

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment and Energy portfolio

Question No: 282
Hearing: Additional Estimates
Outcome: Agency
Programme: Clean Energy Regulator
Topic: Annual targets and generation levels for 2016 to 2020
Hansard Page:
Question Date: 14 March 2017
Question Type: Written

Senator Back, Chris asked:

Would you please provide information in a table showing for each year from 2016 to 2020: the legislated target for that year, the actual or expected generation level for that year, the shortfall for that year, the number of LGCs left in the market (yet to be surrendered) in that year, the estimated amount of new generation that would be required to meet the legislated target in the following year and the amount of new build (in megawatts) that will be required to meet the target in the following year.

Answer:

Refer to answers in responses to Questions on Notice numbers 284 and 280.

The table below represents one potential pathway to meeting the Large-scale Renewable Energy Target with reasonable Large-scale Generation Certificates (LGCs) liquidity. All estimates may be subject to change. Any estimates provided beyond 2017 have a high degree of uncertainty.

Compliance Year	Legislated target (LGCs)	Actual or expected validated LGCs¹	Shortfall (LGCs)²	Available LGCs after surrender (LGCs)	Estimated new generation required (LGCs)	Estimated new accredited build required to generation enough LGCs (MW)⁴
2016	21,431,000	17.3 million (actual)	2,284,027 (actual)	13.4 million (actual) [#]	0.8 million (actual)	494 (actual)
2017	26,031,000	20 million (estimated)	Unknown	7.4 million (estimated)	2.7 million (estimated)	780 (estimated)
2018	28,637,000	23.7 million (estimated)	Unknown	3 million (estimated) ³	3.7 million (estimated)	2,450 (estimated)
2019	31,244,000	Too early to estimate	Unknown	Unknown ³	Cannot be estimated accurately at this time	2,276 (estimated)
2020	33,850,000	Too early to estimate	Unknown	Unknown ³	Cannot be estimated accurately at this time	Nil

Note:

The number of available LGCs at 15 February 2017 as per the REC Registry.

1 Annual generation is expressed as validated LGCs. LGCs are required to be validated before they can be surrendered towards the target. Estimates for validated LGCs may vary.

2 Shortfall under the Act refers to LGCs not surrendered by liable entities. It is not possible for the Clean Energy Regulator to predict future intentional LGC shortfall paid by liable entities.

3 The Clean Energy Regulator is unable to predict accurately the level of available certificates following surrender due to a number of factors including variability in hydro generation, variability in construction times associated with firmly announced projects.

4 Estimated new accredited build required depends on technology (wind or solar) which affects construction time and capacity factors (LGC generation per MW capacity).