

**2019**

**LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**Electricity Feed-in (Large-scale Renewable Energy Generation)  
Amendment Bill 2019**

**EXPLANATORY STATEMENT**

**Presented by  
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## **EXPLANATORY STATEMENT**

This explanatory statement relates to the *Electricity Feed-in (Large-scale Renewable Energy Generation) Amendment Bill 2019* (the Bill) as presented to the ACT Legislative Assembly. It has been prepared in order to assist the reader of the Bill and to help inform debate on the Bill. It does not form part of the Bill and has not been endorsed by the Legislative Assembly.

The explanatory statement must be read in conjunction with the Bill. It is not, and is not meant to be, a comprehensive description of the Bill. What is said about a provision is not to be taken as an authoritative guide to the meaning of a provision, this being a task for the courts.

### **Background**

The *Electricity Feed-in (Large-scale Renewable Energy Generation) Act 2011* (the Act) allows for the Minister to grant feed-in tariffs (FiTs) to renewable energy generators. FiTs represent a guaranteed price for the energy created by the generators.

Section 9 of the Act sets a limit on the total, aggregate capacity of the generating systems that may hold FiT entitlements. This limit is currently set to 650 megawatts (MW). To date, 641 MW of FiT entitlements have been granted.

The *Climate Change and Greenhouse Gas Reduction (Renewable Electricity Target) Amendment Act 2019* sets a target of 100 per cent renewable electricity for the ACT on an ongoing basis from 2020. As electricity consumption in the ACT is increasing and will continue to increase over the coming years, an upper limit of 650MW will be insufficient to meet the 100 per cent commitment.

A FiT limit determined via disallowable instrument, rather than prescribed in the Act, will provide greater flexibility in allowing the Minister to set a limit consistent with the 100 per cent commitment to renewable electricity in response to a renewable electricity procurement, without requiring amendments to the Act.

### **Overview of the Bill**

The Bill replaces the fixed 650 MW limit in the Act with a limit determined by the Minister by disallowable instrument.

The Bill requires the Minister to consider if the limit is reasonably necessary to achieve compliance with a renewable energy target mentioned in or determined under section 9(1) or (2)(a) of the *Climate Change and Greenhouse Gas Reduction Act 2010*. Currently, the only target set by section 9 is 100 per cent renewable electricity on and from 1 January 2020.

## **Scrutiny of Bills Committee Principles**

This Bill is consistent with the Scrutiny of Bills Committee Principles in that it:

- (a) Does not unduly trespass on personal rights and liberties;
- (b) Does not make rights, liberties, and/or obligations unduly dependent upon insufficiently defined administrative powers;
- (c) Does not make rights, liberties and/or obligations unduly dependent upon nonreviewable decisions;
- (d) Does not inappropriately delegate legislative powers; and
- (e) Does not insufficiently subject the exercise of legislative power to parliamentary scrutiny

Changing the means by which the limit is set from being prescribed in primary legislation to being able to be determined by the Minister by way of disallowable instrument will provide greater flexibility to adapt to electricity demands in the ACT, while maintaining legislative scrutiny in requiring the instrument to be subject to disallowance procedures.

## **Human Rights**

The Bill has been reviewed as compatible with the *Human Rights Act 2004*.

## **Provisions in detail**

### **Clause 1      Name of Act**

This clause names the Amendment Bill as the *Electricity Feed-in (Large-scale Renewable Energy Generation) Amendment Act 2019*.

### **Clause 2      Commencement**

This clause provides that the Bill will commence on the day after its notification day.

### **Clause 3      Legislation amended**

This clause states that the Bill amends the *Electricity Feed-in (Large-scale Renewable Energy Generation) Act 2011*.

### **Clause 4      FIT Capacity Section 9**

This clause amends section 9 of the Act which currently sets the upper limit on the feed-in tariff (FiT) capacity that may be released by the Minister under Section 10. The clause replaces the fixed 650 MW limit with a requirement that the Minister determine a limit via a disallowable instrument.

This clause requires the Minister to consider if the limit is reasonably necessary to achieve compliance with a renewable energy target mentioned in or determined under the *Climate Change and Greenhouse Gas Reduction Act 2010*, section 9 (1) or (2) (a).