]; Renewable Energy (Electricity) (Charge) Amendment Bill 2010 [Provisions]; Renewable Energy (Electricity) (Small-scale Technology Shortfall Charge) Bill 2010 [Provisions]

Background

The Western Australian Sustainable Energy Association Inc. (WA SEA) is the peak industry body for sustainable energy in WA.

WA SEA is a chamber of enterprises providing the commercial solution to climate change through their products and services, or that aspire to be more sustainable in their own energy use, inclusive of businesses offering or using services and products that manage or offset greenhouse gas emissions in transition to sustainable energy use.

WA SEA has a strong reputation in Western Australia for authoritative commentary and advocacy on a broad range of energy efficiency and sustainable energy issues, including submissions and media releases – many examples of our contribution can be found on our website.

Many businesses are acting to support the development of the best policy outcomes for the industry by becoming WA SEA members. WA SEA has over 320 industry members from a diversity of enterprises including the majority of the key energy players in Western Australia. This range of companies, businesses, organisations and individuals are involved in sustainable energy practices and including energy efficiency across government, business and the community in: infrastructure; architecture and design of buildings and homes; transport; performance of appliances, vehicles, machinery, and industrial processes; use of renewable energy generation including passive use and solar hot water.

WA SEA is the only business peak body actively supporting comprehensive action on sustainable energy in Western Australia.

WA SEA Corporate members



Submission

WA SEA fully supports the enhanced RET and believes that the separation of the large and small scale markets provides the certainty required for both sides of the market to continue to grow in Australia as well as a diversity of renewable energy solutions that will add to energy security.

WA SEA shares concerns expressed in other submissions to this inquiry that two design features of the LRET will initially oversupply the market and undermine its ability to effectively support large-scale project development and transitional measures need to be put in place to avoid any design features of the new LRET that would increase the supply of banked Renewable Energy Certificates (RECs) in the market and as consequence cause a stall in the market.

A fundamental principle must be that the legislation fosters the development of commercial solutions by private enterprise and minimises the participation of government beyond the appropriate roles of facilitator and regulator. In that context, WA SEA supports the maintenance of an independent trading market for renewable energy certificates.

WA SEA notes the concern raised in other submissions to this inquiry that there are no make good provisions if the SRES fails to deliver at least 4000GWh per annum in order for the enhanced RET to meet the 45,000GWh per year target in 2020. While WA SEA expects that the SRES will easily surpass the amount targeted, some provision to remedy a short fall should it occur should be embedded in the legislation. A simple approach would be additions to the legislation that requires the Australian Government to commit its own operations to be 100% renewable energy powered by 2020, effectively acting as guarantor with any shortfall that might occur to be absorbed by government purchasing.

Yours sincerely

Prof Ray Wills
CEO, Western Australian Sustainable Energy Association Inc. (WA SEA)

WA SEA 2030 VISION

30% energy generation from sustainable sources and 30% reduction of existing use through energy efficiency by 2030

WA SEA - the peak body for sustainable energy in Western Australia

WA SEA promotes the development and adoption of sustainable energy technologies and services that minimise the use of energy through sustainable energy practices and maximise the use of energy from sustainable sources.