



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

RENEWABLE ENERGY (ELECTRICITY) AMENDMENT BILL 2009

RENEWABLE ENERGY (ELECTRICITY) (CHARGE) AMENDMENT BILL 2009

Second Reading

SPEECH

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Speaker Polley, Sen Helen

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Senator POLLEY (Tasmania) (5.55 pm)—I rise this afternoon to speak in support of the Renewable Energy (Electricity) Amendment Bill 2009 and the Renewable Energy (Electricity) (Charge) Amendment Bill 2009 and in support of the strong steps being taken by the Rudd government in relation to climate change. There are very few people left today who do not comprehend the seriousness of climate change and the very real effect it is having and will continue to have on our ecosystems.

The effects of climate change will spare no nation, will be long and entrenched, and will affect our lives and societies in ways that we perhaps do not yet fully anticipate. Australia will be amongst the most vulnerable and most threatened by climate change. We are the driest continent on Earth at a time when the Earth is getting drier. Our tropical areas will get wetter and our parched, drought-stricken areas will get drier. We boast a unique and valuable catalogue of fauna and flora that is found nowhere else in the world—due to the many millions of years of evolution since Gondwana broke away. These flora and fauna are already showing signs of stress and decline due to changes in air temperature, ocean temperature and habitat.

There is a tendency to sit back and despair at how much we as a nation have to lose through the effects of climate change. However, the Rudd government chooses not to linger on such despair but instead has put forward a comprehensive package for reducing our emissions and thereby inspiring the international community with what can be achieved. The fundamental aim of the renewable energy amendments bills is to ensure that 20 per cent of our electricity supply comes from renewable sources by the year 2020.

The easiest and most sustainable way to reduce our impact on the environment and to minimise the effects of climate change is to invest seriously and sensibly in renewable energies. We as a race have found ever increasing ways to use electricity to power almost every aspect of our lives, and this carries many great advantages. However, we must become serious about limiting the use of conventional electricity generation and instead use such renewable options as wind, sunlight, waves and geothermal energy. These power sources are limitless in their application because they

are infinite; they can replenish themselves in a short space of time and it often costs nothing to generate and harness their energy. The benefit is therefore twofold—less finite fossil fuels are used and they are, instead, replaced with infinite energy resources which expend no energy to create energy, and therefore the CO₂ emissions created are less.

The catalyst for achieving the target of 20 per cent by 2020 through this legislation will be the introduction of renewable energy certificates. Power generators can create these certificates by creating renewable energy and then trade or sell these in the electricity marketplace to any organisation that may carry a liability. Market forces will then work their magic with liable organisations choosing between either surrendering their certificates to demonstrate their compliance with the scheme or paying a fee for a shortfall in meeting their own targets.

This is a simple yet highly effective means of giving incentives to energy generators to change old habits and to invest in a renewable energy sector that offers significant long-term benefits, both financially and environmentally. The introduction of a renewable energy target will open up an expected \$19 billion investment in the sector, leading up to 2020. Such unprecedented levels of investment will significantly boost job creation, innovation and the economy and will do so in a sustainable manner.

The renewable energy target will not work in isolation, however. The Rudd government has planned carefully to create an interwoven set of policies and legislation that will work together to realise the maximum benefit and to arrest climate change, working across the community in a number of significant ways. The initiatives include: \$500 million for the Renewable Energy Fund, to aid the development and distribution of renewable energy in Australia; \$150 million for solar energy and clean energy research; 80,000 solar systems installed on Australian rooftops under the previous Solar Homes and Communities Plan; continued incentives for the installation of household solar power systems through the new Solar Credits scheme; investment in information on the best means of reducing energy consumption through the Solar Cities program; \$4 billion to install ceiling insulation in 2.9 million homes as part of the Energy Efficient Homes Package, along

with 420,000 solar hot water systems; the National Solar Schools Program, with up to \$50,000 per school in grants to install solar power, rainwater tanks, solar hot water systems and other renewable energy items; the Green Loans Program, to provide low-interest loans of up to \$10,000 to make homes more energy and water efficient; and the National Rainwater and Greywater Initiative, to provide up to \$500 in rebates for the installation of household rainwater tanks and greywater systems. The list is as long as it is comprehensive and provides multiple opportunities for making a difference to the way we use energy and water, the amount we use and where we source it.

