Submission No: 54

## **CHIEF MINISTER**

TREASURER MINISTER FOR BUSINESS AND ECONOMIC DEVELOPMENT
MINISTER FOR INDIGENOUS AFFAIRS MINISTER FOR THE ENVIRONMENT, WATER AND
CLIMATE CHANGE MINISTER FOR THE ARTS

MEMBER FOR GINNINDERRA

The Committee Secretary
House of Representatives Standing Committee
on Industry and Resources
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Sir or Madam

I refer to the Hon Geoff Prosser's letter of 10 May 2007 requesting submissions to the Standing Committee on Industry and Resources' Case Study into Renewable Energy in Australia.

The ACT Government supports the work of the Standing Committee in examining the relative state of the development of renewable energy sectors in Australia. While the ACT is largely unsuitable for large-scale renewable energy development, we strongly support the development of renewable energy both on a large and micro scale. The ACT Government believes that a secure supply of electricity in the future will depend upon investing in a diversity of energy options, with renewable energy playing an increasingly important role.

There is significant potential in energy efficiency and renewable energy and we believe that the Government has a role in stimulating research and development in these areas. The ACT is privileged to be host to one of the premier solar research facilities in the country through the Australian National University.

As renewable energy is not as developed or mature as energy derived from fossil fuels, the Standing Committee should be careful in applying normal commercial tests to the renewable energy sector. The ACT Government believes that with further support the commercialisation of renewable energies will strengthen the diversity of the energy portfolio in Australia.

The ACT Climate Change Strategy and first Action Plan will be released shortly. These documents will outline the direction and action the ACT Government will take to reduce our own emissions and encourage Canberrans to act on the issue. For the first Action Plan the Government is considering initiatives such as:

- · showcasing renewable and efficient technologies;
- feed-in tariffs, which reward consumers who feed energy back into the grid from distributed generation (eg, solar panels on houses); and
- solar hot water systems being mandatory for new houses.

Ms Sarah Burrows, Senior Policy Officer, Sustainability Policy and Programs, is the contact officer for this process. Ms Burrows may be contacted on telephone (02) 6207 3094 or at <a href="maintain:sarah.burrows@act.gov.au">sarah.burrows@act.gov.au</a>.

I look forward to learning of the outcomes of the Standing Committee's Case Study into Renewable Energy.

Yours faithfully

Jon Stanhope MLA

Minister for the Environment, Water and Climate Change

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