

2008

THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

(As presented)

(Mr Mick Gentleman)

Electricity Feed-in (Renewable Energy Premium) Bill 2008

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Electricity Feed-in (Renewable Energy Premium) Bill 2008

A Bill for

An Act about the supply of electricity from solar and other renewable energy sources to electricity distributors, and for other purposes

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

J2007-257

Authorised by the ACT Parliamentary Counsel—also accessible at www.legislation.act.gov.au

1 **Part 1 Preliminary**

2 **1 Name of Act**

3 This Act is the *Electricity Feed-in (Renewable Energy Premium)*
4 *Act 2008*.

5 **2 Commencement**

6 This Act commences on the day after its notification day.

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

9 **3 Object of Act**

10 The object of this Act is to promote the generation of electricity
11 from renewable energy sources.

12 **4 Dictionary**

13 The dictionary at the end of this Act is part of this Act.

14 *Note 1* The dictionary at the end of this Act defines certain terms used in this
15 Act, and includes references (*signpost definitions*) to other terms
16 defined elsewhere.

17 For example, the signpost definition '*electricity distributor*—see the
18 *Utilities Act 2000*, dictionary.' means that the term 'electricity
19 distributor' is defined in that dictionary and the definition applies to this
20 Act.

21 *Note 2* A definition in the dictionary (including a signpost definition) applies to
22 the entire Act unless the definition, or another provision of the Act,
23 provides otherwise or the contrary intention otherwise appears (see
24 Legislation Act, s 155 and s 156 (1)).

1 **5** **Notes**

2 A note included in this Act is explanatory and is not part of this Act.

3 *Note* See the Legislation Act, s 127 (1), (4) and (5) for the legal status of
4 notes.

1 **Part 2** **Renewable energy—supply to**
2 **electricity distributors**

3 **6** **Feeding-in electricity from renewable energy generators**
4 **to electricity distribution network**

- 5 (1) This section applies to an electricity distributor licensed to distribute
6 electricity through an electricity network.
- 7 (2) It is a condition of the distributor's licence that the distributor must,
8 on application by the occupier of premises at which there is a
9 renewable energy generator—
- 10 (a) connect the generator to the distributor's network to enable
11 electricity generated by the generator to be supplied to the
12 network; and
- 13 (b) buy the electricity supplied to the network from the generator
14 in accordance with subsection (3).
- 15 (3) The distributor must pay the occupier for the total amount of
16 electricity supplied to the distributor's network from renewable
17 energy generators at the occupier's premises—
- 18 (a) if the total capacity of the generators is not more than
19 10kWh—at the premium rate; and
- 20 (b) if the total capacity of the generators is more than 10kWh, and
21 not more than 30kWh—at 80% of the premium rate; and
- 22 (c) if the total capacity of the generators is more than 30kWh—at
23 75% of the premium rate.

24 **7** **Utility service**

25 The action required by a distributor under section 6 is a utility
26 service for the *Utilities Act 2000*.

- 1 **8 Renewable energy generator—standards**
- 2 (1) An electricity distributor must determine the standards that apply in
- 3 relation to renewable energy generators that may be connected to
- 4 the distributor’s electricity network.
- 5 (2) A determination under this section is a notifiable instrument.
- 6 *Note* A notifiable instrument must be notified under the Legislation Act.
- 7 (3) The distributor must also—
- 8 (a) publish the standards in a daily newspaper published and
- 9 circulating in the ACT; and
- 10 (b) make copies of the standards available for public inspection
- 11 during office hours at the distributor’s business premises.

- 1 **Part 3** **Renewable energy premium—**
2 **determination of rate**
- 3 **9 Determination of premium rate**
- 4 (1) For each financial year, the Minister must determine the premium
5 rate payable by an electricity distributor for electricity supplied to
6 the distributor's network from renewable energy generators
7 connected to the network during the year.
- 8 (2) A determination is a disallowable instrument.
- 9 *Note* A disallowable instrument must be notified, and presented to the
10 Legislative Assembly, under the Legislation Act.
- 11 (3) In making a determination, the Minister—
12 (a) must give priority to the following:
13 (i) the need to encourage the generation of electricity from
14 renewable sources;
15 (ii) the need to reduce emissions from greenhouse gases;
16 (iii) the desirability of customers being able to recoup
17 investment on renewable energy generators within a
18 reasonable time; and
19 (b) must have regard to the following:
20 (i) the distributor's costs in making payments under this Act;
21 (ii) anything else the Minister considers relevant.
- 22 (4) Until the Minister determines the premium rate under this section,
23 the premium rate is 3.88 times the highest retail price of electricity
24 for a domestic customer on the day this Act commences.

