



10 August 2022

Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Secretary,

Thank you for the opportunity to provide a submission in response to the Climate Change Bill 2022 (**the Bill**) and the Climate Change (Consequential Amendments) Bill 2022.

The Clean Energy Council (**the CEC**) is the peak body for the renewable energy sector in Australia, representing over 1,100 member companies working across the solar, wind, hydro, energy storage and renewable hydrogen sectors. Our mission is to accelerate Australia's clean energy future.

The CEC strongly supports the rapid passage of this legislation by the 47th Parliament. Legislated, economy-wide emissions reduction targets will provide greater certainty to the renewable energy sector of Australia's decarbonisation pathway, and assist it to make investment decisions and deploy capital and infrastructure in a timely manner.

Australia's energy sector has been on a rollercoaster over the course of the past decade (and longer), and that turbulence has resulted in uncertainty about when and where to invest, higher levels of project risk, higher costs to electricity consumers, higher emissions, and a missed opportunity to build a long-term, skilled workforce and manufacturing sector to support a vibrant clean energy sector.

This Bill provides a framework that will underpin long-term investment confidence about our destination through the 43 per cent reduction by 2030 and net zero emissions target by 2050, and encourage a robust and transparent process for establishing the emissions trajectory along the way.

While these targets should be strengthened in the future, the priority is for Australia to provide certainty to investors and industry now on the higher level of ambition. These targets stipulated within the Bill should be seen as a floor, rather than a ceiling, to Australia's emissions reduction effort. We therefore welcome the note to s.10(1) of the Bill that specifies that "the achievement of a target involves reducing Australia's net greenhouse gas emissions to a level that is at or below the target." It is important that the 2030 target, and all future targets, represent a minimum level of achievement rather than an upper bound on effort.

We note that Members have put forward a number of amendments to the Bill, and **we support the following changes:**

- **Ms Tink’s proposed amendment (s.14(6))** regarding tabling advice, such that the Climate Change Authority’s advice must be tabled in each House of the Parliament within 15 sitting days of that House after giving the advice to the Minister.
- **Ms Daniel’s proposed amendment in s.10(1)** to emphasise that 43 per cent is the minimum emissions reduction and that there is no impediment to going further.
- **Ms Spender’s proposed amendment in s.12(1)** requiring the Annual Climate Change Statement to consider the effectiveness of federal policies to meet targets *and to reduce emissions in the sectors covered by those policies.*

With the costs and consequences of climate impacts (heat waves, flooding, bushfires, drought) already being acutely felt by Australia and other regions throughout the world, **there is also merit providing flexibility for the net zero target to be brought forward ahead of 2050**, based on the independent expert advice of the Climate Change Authority.

Australia can go further, faster, led by the renewable energy sector

Australia’s renewable energy sector has been the single biggest contributor to Australia’s emissions reductions over the past decade and has proven its ability to meet and beat any target put in front of it. A clean energy transition is the precursor for the full decarbonisation of many other sectors of the Australian economy, and we have the capacity to go further, faster, over the coming decade, with the right policy support and predictable settings. The CEC outlined specific renewable energy policies that would assist with emissions reduction in our [Roadmap for a Renewable Energy Future](#) that we prepared for the recent federal election.

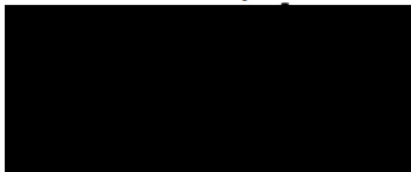
While the Bill would be improved by the inclusion of explicit policy mechanisms for emissions reduction, such as an emissions cap and trading scheme (widely regarded as the most flexible and efficient approach to driving down emissions), it does provide a clear goal and a robust framework in which further policy detail can be developed by the Government of the day to ensure that these targets are met.

A planned transition begins with a clear destination

This Bill enables Australia to finally, and properly, get under way on a planned transition, in which private capital, industries, business, workers and communities can make informed decisions about their futures based on an understanding of where we are collectively headed. The power of this Bill to support self-determination should not be underestimated.

In conclusion, the CEC supports this Bill to help Australia unlock its full potential to reduce emissions, confidently grow a clean economy, draw on our huge renewable energy resources to power our economic recovery and expansion, and secure our economic prosperity in a carbon-constrained world.

Yours sincerely,



Kane Thornton
Chief Executive