Renewable Energy (Electricity) Amendment Bill 2010

(Amendments to be moved by Senator Xenophon in committee of the whole)

(1) Schedule 1, item 96, page 58 (lines 28 to 30), omit subparagraph 141AA(c)(ii), substitute:
   (ii) a statement that the certificate was created in relation to a solar water heater
   other than an air source heat pump water heater, or that it was created in
   relation to an air source heat pump water heater, or that it was created in
   relation to a small generation unit (as appropriate); and
   [publication of information about certificates
   -for air source heat pump water heaters]

(2) Schedule 1, page 60 (after line 2), before item 100, insert:

99A Subsection 5(1)
   Insert:
   
   air source heat pump water heater means a device that uses a vapour compression cycle
   incorporating a compressor, an evaporator that collects energy from the latent and
   sensible heat of the atmosphere and a condenser that delivers heat either directly or
   indirectly to a hot water storage container.
   [definition of air source heat pump water heater]

(3) Schedule 1, page 62 (after line 26), after item 116, insert:

116A At the end of subsection 21(3)
   Add “which must not be before the actual date of installation”.

116B At the end of section 21
   Add:
   
   (4) Certificates may only be created for the installation of an air source heat pump water
   heater if it has a volumetric capacity of not more than 425 litres.
   [creation of certificates for air source heat pump water heaters up to 425 litres only after installation]

(4) Schedule 1, page 63 (after line 29), after item 119, insert:

119A At the end of Subdivision B of Division 4 of Part 2
Add:

**23AAA Regulations to phase out air source heat pump water heaters from scheme**

(1) The regulations must provide for air source heat pump water heaters to be phased out of the scheme constituted by this Act by the end of 31 December 2012.

(2) For the purposes of subsection (1), the regulations must provide that, after the commencement of this section, each month the number of certificates that can be created for the installation of an air source heat pump water heater are proportionally reduced, so that no certificates can be created for such an installation after the end of 31 December 2012.

**[phasing out of certificates for air source heat pump water heaters]**

[Note: amendment (5) below is an alternative to amendments (3) and (4) above]

(5) Schedule 1, item 117, page 63 (after line 6), after subsection 22(2), insert:

(3) Without limiting subsection (1), regulations made for the purpose of that subsection must provide that, from 1 January 2013, the number of certificates that may be created in respect of the installation of any air source heat pump water heater are only to be created in relation to the first 6 years of operation of that heater.

**[deeming period for air source heat pump water heaters limited to 6 years]**

(6) Schedule 1, page 65 (after line 19), after item 121, insert:

**121A Subsection 39(3)**

After “subsection (1)”, insert “for a year until the year ending on 31 December 2030”.

**121B After subsection 39(3A)**

Insert:

(3B) Before the Governor-General makes a regulation under subsection (1) for the year commencing on 1 January 2031 and any later year until the year ending on 31 December 2040, the Minister must take into consideration:

(a) the required GWh of geothermal energy source electricity for the year; and
(b) the amount estimated as the amount of electricity that will be acquired under relevant acquisitions during the year; and
(c) for a year after the year commencing 1 January 2031—the amount by which the required GWhs of geothermal energy source electricity for all years from and including 2031 has exceeded, or has been exceeded by, the amount of geothermal energy source electricity required under the scheme in those years; and
(d) all partial exemptions expected to be claimed for the year.

(3C) If, at the time the Minister takes into consideration the matters referred to in subsection (3B), the amount applicable under paragraph (3B)(c) is not known, then the Minister may take into consideration an estimate of that amount instead.

**[extended access to scheme for geothermal energy source electricity]**

(7) Schedule 1, page 67 (after line 6), after item 124, insert:
40AA  Required GWh of geothermal energy source electricity

(1) The *required GWh of geothermal energy source electricity* for a year is set out in the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>GWh</th>
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</thead>
<tbody>
<tr>
<td>2031</td>
<td>41000</td>
</tr>
<tr>
<td>2032</td>
<td>41000</td>
</tr>
<tr>
<td>2033</td>
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<td>2039</td>
<td>41000</td>
</tr>
<tr>
<td>2040</td>
<td>41000</td>
</tr>
</tbody>
</table>

(2) Geothermal energy source electricity must have one of the following characteristics:
   (a) a flash steam power plant;
   (b) a dry steam power plant;
   (c) a binary cycle power plant;
   (d) direct use geothermal (that is, direct hot water systems);
   (e) geothermal heat pumps (for heating);
   (f) any other characteristic prescribed by the regulations for the purpose of this paragraph;
   to qualify as providing geothermal energy source electricity for the purposes of subsection (1).

(3) A generation unit for geothermal energy source electricity must be 1 MW capacity or greater to qualify as capable of providing geothermal energy source electricity for the purposes of subsection (1).

(4) The regulations must make provision for geothermal energy source electricity in relation to:
   (a) the acquisition of electricity by a liable entity;
   (b) the creation and transfer of certificates;
   (c) the calculation of the renewable power percentage for a year;
   (d) the required renewable energy of a liable entity for a year;
   (e) the surrender of certificates by a liable entity for a year;
   (f) the renewable energy certificate shortfall of a liable entity for a year.

(8) Schedule 1, page 67 (after line 6), after item 124, insert:
124B  After Division 2 of Part 4

Insert:

Division 2AA—Emerging renewable energy technologies

40AB  Inclusion of emerging renewable energy technologies

The Minister may, by legislative instrument, determine that an emerging renewable energy technology that has demonstrated its energy efficiency is to be included as a renewable energy technology for the purpose of the scheme constituted by this Act.

[inclusion of emerging renewable energy technologies]