1 **10 Premium rate—20 years**

- 2 (1) The premium rate for the financial year in which a renewable energy
3 generator is connected to a distributor's network applies, if the
4 generator remains connected to the network, in relation to electricity
5 supplied to the network from the generator during the 20 years after
6 the date of the connection.
- 7 (2) For subsection (1), a generator is taken to remain connected to the
8 network during any temporary interruption to the connection for
9 repair or maintenance work or relocation of the connection or
10 generator at the same premises.

1 **Part 4** **Miscellaneous**

2 **11** **Regulation-making power**

- 3 (1) The Executive may make regulations for this Act.

4 *Note* Regulations must be notified, and presented to the Legislative
5 Assembly, under the Legislation Act.

- 6 (2) A regulation may make provision in relation to notices to be placed
7 at premises where a renewable energy generator is located.

- 8 (3) A regulation may create offences and fix maximum penalties of not
9 more than 10 penalty units for the offences.

10 **12** **Review of operation of Act**

- 11 (1) The Minister must review the operation of this Act at least once
12 every 5 years (a *review period*) after the day this Act commences.

- 13 (2) The Minister must present a copy of the report of the review for a
14 review period to the Legislative Assembly not later than 6 months
15 after the end of the review period.

16 **13** **Independent Competition and Regulatory Commission**
17 **Act 1997, new section 20 (2) (l)**

18 *insert*

- 19 (l) if the regulated service is the supply of electricity—the cost of
20 electricity supplied under the *Electricity Feed-in (Renewable*
21 *Energy Premium) Act 2008*.

1 **14 Independent Competition and Regulatory Commission**
2 **Act 1997, new section 20AA**

3 *after section 20, insert*

4 **20AA Price regulation—renewable energy premium**

5 (1) This section applies if—

6 (a) the commission is required to make a decision under
7 section 20 (1) in relation to the price of electricity; and

8 (b) the terms of reference for the reference to the commission
9 include the cost of electricity supplied under the *Electricity*
10 *Feed-in (Renewable Energy Premium) Act 2008*.

11 (2) In making the decision, the commission must direct that any
12 increase in the price of electricity attributable to the cost of
13 renewable energy feed-in is applied to consumers in proportion to
14 the amount of electricity used by each consumer.

15 **Example**

16 price increases are discounted for certain groups like low level users or pensioner
17 concession card holders

18 *Note* An example is part of the Act, is not exhaustive and may extend, but
19 does not limit, the meaning of the provision in which it appears (see
20 Legislation Act, s 126 and s 132).

Dictionary

(see s 3)

Note 1 The Legislation Act contains definitions and other provisions relevant to this Act.

Note 2 For example, the Legislation Act, dict, pt 1, defines the following terms:

- disallowable instrument (see s 9)
- Executive
- Minister (see s 162)
- regulation
- under.

customer—see the *Utilities Act 2000*, section 17.

electricity distributor—see the *Utilities Act 2000*, dictionary.

electricity network—see the *Utilities Act 2000*, section 7.

occupier, for premises, means the retail electricity customer for the premises.

premium rate, for electricity supplied from a renewable energy generator to an electricity distributor's network, means the premium rate determined under section 9 for the financial year in which the generator was first connected to the network.

renewable energy generator means a device that—

- (a) generates electricity exclusively from a renewable energy source; and
- (b) for a photovoltaic generator with a capacity that is not more than 10kVA for a single phase connection—complies with AS 4777 (*Grid connections of energy systems via inverters*); and
- (c) for a photovoltaic generator with a capacity that is more than 10kVA for a single phase connection—complies with the distributor's standard under section 8; and

- 1 (d) for a photovoltaic generator with a capacity that is not more
2 than 30kVA for a three phase connection—complies with
3 AS 4777 (*Grid connections of energy systems via inverters*);
4 and
- 5 (e) for a photovoltaic generator with a capacity that is more than
6 30kVA for a three phase connection—complies with the
7 distributor’s standard under section 8.
- 8 ***renewable energy source*** means any of the following:
- 9 (a) solar;
- 10 (b) wind;
- 11 (c) any other source prescribed by regulation.

Endnotes

1 Presentation speech

Presentation speech made in the Legislative Assembly on 2008.

2 Notification

Notified under the Legislation Act on 2008.

3 Republications of amended laws

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