



Minister for Climate Change and Water

Mrs Julia Irwin MP
Chair
Standing Committee of Petitions
PO Box 6021
Parliament House
CANBERRA ACT 2600

7 NOV 2008

Dear Mrs Irwin

Thank you for your letter of 26 June 2008 to the Minister for the Environment, Heritage and the Arts, the Hon Peter Garrett AM MP, concerning mandatory renewable energy targets. Minister Garrett has referred your letter for my consideration as the Minister for Climate Change and Water.

Renewable energy has an important role to play in helping tackle climate change. The Australian Government is committed to ensuring that 20 per cent of Australia's electricity is supplied from renewable energy sources by 2020.

To deliver on this commitment, the Government, in consultation with the states and territories is developing a national Renewable Energy Target (RET) scheme that will include a legislated target of 45 000 gigawatt-hours in 2020. The RET will expand on the existing Mandatory Renewable Energy Target and absorb state and territory renewable energy targets into a single national scheme.

The Government has also committed to the \$500 million Renewable Energy Fund which will provide support for the large scale demonstration of new renewable energy technologies in Australia. \$50 million from this fund will be used to support Australia's emerging geothermal energy industry through a Geothermal Drilling Program and \$15 million will be used for the Second Generation Biofuels Research and Development Program.

The \$150 million Energy Innovation Fund will support innovation in clean energy technologies. \$100 million of the Energy Innovation Fund will support research into solar thermal and solar photovoltaic technology, including the formation of an Australian Solar Institute, and \$50 million will fund the Clean Energy Program to provide research and development grants for clean energy technologies.

Yours sincerely

Penny Wong