

# Electricity Feed-in (Renewable Energy Premium) Amendment Act 2009

A2009-8

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# Electricity Feed-in (Renewable Energy Premium) Amendment Act 2009

### A2009-8

An Act to amend the *Electricity Feed-in (Renewable Energy Premium)*Act 2008

The Legislative Assembly for the Australian Capital Territory enacts as follows:

#### 1 Name of Act

This Act is the *Electricity Feed-in (Renewable Energy Premium) Amendment Act 2009.* 

#### 2 Commencement

This Act commences, or is taken to have commenced, on the commencement of the *Electricity Feed-in (Renewable Energy Premium) Act 2008*, section 6.

*Note* The naming and commencement provisions automatically commence on the notification day (see Legislation Act, s 75 (1)).

## 3 Legislation amended

This Act amends the *Electricity Feed-in (Renewable Energy Premium) Act 2008.* 

# 4 Objects of Act Section 3

omit

### 5 New part 1A

insert

# Part 1A Objects and important concepts

### 5A Objects of Act

The objects of this Act are to—

- (a) promote the generation of electricity from renewable energy sources; and
- (b) reduce the ACT's contribution to human-induced climate change; and

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- (c) diversify the ACT energy supply; and
- (d) reduce the ACT's vulnerability to long-term price volatility in relation to fossil fuels.

## 5B Application of Act

- (1) This Act applies to an NEL compliant renewable energy generator installed in the ACT.
- (2) However, this Act does not apply to an NEL compliant renewable energy generator installed at premises if the capacity of the generator, or the total capacity of all the NEL compliant renewable energy generators installed at the premises, is more than 30kW.
- (3) Also, this Act does not apply to an NEL compliant renewable energy generator if the occupier of the premises at which the generator is installed is—
  - (a) a territory agency; or
  - (b) a territory-owned corporation; or
  - (c) the Commonwealth or a Commonwealth authority; or
  - (d) an entity determined by the Minister.
- (4) A determination under this section is a disallowable instrument.

*Note* A disallowable instrument must be notified, and presented to the Legislative Assembly, under the Legislation Act.

(5) In this section:

*Commonwealth authority* means any of the following (other than an educational institution):

(a) a corporation established for a public purpose under a Commonwealth Act;

- (b) a company in which a controlling interest is held by any 1 of the following, or by 2 or more of the following together:
  - (i) the Commonwealth;
  - (ii) a corporation mentioned in paragraph (a);
  - (iii) an entity mentioned in subparagraph (i) or (ii).

#### educational institution means—

- (a) a government school or school-related institution established under the *Education Act 2004*, section 20; or
- (b) a higher education provider; or
- (c) a university.

higher education provider—see the Training and Tertiary Education Act 2003, dictionary.

*territory agency* means any of the following (other than an educational institution):

- (a) the Territory;
- (b) a territory instrumentality, and any other corporation established for a public purpose under a territory law;
- (c) a company in which a controlling interest is held by any 1 of the following, or by 2 or more of the following together:
  - (i) the Territory;
  - (ii) a Minister;
  - (iii) a corporation mentioned in paragraph (b);
  - (iv) an entity mentioned in subparagraphs (i) to (iii).

# 5C Meaning of renewable energy generator and renewable energy source

(1) In this Act:

*renewable energy generator* means an energy generator that generates electricity from a renewable energy source.

renewable energy source means any of the following:

- (a) solar;
- (b) wind;
- (c) any other source determined by the Minister.
- (2) A determination under this section is a disallowable instrument.

Note A disallowable instrument must be notified, and presented to the Legislative Assembly, under the Legislation Act.

#### 5D Meaning of *NEL compliant*

For this Act, a renewable energy generator is *NEL compliant* if, when connected to the distributor's network, it would comply with the rules under the National Electricity (ACT) Law and the National Electricity (ACT) Regulations that apply to an embedded generation unit.

# Feed-in from renewable energy generators to electricity network Section 6 (3) and (4)

omit

## 7 Section 6 (5)

omit

at the applicable rate under

substitute

in accordance with

## 8 Section 6 (5)

after

generated by the generator

insert

on or after the day the application is made

#### 9 New section 6A

insert

# 6A What is the normal cost of electricity?

- (1) The Minister may determine an amount to be the *normal cost of electricity* in relation to a period.
- (2) A determination is a notifiable instrument.

