



# MEDIA RELEASE

## Senator the Hon Penny Wong

*Minister for Climate Change, Energy Efficiency and Water*

PW 142/10

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### MOVING TOWARDS A CLEAN ENERGY FUTURE

The Government is today introducing amendments to the Renewable Energy Target that will create greater investment certainty for large-scale renewable projects such as wind farms, and will ensure support to households for small-scale renewables remains well targeted.

Minister for Climate Change and Energy Efficiency, Senator Penny Wong, has today announced three Government amendments to the enhanced Renewable Energy Target:

- **Excess banked RECs:** In the event of very high numbers of Renewable Energy Certificates (RECs) being created from small-scale renewable sources in the next six months, the Bill includes a provision to temporarily increase the target in 2012 and 2013 to provide greater investment certainty. The 20% by 2020 target will remain, as any temporary increase will be offset by reducing targets by the same total amount of RECs between 2016 and 2019.
- **Household RECs review:** The process for review will be strengthened in the Bill, with the Minister to be given independent advice on matters relating to RECs under the Small-scale Renewable Energy Scheme (SRES), including whether the \$40 REC price remains appropriate over time.
- **Solar Credits:** To provide flexibility to deal with changes in the cost of solar panels, the Renewable Energy Regulator will be given power to adjust the Solar Credits multiplier. The Government will consult on draft regulations to implement this arrangement later this year.

These amendments are the product of ongoing consultation between the Government, renewable energy industry stakeholders and the community and they address many of the issues raised by the Opposition, the Greens and Senator Nick Xenophon.

The amendments will ensure the long-term, sustainable growth of both the small-scale and large-scale renewable energy sector and will support new jobs and investment.

“The enhanced Renewable Energy Target will benefit industry and households, and is a key step in Australia’s transition to a clean energy future,” Senator Wong said.

“It is imperative for the ongoing growth of the renewables sector that the legislation passes the Parliament this week.”

The legislation will split the Renewable Energy Target, which guarantees 20 per cent of Australia’s energy in 2020 will come from renewable sources, into two parts from 1 January 2011 - the Small-scale Renewable Energy Scheme (SRES) and the Large-scale Renewable Energy Target (LRET).

The LRET, covering large-scale renewable energy projects like wind farms, commercial solar and geothermal, will deliver the majority of the 2020 target. The SRES will provide a set level of support to the roll out of small-scale technologies such as solar panels and solar hot water systems.