



Australian Capital Territory

# Electricity Feed-in (Renewable Energy Premium) Act 2008

A2008-21

## Contents

---

	Page
<b>Part 1</b>	<b>Preliminary</b>
1	Name of Act 2
2	Commencement 2
3	Objects of Act 2
4	Dictionary 3
5	Notes 3
<b>Part 2</b>	<b>Renewable energy—supply to electricity network</b>
6	Feed-in from renewable energy generators to electricity network 4
7	Utility service 5
8	Payment for electricity from renewable energy generators 5
9	Determination of percentages 6

---

J2007-257

Authorised by the ACT Parliamentary Counsel—also accessible at [www.legislation.act.gov.au](http://www.legislation.act.gov.au)

		Page
<b>Part 3</b>	<b>Renewable energy premium—determination of rate</b>	
10	Determination of premium rate	7
11	Premium rate—20 years	8
<b>Part 4</b>	<b>Miscellaneous</b>	
12	Regulation-making power	9
13	Review of operation of Act	9
<b>Dictionary</b>		10



Australian Capital Territory

# Electricity Feed-in (Renewable Energy Premium) Act 2008

A2008-21

---

An Act about the supply of electricity from solar and other renewable energy sources to electricity distributors, and for other purposes

---

The Legislative Assembly for the Australian Capital Territory enacts as follows:

## Part 1 Preliminary

### 1 Name of Act

This Act is the *Electricity Feed-in (Renewable Energy Premium) Act 2008*.

### 2 Commencement

- (1) This Act commences on a day fixed by the Minister by written notice.

*Note 1* The naming and commencement provisions automatically commence on the notification day (see Legislation Act, s 75 (1)).

*Note 2* A single day or time may be fixed, or different days or times may be fixed, for the commencement of different provisions (see Legislation Act, s 77 (1)).

- (2) If this Act has not commenced before 1 July 2009, it automatically commences on that day.
- (3) The Legislation Act, section 79 (Automatic commencement of postponed law) does not apply to this Act.

### 3 Objects of Act

The objects of this Act are to—

- (a) promote the generation of electricity from renewable energy sources; and
- (b) reduce the ACT contribution to human-induced climate change; and
- (c) diversify the ACT energy supply; and
- (d) reduce the ACT's vulnerability to long-term price volatility in relation to fossil fuels.

## 4 Dictionary

The dictionary at the end of this Act is part of this Act.

*Note 1* The dictionary at the end of this Act defines certain terms used in this Act, and includes references (*signpost definitions*) to other terms defined elsewhere.

For example, the signpost definition ‘*electricity distributor*—see the *Utilities Act 2000*, dictionary.’ means that the term ‘electricity distributor’ is defined in that dictionary and the definition applies to this Act.

*Note 2* A definition in the dictionary (including a signpost definition) applies to the entire Act unless the definition, or another provision of the Act, provides otherwise or the contrary intention otherwise appears (see Legislation Act, s 155 and s 156 (1)).

## 5 Notes

A note included in this Act is explanatory and is not part of this Act.

*Note* See the Legislation Act, s 127 (1), (4) and (5) for the legal status of notes.

## Part 2 Renewable energy—supply to electricity network

### 6 Feed-in from renewable energy generators to electricity network

- (1) This section applies to—
  - (a) an electricity distributor licensed to distribute electricity through an electricity network; and
  - (b) an electricity supplier licensed to supply electricity from the network.
- (2) It is a condition of the distributor's licence that the distributor must, on application by the occupier of premises at which there is an NEL compliant renewable energy generator—
  - (a) connect the generator to the distributor's network to enable electricity generated by the generator to be supplied to the network; and
  - (b) reimburse the utility that is the electricity supplier to the premises the difference between—
    - (i) the amount payable under subsection (5) for electricity generated by the generator; and
    - (ii) the normal cost of that electricity; and
  - (c) pass on to the occupier any additional metering costs in relation to electricity generated by the generator.
- (3) For subsection (2), a renewable energy generator is NEL compliant if, when connected to the distributor's network, it would comply with the rules under the National Electricity (ACT) Law that apply to an embedded generation unit.

- (4) For subsection (2) (b) (ii), the normal cost of that electricity is taken to be the transition franchise tariff retail price.
- (5) For the electricity supplier mentioned in subsection (2), it is a condition of the supplier's licence that the supplier must, on application by the occupier of premises at which there is an NEL compliant renewable energy generator connected to the electricity network, pay the occupier at the applicable rate under section 8 (Payment for electricity from renewable energy generators) for the total amount of electricity generated by the generator.

