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19 December 2024

Dr Sean Turner Committee Secretary Senate Economics Legislation Committee

Dear Dr Turner

Submission to the Senate Economics Legislation Committee - Future Made in Australia (Production Tax Credits and Other Measures) Bill 2024

I refer to your correspondence on 9 December 2024 inviting the Clean Energy Regulator (CER) to make a submission on the Future Made in Australia (Production Tax Credits and Other Measures) Bill 2024.

This submission focuses on the CER's role as a proposed co-administrator of the Hydrogen Production Tax Incentive (HPTI) component of the Future Made in Australia (Production Tax Credits and Other Measures) Bill 2024.

The CER is an economic regulator with the purpose of accelerating carbon abatement for Australia. We administer various schemes that measure, manage, reduce and offset carbon emissions including the Renewable Energy Target, Australia Carbon Credit Unit Scheme, the National Greenhouse and Energy Reporting Scheme and the Safeguard Mechanism. The CER will also administer the Guarantee of Origin (GO) scheme that the HPTI proposes to leverage.

The GO scheme is an internationally aligned assurance scheme being developed to track, verify and certify emissions associated with renewable electricity and clean products, starting with hydrogen. The scheme is expected to commence in the second half of 2025.

The CER has been engaging closely with Treasury, the Department of Climate Change, Energy, the Environment and Water (DCCEEW) and the Australian Taxation Office (ATO) to ensure the HPTI design leverages the GO scheme efficiently. This has included collaborating with DCCEEW during the design of the GO scheme to consider HPTI administration requirements – for example, leveraging existing processes in the GO scheme to capture information about hydrogen facilities that will be used to assess HPTI eligibility. This will streamline the reporting process for hydrogen producers seeking to access HPTI and provide integrity and confidence that incentives issued under the scheme are for genuine, eligible hydrogen production.



Future Made in Australia (Production Tax Credits and Other Measures) Bill 2024 [Provisions] Submission 4

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The CER has an established regulatory relationship with the ATO. Should this measure proceed, this relationship can be further developed to support effective and efficient co-administration of the HPTI scheme.

Yours sincerely



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