

2013-2014-2015

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Presented and read a first time

**Renewable Energy (Electricity)
Amendment Bill 2015**

No. , 2015

(Environment)

**A Bill for an Act to amend the *Renewable Energy
(Electricity) Act 2000* and the *Renewable Energy
(Electricity) Regulations 2001*, and for related
purposes**

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A Bill for an Act to amend the *Renewable Energy (Electricity) Act 2000* and the *Renewable Energy (Electricity) Regulations 2001*, and for related purposes

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Renewable Energy (Electricity) Amendment Act 2015*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with

column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The day after this Act receives the Royal Assent.	

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

- (1) Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.
- (2) The amendment of any regulation under subsection (1) does not prevent the regulation, as so amended, from being amended or repealed by the Governor-General.

Schedule 1—Amendments

Part 1—Required GWh of renewable source electricity

Renewable Energy (Electricity) Act 2000

1 Subsection 40(1)

Omit “(1) Subject to subsections (2) to (4), the”, substitute “The”.

2 Subsection 40(1) (table items dealing with 2012 to 2030 (inclusive))

Repeal the items, substitute:

<u>2012</u>	<u>16763</u>
<u>2013</u>	<u>19088</u>
<u>2014</u>	<u>16950</u>
<u>2015</u>	<u>18850</u>
<u>2016</u>	<u>21431</u>
<u>2017</u>	<u>26031</u>
<u>2018</u>	<u>28637</u>
<u>2019</u>	<u>31244</u>
<u>2020</u>	<u>33850</u>
<u>2021</u>	<u>33000</u>
<u>2022</u>	<u>33000</u>
<u>2023</u>	<u>33000</u>
<u>2024</u>	<u>33000</u>
<u>2025</u>	<u>33000</u>
<u>2026</u>	<u>33000</u>
<u>2027</u>	<u>33000</u>
<u>2028</u>	<u>33000</u>
<u>2029</u>	<u>33000</u>
<u>2030</u>	<u>33000</u>

3 Subsections 40(1A) to (5)

Repeal the subsections.

Schedule 1 Amendments

Part 1 Required GWh of renewable source electricity

Note The amounts set out for the years 2012 to 2015 in the table items substituted by item 2 of this Part have been included in the interests of completeness. They take account of the adjusting effects of the subsections repealed by this item.

Part 2—Exemption certificates

Division 1—Amendments

Renewable Energy (Electricity) Act 2000

4 Section 3

Omit “A partial”, substitute “An”.

5 Subsection 5(1) (definition of *emissions-intensive trade-exposed activity*)

Repeal the definition, substitute:

emissions-intensive trade-exposed activity means an activity prescribed by regulations made for the purposes of this definition.

6 Subsection 5(1) (definition of *emissions-intensive trade-exposed assistance program*)

Repeal the definition.

7 Subsection 5(1)

Insert:

exemption, in relation to a liable entity, means an exemption for a year, calculated under section 38B, that is used in working out the entity’s large-scale generation shortfall or small-scale technology shortfall for the year.

exemption certificate means a certificate issued under section 46B.

8 Subsection 5(1) (definitions of *partial exemption* and *partial exemption certificate*)

Repeal the definitions.

9 Section 34A

Omit “partial” (wherever occurring).

10 Section 38 (method statement, step 2)

Omit “partial”.

11 Subsections 38AA(2), (3) and (4)

Omit “partial” (wherever occurring).

12 Division 1A of Part 4 (heading)

Repeal the heading, substitute:

Division 1A—Exemption from liability to charge

13 Sections 38A and 38B

Repeal the sections, substitute:

38A Object

The object of this Division is to provide a liable entity with an exemption (for an amount worked out in accordance with this Division), from large-scale generation shortfall charge and small-scale technology charge, in respect of emissions-intensive trade-exposed activities.

38B Amount of exemption

- (1) The amount of a liable entity’s exemption for a year is the total of all the exemption amounts in exemption certificates:
 - (a) issued in relation to the liable entity for the year; and
 - (b) included in the liable entity’s energy acquisition statement for the year.
- (2) The *exemption amount in an exemption certificate* is the amount specified or described in the certificate as being the amount of the liable entity’s exemption.

