

Energy Efficiency (Cost of Living) Improvement (Priority Household Target) Determination 2023

Disallowable instrument DI2023–157

made under the

Energy Efficiency (Cost of Living) Improvement Act 2012, s 8 (Priority household target)

EXPLANATORY STATEMENT

Introduction

This explanatory statement relates to the *Energy Efficiency (Cost of Living) Improvement (Priority Household Target) Determination 2023* (the **Determination**) as presented to the Legislative Assembly. It has been prepared in order to assist the reader of the Determination. It does not form part of the Determination and has not been endorsed by the Assembly.

This explanatory statement clarifies the intent of the Determination and must be read in conjunction with the Determination. It is not, and is not intended to be, a comprehensive description of the Determination. What is written 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.

Overview

The *Energy Efficiency (Cost of Living) Improvement Act 2012* (the **Act**) requires National Energy Retail Law (**NERL**) retailers to achieve energy savings in households and small-to-medium enterprises. The purpose is to help households and businesses reduce emissions associated with energy use and reduce energy use and costs, which is key for delivering on the ACT's emission reduction targets.

Under section 8(1) of the Act:

- the Minister must determine a priority household target (a **PHT**) for the total energy savings to be achieved by tier 1 NERL retailers undertaking eligible activities¹ at priority households;
- the PHT must be expressed as a percentage of the retailer's energy savings obligation of tier 1 NERL retailers in the ACT; and

¹ Eligible activities are determined pursuant to section 10 of the Act.

- the PHT only applies for the relevant calendar year (as per the definition of *compliance period* in section 12 of the Act).

The Determination sets the PHT at 40 per cent for 1 January 2024 to 31 December 2024. This target has not increased from the value set for the 2023 compliance period. The aim of the PHT is to ensure that a proportion of the prescribed energy savings target is met through activities administered in priority households.

The instrument does not engage human rights under the *Human Rights Act 2004*.

A regulatory impact statement has been prepared for this instrument.