Australian Renewable Energy Agency (Repeal) Bill 2014 Submission 89



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Senate Standing Committee on Economics PO Box 6100 Parliament House CANBERRA ACT 2600

Dear Chair

I write to you in regards to the inquiry that is currently being held into the Australian Renewable Energy Agency (Repeal) Bill 2014. I thank you for the opportunity to make a submission to the inquiry.

The NSW Government is working to position NSW as an attractive investment destination for renewable energy projects. In September last year we released the NSW Renewable Energy Action Plan. The Plan positions NSW to increase the use of energy from renewable sources at least cost to the energy customer and with maximum benefits to NSW.

The NSW Government recently demonstrated its support for renewable energy in its submission to the Federal review of the Renewable Energy Target (RET), which identified the benefits to consumers and households from the Scheme. The NSW Government supports retaining but reforming the RET.

The Government sees the work of the Australian Renewable Energy Agency (ARENA) as being able to complement energy policies such as the RET.

NSW supports the role ARENA can play in this context and values the significant investment ARENA is making in NSW, which since its establishment in 2012 has grown to total \$314m.

ARENA has a unique and crucial role in providing funds to develop technologies and to improve investor confidence in renewable energy projects and strengthen those projects' chances of success.

ARENA is helping to lead Australian researchers, who are world-renowned in certain renewable technology segments, to extend their leadership, while bringing a renewed focus to demonstration and commercialisation of renewable energy solutions. By focusing on achieving commercial outcomes in Australia - using both local and foreign technology - ARENA will help to ensure that the Australian economy benefits fully from its renewable energy investments.

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The joint ARENA and NSW Government Solar Flagships project at Broken Hill and Nyngan is a strong example of State and Federal Government collaboration.

As I am sure you can appreciate, the projects supported by ARENA are of the type that the Government supports being developed in NSW. They bring material benefits to regional communities and the State economy, whilst providing a valuable and clean supply of energy into the market.

This is in line with Goal 3 of the NSW 2021 Plan to drive economic growth in regional NSW and Goal 5 to place downward pressure on the cost of living, as renewable energy places downward pressure on wholesale electricity prices.

The benefits to regional communities are twofold in the direct employment created by the sector, as well as the indirect benefits. Much of the impact of the renewable energy industry in economic terms is by way of the indirect benefits across a diverse range of skill sets in areas as varied as manufacturing, installation, research and development and distribution.

I wish to note our support for the role of ARENA and hope to continue working with their team to improve the competitiveness of renewable energy technologies and to increase the supply of renewable energy in Australia.

Yours sincerely

Anthony Roberts MP

Minister for Resources and Energy

Special Minister of State