14 Section 38C (heading)

Repeal the heading, substitute:

38C Information about exemptions to be published on Regulator’s website

15 Subsection 38C(1)

Omit “a partial”, substitute “an”.

16 Paragraphs 38C(1)(b) and (c)

Omit “partial”.

17 Subsections 38C(2) and (3)

Omit “partial”.

18 Subsections 39(3) and (4) and 40A(3)

Omit “partial” (wherever occurring).

19 Section 43A (paragraph relating to Division 1A)

Omit “partial”.

20 Paragraph 44(2)(c)

Omit “a partial”, substitute “an”.

21 Subsection 44(3)

Omit “a partial”, substitute “an”.

22 Paragraphs 44(3)(a) and (b)

Omit “partial”.

23 Division 1A of Part 5 (heading)

Repeal the heading, substitute:

Division 1A—Exemption certificates

24 Section 46A (heading)

Repeal the heading, substitute:

46A Application for exemption certificate

25 Subsection 46A(1)

Omit “a *partial*”, substitute “an”.

26 Section 46B (heading)

Repeal the heading, substitute:

46B Exemption certificates

27 Subsection 46B(1)

Repeal the subsection, substitute:

- (1) If an application is made under section 46A in respect of a year, the Regulator must (subject to section 46E) issue the applicant with an exemption certificate for the year in relation to the liable entity mentioned in the application (as referred to in paragraph 46A(1)(b)). The certificate must:
 - (a) in accordance with regulations made for the purpose of subsection (4), specify or describe the amount that is the liable entity’s exemption for the year in relation to the emissions-intensive trade-exposed activity and site mentioned in the application; and
 - (b) set out any other information prescribed by the regulations.

28 At the end of section 46B

Add:

- (4) The regulations:
 - (a) must prescribe the method for working out the amount of a liable entity’s exemption for a year in relation to an emissions-intensive trade-exposed activity and a site; and
 - (b) may provide that an exemption certificate may either:
 - (i) specify the amount that is the liable entity’s exemption in relation to the emissions-intensive trade-exposed activity and the site; or
 - (ii) describe, in some other way, the amount that is the liable entity’s exemption in relation to the emissions-intensive trade-exposed activity and the site.

29 Section 46C (heading)

Repeal the heading, substitute:

46C Amending exemption certificates

30 Section 46C

Omit “a partial” (wherever occurring), substitute “an”.

31 Subparagraph 46D(1)(c)(ii)

Omit “partial”.

32 Section 46E (heading)

Repeal the heading, substitute:

**46E No exemption certificates to be issued to corporation for 5 years
if Minister’s request not complied with**

33 Subsection 46E(2)

Omit “partial”.

34 Subsection 66(1) (table item 5F)

Omit “a partial”, substitute “an”.

35 Section 160 (heading)

Repeal the heading, substitute:

**160 Records to be kept and preserved by registered persons, liable
entities and holders of exemption certificates**

36 Subsections 160(1), (3A) and (4)

Omit “a partial”, substitute “an”.

Division 2—Transitional provisions

37 Application of amendments etc.

- (1) The amendments in this Part apply in relation to exemptions for the year in which this item commences and later years.

- (2) As soon as practicable after the commencement of the first amending regulations (see subitem (4)), the Regulator must, in relation to each exemption certificate that has already been issued for a year in relation to which the amendments in this Part apply, amend the certificate so that it is in accordance with the amended regulations.
- (3) Subject to subitem (2), nothing in this Part, or in the first amending regulations, affects the validity or effectiveness of a certificate that is or was issued under section 46B of the *Renewable Energy (Electricity) Act 2000* before the commencement of the first amending regulations (including before the commencement of this item).
- (4) In this item:
- amended regulations** means the *Renewable Energy (Electricity) Regulations 2001* as amended by the first amending regulations.
- first amending regulations** means the first amendments of the *Renewable Energy (Electricity) Regulations 2001* that are made because of the amendments made by this Part.

