

# Minority Report from the Australian Greens

The Greens support the Renewable Energy Target legislation and believe there was no need for this Senate Inquiry, the primary objective of which was to buy time for the Coalition who found themselves wedged by Government's cynical move to link the compensation provisions of the Renewable Energy Target Bill to the Carbon Pollution Reduction Scheme Bill.

Further, the Greens believe that no substantive information was presented to the Committee that was not already well understood when the Rudd Government came to power 21 months ago. As this Bill is a simple amendment to an existing Act that is supported by the Coalition, there can be no justification for the long delay in its introduction. Along with the sudden scrapping of schemes such as the Solar Homes and Communities Program and the Renewable Remote Power Generation Program, this delay is evidence of the contempt with which the renewable energy sector is regarded by both the Rudd Government and the Coalition. Both prioritised the interests of the large polluters and their exemptions over the renewable energy industry. The contrast with the Government and the Coalition obsequience to the fossil fuel sector could not be starker.

The Greens position with regard to the Committee's recommendations are as follows:

## **Recommendation 1**

Not supported. The evidence presented to the committee confirms that the long-term projection of electricity generation is difficult, so one review in the year 2014 is inadequate. The Greens believe it would be better to have the Renewable Energy Target expressed as a percentage target, with an annual projection of how such targets translate into a GWh target, for each year of the scheme.

## **Recommendation 2**

Supported. The Greens recommend in addition that a review of the adequacy of the target should be triggered if the REC price falls below a set threshold. An appropriate threshold would be if the REC price falls below \$40 for a period exceeding six months.

## **Recommendation 3**

Not supported. The Greens believe that to avoid further boom and bust cycles and consistent with most schemes internationally, the banking of RECs should be limited to about four years. Unlimited banking acts as a disincentive to later investors.

## **Recommendation 4**

The Greens support the passage of the Bill but will seek to amend the Bill to, *inter alia*:

- Increase Renewable Energy Target to 30% by 2020.
- Express the target in percentage terms rather than as a set GWh target.
- Replace the multiplier for small generators with a gross national feed-in tariff law which is additional to the RET, to support emerging technologies. If this is unsupported then:
  - In relation to the multiplier, remove the 1.5kW cap for PV systems and increase the cap to 10kW for other technology types such as small wind and hydro.
  - Add each years 'phantom RECs' to the following year's target.
- Exclude solar hot water, heat pumps and wood waste from native vegetation from the scheme.
- Limit banking of RECs to four years.
- Delete the provisions to compensate the Emission Intensive Trade Exposed industries.
- Review the operation of the scheme and the adequacy of the target every two years or if the REC price drops below a threshold \$40 for a period of six months.

Further, the Greens note that the plight of off-grid renewable generators is not discussed by the Committee Report. Evidence presented to the Committee indicated that the RET would only provide 20 per cent of the support that had been provided by the recently axed Renewable Remote Power Generation Programme. The Greens amendment to remove the Bills provision which restricts the multiplier to the first 1.5 KW for PV systems is particularly important to correct this mistake.

Finally, we note that paragraph 4.28 of the Committee Report misrepresents the position of the Clean Energy Council. The CEC supports the RET, but they also support a gross feed-in tariff for small scale systems.

**Senator Christine Milne**  
**Australian Greens Spokesperson on Climate Change and Energy**