

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio
Budget Estimates
18 October 2012

Question: SR8
Topic: Renewable Energy Target (RET)
Proof Hansard Page: 15

Senator Cormann asked:

Senator CORMANN: Are you confident that you are on track to achieve the 20 per cent Renewable Energy Target for 2020? In some quarters there seems to be some discussion that it might be difficult, if not impossible, to get there. Can you give us a bit of an update as to where you think that is all at?

Mr Clarke: The Renewable Energy Target is administered by climate change department, it is not administered by this department. So once again we take a keen interest in it as it relates to the electricity market and energy intensive industries-

Senator CORMANN: I am interested in your interest.

Mr Clarke: We are very interested in it, yes.

Senator CORMANN: So how much new capacity by type of renewable energy is under construction now?

Mr Clarke: We have observed, looking at what is on the record and in the pipeline, that the RET has stimulated a tremendous growth of wind energy and most of the take-up has been in wind, talking on the large-scale part.

Senator CORMANN: You cannot be more scientific for us on that? Are you saying that you are just an interested bystander looking at it, or have you got some figures around it?

Mr Clarke: I have got copious analysis. I do not have it in front of me. I am very happy to provide that, or Mr Morling could.

Mr Morling: We will have to take that one on notice.

Senator CORMANN: You not have that at the top of your mind.

Mr Morling: The other thing we would mention is that the Climate Change Authority is undertaking a review of the Renewable Energy Target.

Mr Clarke: I would refer you, and perhaps we could provide this as part of our response on notice, to our principal source of our analytical information on this, the Australian Energy Market Operator, in regard to the NEM, all the grid bar WA and NT, who track very closely the new build, the build that is announced and in the pipeline, and how much energy is actually dispatched from that new build. The AEMO data is our principal mechanism of tracking current and immediate future developments.

Senator CORMANN: But I assume you would be providing advice to the Minister for Resources and Energy on how the government is tracking in terms of meeting the 20 per cent Renewable Energy Target by 2020.

Mr Clarke: We are providing advice on that, yes. We are relying on AEMO in tracking the build and the regulator in the climate change department for tracking the actual performance of the renewable energy certificate market.

Answer:

The Australian Energy Market Operator (AEMO) publishes information about existing generation capacity and new project developments in the National Electricity Market (NEM) on its website: <http://www.aemo.com.au/en/Electricity/Planning/Related-Information/Generation-Information>. AEMO classifies new projects as publicly announced, advanced or committed. Under construction status is generally associated with committed projects. The following three committed projects were included as new renewable project developments by AEMO in their Generation Information spreadsheets as at 31 July 2012.

Project	Owner	Fuel Type	Generation Type	Nameplate Capacity (MW)	Commissioning Start Date
Musselroe (Tasmania)	Hydro Tasmania Wind Operations Pty Ltd	Wind	Wind	168	Jun-13
Macarthur (Victoria)	Macarthur Wind Farm Unincorporated Joint Venture	Wind	Wind	420	Jan-13
Mortons Lane (Victoria)	Mortons Lane Wind Farm Pty Ltd	Wind	Wind	19.5	TBA
TOTAL:				607.5	