

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].

I believe 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. These systems may displace electricity generation (of any form) but in themselves do not reflect generation of electricity by renewable means
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."*

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

Angus King

20-May-2010