
LIST OF RECOMMENDATIONS

Recommendation 1

The Committee recommends that non-plantation native forest wood products and wood wastes be specifically excluded from the list of eligible renewable energy sources.

Recommendation 2

The Committee recommends that the Renewable Energy (Electricity) Bill 2000 be amended to include the list of eligible renewable energy sources, with the provision for more detailed rules and definitions to be included in the regulations.

Recommendation 3

The Committee recommends that future reviews of the 2 per cent measure give consideration to mandating a portfolio of sources, a cap on the contribution of any one source and/or a measure, which recognises the greenhouse intensities of particular sources.

Recommendation 4

The Committee recommends that the legislation be amended to ensure that the shortfall charge is recognised as being a penalty, that it should clearly not be tax deductible and that it be indexed for CPI increases.

Recommendation 5

The Committee recognises that the penalty may not be adequate to encourage liable entities to purchase Renewable Energy Certificates rather than pay the penalty, and/or that it may not deliver a diverse range of technologies, and recommends that the Government consider increasing the penalty. Failing that, the Committee recommends that the behaviour of wholesalers be closely monitored to assess whether they are choosing to pay the charge in lieu of buying available certificates (i.e. for which generation capacity exists). Should this be the case, the level of the charge should be increased to a level at which higher cost renewables, such as wind, will be competitive.

Recommendation 6

The Committee recommends that the time available to liable parties to make up a certificate shortfall and have the charge refunded be reduced from 3 years to 1 year, and that the refund be discounted by 50 per cent for that year.

Recommendation 7

The Committee recommends a regular linear phase-in path of at least 950 GWh each year.

Recommendation 8

The Committee recommends consideration of possible upward revision of the target be included in future reviews of the 2 per cent renewables measure, with a view to establishing a world-class renewable energy industry and increasing the proportion of renewable generation in the years after 2010.

Recommendation 9

The Committee recommends that the Government consult with the Western Australian Government about the circumstances of small remote communities in the Pilbara.

Recommendation 10

The Committee recommends the exclusion of legitimate cogeneration projects from liability under the measure.

Recommendation 11

The Committee recommends that the Bills be amended to provide that the renewable energy liability cannot be incurred twice for the same block of energy.

Recommendation 12

The Committee recommends that the Government take steps to ensure that the renewable electricity generation funded by voluntary contributions to Greenpower schemes in most states is additional to the annual targets and that agreement be reached with the states as soon as possible on a process to ensure that this is the case.

Recommendation 13

The Committee recommends that the Government commences discussions with the States as soon as possible to develop uniform national codes governing interconnections to power grids and uniform arrangements for net metering, which would guarantee a fair price for independent generators.

Recommendation 14

The Committee recommends that the legislation be amended to provide for a wide-ranging review of the measure to be completed within 3 years. The review should be carried out by an independent person or body and receive public input to both its inquiry and conclusions.
