

Sun Power Australia

Additional Comments on the Renewable Energy (Electricity) Bill 2000 and the Renewable Energy (Electricity) (Charge) Bill 2000

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AUSTRALIAN GREENS

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Australia has the researchers, the technology, the sun and the wind. We should be the world's leaders in harnessing renewable energy. I strongly support the Committee's report and recommendations, which will go some way towards achieving this goal.

However the bills make only a minor contribution to reducing greenhouse gas emissions. The evidence given to the Senate Global Warming Inquiry is overwhelming: human activities are causing the Earth to become warmer; we have already set in train sea-level rises that will continue inexorably for centuries; and only urgent and determined action might avert other looming impacts of climate change.

We need a decisive shift away from a fossil-fuel based society to one based on renewable energy, accompanied by a concerted effort to improve energy efficiency. The cost to the environment and society of not making the switch is possible catastrophe. The cost to Australia's fossil-fuel based industries is a small increase in electricity prices, returning to the environment some of the benefit industry has enjoyed from the 30% decrease in power prices over the 1990s¹.

I will be pursuing the following additional measures.

¹ See for example, evidence from Prof. H. Outhred, Senate Global Warming Inquiry, 17 April 2000

1. Targets to reduce greenhouse gas emissions decisively

The government has watered down its original commitment, from an additional 2% of electricity to be sourced from renewables to a specific figure (9500 GWh), which is considerably less than 2% of the projected consumption in 2010. With the current runaway growth in electricity consumption, the target of 9500 GWh will barely be sufficient to maintain Australia's proportion of power from renewable sources at the current 10.7%.

I support the use of specific targets, rather than percentages – if Australia does what is necessary in improving energy efficiency, this should not result in a lower target for renewable energy generation.

The targets should however be high enough to make a real difference to greenhouse gas emissions as well as stimulating the development of new industries. They must also extend well beyond 2010 and 2020, so that industry can plan with confidence.

Denmark has captured world leadership in wind energy with a serious and coherent government-led policy. Its targets for renewable energy are – 12% by 2005, 50% by 2030, 100% by 2050.

With our advantages in both wind and solar energy, we should do no less. Our targets for renewable energy should be –

- 2010 -- an additional 73 000 GWh² from renewable sources in 2010 (equivalent to an additional 10% (rather than 2%), or about 20% of total consumption based on current trends);
- 2030 -- 50% of total consumption
- 2050 -- 100% of consumption (to be converted to numerical targets closer to the time).

When the program is reviewed, the potential for the legislated target to act as a cap rather than a minimum should be addressed. The option of establishing rolling targets should be

² The ESAA estimates that the real target for an additional 2% from renewables in 2010 is 14600 GWh (not 9500 GWh). An additional 10% therefore requires a target of 73 000 GWh).

considered; for example, that the target two years hence would be the previous year's performance plus an increment, or the legislated minimum, whichever is the higher.

2. Adopt the SEDA 'Green Power' standards

I strongly support the Committee's recommendations to include definitions of 'eligible renewable energy sources' in the legislation and to exclude native forest wood.

The definition of eligible sources should mirror the guidelines in the National Green power Accreditation Program prepared by the Sustainable Energy Development Authority. These require assessment of energy sources against broad environmental criteria, including global warming, water and air quality, land use, flora and fauna, cultural heritage, visual and noise impacts.

New large-scale hydro projects, including the proposed Derby 'tidal power' project (which is essentially a dam at the mouth of a tidal creek), should be excluded.

3. Keep Green Power separate

Green Power customers, who pay a higher price to ensure that their energy is renewable, should not be co-opted into paying for industry to meet government-mandated targets. Green Power should not be an 'eligible renewable energy source'.

4. Make the penalty real

The \$40 'penalty' is not a penalty; it is the price at which companies can buy their way out of their obligations. I agree with Dr Clive Hamilton that the legislation should include a real penalty for non-compliance with the goals mandated by parliament. It should be at least \$1000.

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