We cannot work in isolation when we attempt to combat such a broad and complicated issue as climate change. Legislation needs to be changed. We need to change not just policies and processes but mindsets and societal expectations and standards. The Rudd government is working constructively at a multipronged approach to this issue and will draw the initiatives together to have the greatest and most tangible possible effect.

However, the greatest threat posed to the establishment of a renewable energy target in this country is not the complex nature of the problem of climate change and lowering emissions; it is the entrenched, oppose-at-any-cost mindset of those opposite. It is the belief that if we sit by and talk idealistically about which way is better or worse and who is more or less likely to be affected then the problem somehow will resolve itself. The opposition have clearly demonstrated that the issue of climate change is too much for them to tackle and that they would rather stymie any attempt to move forward to actually achieve something positive. Hopefully, finally they will do what is right and support these bills. But I have to say, Mr Acting Deputy President Bernardi, that I think your contribution clearly demonstrated that there are still many sceptics on that side of the chamber. This scheme, along with a suite of other complementary initiatives and programs, is not a half-baked rush forward with no thought for consequences. It is a carefully measured, well-balanced step in the direction that we must go.

I speak with conviction on this issue largely out of my hopes for my home state of Tasmania. Tasmania is a uniquely positioned state that will be able to maximise the benefits that can be drawn from the renewable energy target scheme. Tasmania is currently the leader in renewable energy generation in this country, with 87 per cent of mainland Tasmania's installed electricity generation capacity coming from renewable hydro or wind power. We are the only state to generate a significant portion of its energy from hydroelectric power, with the Hydro being the

predominant source of electricity in Tasmania for nearly a century—Tasmania leading the way again. Tasmania also boasts one of the best performing wind farms in the world, in the far north-west. Our position right in the path of the roaring forties westerly winds makes us a prime candidate for extended application of wind power generation. A project currently in the middle of the procurement phase will see a 60-turbine wind farm established in the north-east with 129 megawatts of power generation capacity.

In addition to wind, a number of companies are currently exploring Tasmania's geothermal resources. Tasmania's geology is considered amongst the best for geothermal power generation in the country. We also have the added advantage of a small land size with a highly decentralised population, meaning that high-voltage transmission lines will not be far away from any geothermal power plant. Continuing on, Tasmania also has excellent wave power and tidal opportunities, another means of generating electricity. All of this constitutes enormous potential for Tasmania to take its place as the premier producer of renewable energy in this country and a significant source of contribution to the renewable energy targets. We have a proud history of using renewable energy first and foremost and have thrived on the financial, tourism and social benefits stemming from that.

Supporting the renewable energy target scheme is the only way to support more such programs and initiatives and grow jobs in this sector and jobs in general. The entire Tasmanian economy could benefit enormously from a strong step in this direction. A speech by the member for Franklin, Ms Julie Collins—an excellent member for Franklin, I must say—recently highlighted that 500 permanent jobs and 1,300 construction jobs at the height of activity could be created by the renewable energy target scheme. Such an investment in a sustainable future and in job creation cannot be ignored by Tasmania and, likewise, should not be ignored by this nation or by this chamber, particularly those opposite.

Now is a time for optimism and bold steps, not for naysaying and political opportunism. As a legislator, as a parent and, most importantly, as a grandmother, I will do whatever I am able to do to ensure that the planet is left in a better state for my children, my grandchildren and future generations than it otherwise might have been. Setting a renewable energy target of 20 per cent by 2020 is a step I and they could be proud of. I commend the bill to the Senate.