38 Saving of regulations

- (1) Regulations in force, immediately before the commencement of this item, for the purpose of paragraph (b) of the definition of **emissions-intensive trade-exposed activity** in subsection 5(1) of the *Renewable Energy (Electricity) Act 2000* have effect after that commencement as if they had been made for the purpose of the definition of **emissions-intensive trade-exposed activity** as substituted by item 5.
- (2) Regulations in force, immediately before the commencement of this item, for the purpose of paragraph 46B(1)(a) of the *Renewable Energy (Electricity) Act 2000* have effect after that commencement as if they had been made for the purpose of paragraph 46B(4)(a) of that Act as amended by item 28.
- (3) Regulations in force, immediately before the commencement of this item, for the purpose of paragraph 46B(1)(b) of the *Renewable Energy (Electricity) Act 2000* have effect after that commencement as if they had been made for the purpose of paragraph 46B(1)(b) of that Act as amended by item 27.

Part 3—Removal of requirement for periodic reviews of renewable energy legislation

Division 1—Main amendments

Renewable Energy (Electricity) Act 2000

39 Section 162

Repeal the section.

Division 2—Consequential amendments

Climate Change Authority Act 2011

40 Section 3

Omit:

(d) the <i>Renewable Energy (Electricity) Act 2000</i> ; and
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41 Subparagraph 11(a)(iv)

Repeal the subparagraph.

42 Paragraph 57(4)(c)

Omit “2007; or”, substitute “2007.”.

43 Paragraph 57(4)(d)

Repeal the paragraph.

44 Paragraph 82(n)

Omit “2007; or”, substitute “2007.”.

45 Paragraph 82(o)

Repeal the paragraph.

Division 3—Transitional provisions

46 Continuing application of repealed paragraph

Despite the repeal of paragraph 82(o) of the *Climate Change Authority Act 2011* by item 45, that paragraph continues to apply after the commencement of this item in relation to an act or matter in good faith done or omitted to be done before that commencement in the performance or purported performance of a function, or in the exercise or purported exercise before that commencement of a power, conferred by section 162 of the *Renewable Energy (Electricity) Act 2000* as then in force.

Part 4—Wood waste

Division 1—Amendments

Renewable Energy (Electricity) Regulations 2001

47 Regulation 8

Omit “For”, substitute “(1) For”.

48 Paragraph 8(b)

Omit “, other than a product or a by-product that is derived from biomass from a native forest”.

49 Paragraph 8(d)

Omit “, other than sawmill residue derived from biomass from a native forest”.

50 After paragraph 8(d)

Insert:

; and (e) biomass from a native forest that meets all of the requirements in subregulation (2).

51 At the end of regulation 8

Add:

- (2) Biomass from a native forest must be:
 - (a) harvested primarily for a purpose other than biomass for energy production; and
 - (b) either:
 - (i) a by-product or waste product of a harvesting operation, approved under relevant Commonwealth, State or Territory planning and approval processes, for which a high-value process is the primary purpose of the harvesting; or
 - (ii) a by-product (including thinnings and coppicing) of a harvesting operation that is carried out in accordance with ecologically sustainable forest management principles; and

- (c) either:
- (i) if it is from an area where a regional forest agreement is in force—produced in accordance with any ecologically sustainable forest management principles required by the agreement; or
 - (ii) if it is from an area where no regional forest agreement is in force—produced from harvesting that is carried out in accordance with ecologically sustainable forest management principles that the Minister is satisfied are consistent with those required by a regional forest agreement.
- (3) For subparagraph (2)(b)(i), the primary purpose of a harvesting operation is taken to be a high-value process only if the total financial value of the products of the high-value process is higher than the financial value of other products of the harvesting operation.
- (4) In this regulation:
- ecologically sustainable forest management principles* means the following principles that meet the requirements of ecologically sustainable development for forests:
- (a) maintenance of the ecological processes within forests, including the formation of soil, energy flows, and the carbon, nutrient and water cycles;
 - (b) maintenance of the biological diversity of forests;
 - (c) optimisation of the benefits to the community from all uses of forests within ecological constraints.

high-value process means the production of sawlogs, veneer, poles, piles, girders, wood for carpentry or craft uses, or oil products.

Division 2—Transitional provisions

52 Application of amendments

- (1) The amendments in this Part apply in relation to electricity generated from biomass after the commencement of this item (whether the production of the biomass occurred before or after that commencement).

- (2) Subitem (1) has effect despite regulation 4 of the *Renewable Energy (Electricity) Amendment Regulations 2011 (No. 5)*.