

Inquiry: Renewable Energy (Electricity) Amendment Bill 2010 [Provisions]; Renewable Energy (Electricity) (Charge) Amendment Bill 2010[Provisions]; Renewable Energy (Electricity) (Small-scale Technology Shortfall Charge) Bill 2010 [Provisions].

Sustainable Energy Now Inc. (SEN) believes the legislation should be amended to remove three currently eligible sources of RECs. All three sources artificially inflate the perceived amount of electricity generated by renewable means. This will create a false perception of Australia's progress towards a target of 20% renewables by 2020 and impact our credibility internationally. The three sources are:

1. All RECs created as part of the deemed generation from solar hot water systems (SHWs). These systems may displace electricity generation (of any form) but in themselves do not reflect generation of electricity by renewable means. The inclusion of SHW in the RET scheme has seen them severely overshadow small generation units (SGU) such that they represent almost 95% of systems and RECs in this small-scale area (Office of the Renewable Energy Regulator Annual Report 2008. <http://www.orer.gov.au/publications/pubs/2008-administrative-report.pdf>).
2. Additional RECs created as part of the Solar Credits multiplier. These do not relate to any form of electricity generation
3. WCSG. This is not a renewable energy resource and strictly does not qualify as an eligible energy source as stated in Section 17 (2) of the Act:

*" (2) Despite subsection (1), the following energy sources are not eligible renewable energy sources:
(a) fossil fuels;
(b) materials or waste products derived from fossil fuels."*

SEN is fully supportive of government initiatives to encourage the take-up of small-scale photovoltaic and solar hot water systems, however, we believe there are more effective approaches which do not create this false perception.

SEN is also concerned with what are effective legislative subsidies for Emissions Intensive Trade Exposed (EITE) industries.

Sustainable Energy Now Inc.

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