

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment and Energy portfolio

Question No: 226
Hearing: Budget Estimates
Outcome: Agency
Program: Clean Energy Regulator (CER)
Topic: Renewable Energy Target – Western Australia
Hansard Page: 67-68
Question Date: 23 May 2017
Question Type: Spoken

Senator Ludlam asked:

Senator LUDLAM: Do you have the information to hand on how many credits Synergy is having to purchase from other states to meet the LRET?

Ms Swirepik: I would not have that specific information to hand. My colleague Mr Williamson might have some idea of the generation that is Western Australia, but we probably do not have a specific figure for that company.

Senator LUDLAM: Or can you point to where I can find that out on the internet? Is there any way of tracking leakage, if you will, of certificates from one state to another? I am interested in industry development in a WA, and other senators are here to represent their own states, and the more of that stuff that is built in WA the happier I will be. But how do we track that kind of thing?

Mr Williamson: It is very difficult to do that but I can give you some numbers in terms of the pipeline of projects Ms Swirepik talked about.

Senator LUDLAM: I would appreciate that but it is a little bit at a tangent. I am interested in the pipeline and I was going to get to that, but to what degree is WA either ahead or behind? If there were to be a per capita LRET target, are we punching above our weight or whatever the opposite of that is?

Mr Williamson: On the last numbers that I saw overall, about average.

Senator LUDLAM: So about 10 per cent?

Mr Williamson: Yes.

Senator LUDLAM: My figures are really different from that. Tell me how I get reliable figures on how WA is doing. I am actually of the understanding that we are falling behind.

Mr Williamson: I would be happy to take that on notice. I talked at the WA Power & Gas Conference recently, and it is running close, but, in terms of the pipeline of announcements, that 3,900 megawatts is really where WA is falling behind.

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Ms Swirepik: I think that is what Mr Williamson is saying—of the recent 3,900 megawatts, I think he said 180 megawatts have come from Western Australia.

Mr Williamson: 180 megawatts.

Senator LUDLAM: I understand that distinction, so that is useful. But 180 is still a long way from 300. Is my 300 number in the ballpark?

Mr Williamson: As Ms Swirepik says, we would have to take that on notice and see what analysis we can do to give you that. To me, 300 megawatts sounds low. In an overall sense, to meet the 2020 target we have to roughly double the existing generation above baseline, so WA would need more than 300 megawatts.

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Senator LUDLAM: The questions that I am putting to you are not based on any obligation in actuality, just on the raw numbers. I presume you understand where I am going with that. Do you have a rule of thumb for how many projects would need to be built, and by when, for WA to meet a notional, state based target?

Mr Williamson: No, we would have to take that on notice.

Senator LUDLAM: I get that it is going to be very dependent on that mix.

Senator Birmingham: If you are meaning a notional state based target of an even share of—

Senator LUDLAM: An even share of capacity. I have been schooled away from using per capita, and I get that, but an even share of generation according to capacity would be really valuable.

Answer:

Under the *Renewable Energy (Electricity) Act 2000*, liable entities must report their total electricity acquisitions and acquit the correct number of Large-scale Generation Certificates to cover their total liability.

A liable entity's acquisitions are not reported or acquitted on a state or territory basis. Any Large-scale Generation Certificate can be used to acquit any large-scale liability regardless of location.

Data held by the Clean Energy Regulator on the REC Registry indicates that entities with a Western Australia address comprise approximately 10 per cent of national reported electricity acquisitions.¹ Your stated aim is to consider a state share with your questioning at the hearing based on a per capital basis. Considering whether new build is a higher or a lower percentage than your state's electricity acquisitions is an additional way to think about a notional state share.

In the 2015 Administrative Report and Annual Statement released last year, the Clean Energy Regulator estimated that a further 6,000 MW of new capacity was required to generate enough Large-scale Generation Certificates to meet the 2020 Large-scale Renewable Energy Target.

Of the total 4,000 MW capacity of new large-scale projects firmly announced so far (between 1 January 2016 and 19 June 2017), the projects firmly announced in Western Australia account for 182 MW capacity (see table below).

The Clean Energy Regulator understands that additional new large-scale projects in Western Australia are likely to be firmly announced.

¹ The percentage of the total Large-scale Generation Certificates required for surrender for the 2016 compliance year that were offered for surrender by Western Australia based liable entities.

Project	MW capacity	Fuel source	Postcode	Offtake Agreement
Emu Downs Solar Farm	20	Solar	6521	Synergy
Carnegie Garden Island PV Plant	2	Solar	6168	Unknown
Byford Solar Project	30	Solar	6122	Kleenheat
Badingarra Wind Farm	130	Wind	6521	Alinta
Total	182			

Please note that the information in this table represents publicly available information as at 19 June 2017.