*Note* A notifiable instrument must be notified under the Legislation Act.

- (3) The Minister may make guidelines for a determination under this section.
- (4) A guideline is a disallowable instrument.

Note A disallowable instrument must be notified, and presented to the Legislative Assembly, under the Legislation Act.

#### 10 Section 8

substitute

## 8 Payment for electricity from renewable energy generators

- (1) For section 6 (5), payment must be at the following rate:
  - (a) for electricity generated by generators installed at the premises the total capacity of which is not more than 10kW—
    - (i) 100% of the premium rate; or
    - (ii) if another percentage is determined under section 9 for this paragraph—that percentage of the premium rate;
  - (b) for electricity generated by generators installed at the premises the total capacity of which is more than 10kW but not more than 30kW—
    - (i) 80% of the premium rate; or
    - (ii) if another percentage is determined under section 9 for this paragraph—that percentage of the premium rate.
- (2) Payment must be made to the occupier quarterly in arrears for the total amount of electricity generated by the generator.

#### 11 New section 8A

insert

### 8A Recovery of cost of renewable energy premium

- (1) This section applies if a supplier of electricity services imposes a recovery of costs on electricity consumers to recover the cost of a renewable energy premium payable to an occupier under this Act.
- (2) The recovery of costs must be imposed on an electricity consumer in a way that is in proportion to the amount of electricity used by the consumer.

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# 12 Determination of premium rate Section 10 (1)

substitute

(1) For each financial year, the Minister must, not later than 3 months before the financial year, determine the premium rate for amounts payable by an electricity supplier under section 6 (Feed-in from renewable energy generators to electricity network) during the year.

# 13 Determination of premium rate New section 10 (3) (aa)

before paragraph (a), insert

(aa) must seek the advice of the Independent Competition and Regulatory Commission to assist the Minister to determine the premium rate; and

# 14 New section 10 (3) (b) (iiia)

insert

(iiia) any advice received from the Independent Competition and Regulatory Commission in response to a request under paragraph (aa);

#### 15 New section 10 (5)

insert

- (5) If the Minister receives any advice requested under subsection (3) (aa), the Minister must—
  - (a) present a copy of the advice to the Legislative Assembly within 3 sitting days after receiving the advice; and
  - (b) give a copy of the advice to each member of the Legislative Assembly—
    - (i) at least 14 days before the Minister makes the determination; but
    - (ii) within 30 days after receiving the advice.

# 16 Premium rate—20 years Section 11 (2)

substitute

- (2) For subsection (1), a generator is taken to remain connected to the network—
  - (a) during any temporary interruption to the connection for repair or maintenance work or relocation of the connection or generator at the same premises; or
  - (b) if the generator is transferred with the premises to another occupier; or
  - (c) if the generator is transferred to other premises which the occupier occupies.

#### 17 Dictionary, note 2

insert

quarter

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### 18 Dictionary, new definitions

insert

National Electricity (ACT) Law means the provisions applying in the ACT because of the Electricity (National Scheme) Act 1997, section 5.

National Electricity (ACT) Regulations means the provisions applying in the ACT because of the Electricity (National Scheme) Act 1997, section 6.

*NEL compliant*—see section 5D.

normal cost of electricity—see section 6A.

# 19 Dictionary, definitions of *premium rate* and *renewable* energy source

substitute

*premium rate*, for electricity supplied from a renewable energy generator to an electricity distributor's network, means the premium rate determined under section 10 for the first financial year in which both—

- (a) the generator is connected to the network to enable electricity generated by the generator to be supplied to the network; and
- (b) the occupier of the premises where the generator is located makes the application for payment mentioned in section 6 (5).

renewable energy generator—see section 5C.

renewable energy source—see section 5C.

#### **Endnotes**

#### 1 Presentation speech

Presentation speech made in the Legislative Assembly on 12 February 2009.

#### 2 Notification

Notified under the Legislation Act on 2 March 2009.

### 3 Republications of amended laws

For the latest republication of amended laws, see www.legislation.act.gov.au.

I certify that the above is a true copy of the Electricity Feed-in (Renewable Energy Premium) Amendment Bill 2009, which was passed by the Legislative Assembly on 26 February 2009.

Clerk of the Legislative Assembly

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