## **7 Utility service**

Each of the following is a utility service for the *Utilities Act 2000*:

- (a) the action required by a distributor under section 6 (2);
- (b) the action required by a supplier under section 6 (5).

## **8 Payment for electricity from renewable energy generators**

Payment for electricity generated by generators to which section 6 (5) applies must be at the following rate:

- (a) if the total capacity of the generators is not more than 10kWh—
  - (i) 100% of the premium rate; or
  - (ii) if another percentage is determined under section 9 for this paragraph—that percentage of the premium rate;
- (b) if the total capacity of the generators is more than 10kWh, and not more than 30kWh—
  - (i) 80% of the premium rate; or
  - (ii) if another percentage is determined under section 9 for this paragraph—that percentage of the premium rate;

- (c) if the total capacity of the generators is more than 30kWh—
  - (i) 75% of the premium rate; or
  - (ii) if another percentage is determined under section 9 for this paragraph—that percentage of the premium rate.

**9 Determination of percentages**

- (1) The Minister may determine percentages for section 8 (Payment for electricity from renewable energy generators).
- (2) A determination is a disallowable instrument.

*Note* A disallowable instrument must be notified, and presented to the Legislative Assembly, under the Legislation Act.



## Part 3 Renewable energy premium— determination of rate

### 10 Determination of premium rate

- (1) For each financial year, the Minister must determine the premium rate for amounts payable by an electricity supplier under section 6 (Feed-in from renewable energy generators to electricity network) during the year.

- (2) A determination is a disallowable instrument.

*Note* A disallowable instrument must be notified, and presented to the Legislative Assembly, under the Legislation Act.

- (3) In making a determination, the Minister—

- (a) must give priority to the following:

- (i) the desirability of costs under this Act impacting equitably on all electricity users;
- (ii) the need to encourage the generation of electricity from renewable sources;
- (iii) the need to reduce emissions from greenhouse gases;
- (iv) the need to reduce the likely effects of climate change;
- (v) the desirability of occupiers being able to recoup investment on renewable energy generators within a reasonable time; and

- (b) must have regard to the following:

- (i) the amounts payable under this Act by an electricity distributor;
- (ii) the amounts payable under this Act by an electricity supplier;

- (iii) any additional metering costs passed on to an occupier because of section 6 (2) (c);
  - (iv) anything else the Minister considers relevant.
- (4) Until the Minister determines the premium rate under this section, the premium rate is 3.88 times the transition franchise tariff retail price on the day this Act commences.

## **11 Premium rate—20 years**

- (1) The premium rate for the financial year in which a renewable energy generator is connected to a distributor's network applies, if the generator remains connected to the network, in relation to electricity generated by the generator during the 20 years after the date of the connection.
- (2) For subsection (1), a generator is taken to remain connected to the network during any temporary interruption to the connection for repair or maintenance work or relocation of the connection or generator at the same premises.

## Part 4                      Miscellaneous

### 12                      Regulation-making power

- (1) The Executive may make regulations for this Act.

*Note*       Regulations must be notified, and presented to the Legislative Assembly, under the Legislation Act.

- (2) A regulation may make provision in relation to notices to be placed at premises where a renewable energy generator is located.
- (3) A regulation may create offences and fix maximum penalties of not more than 10 penalty units for the offences.

### 13                      Review of operation of Act

- (1) The Minister must review the operation of this Act at least once every 5 years (a *review period*) after the day this Act commences.
- (2) The review must include a consideration of the impact of costs under this Act on electricity users and, in particular, whether the impacts are equitable.
- (3) The Minister must present a copy of the report of the review for a review period to the Legislative Assembly not later than 6 months after the end of the review period.

## Dictionary

(see s 4)

*Note 1* The Legislation Act contains definitions and other provisions relevant to this Act.

*Note 2* For example, the Legislation Act, dict, pt 1, defines the following terms:

- disallowable instrument (see s 9)
- Executive
- Minister (see s 162)
- regulation
- under.

***additional metering costs***, in relation to electricity generated by a renewable energy generator connected to an electricity network, means metering costs associated with the electricity that are in addition to metering costs for which the distributor is responsible under the rules under the National Electricity (ACT) Law.

***customer***—see the *Utilities Act 2000*, section 17.

***electricity distributor***—see the *Utilities Act 2000*, dictionary.

***electricity network***—see the *Utilities Act 2000*, section 7.

***electricity supplier***—see the *Utilities Act 2000*, dictionary.

***occupier***, for premises, means the retail electricity customer for the premises.

***premium rate***, for electricity supplied from a renewable energy generator to an electricity distributor's network, means the premium rate determined under section 10 for the financial year in which the generator was first connected to the network.

***renewable energy source*** means any of the following:

- (a) solar;
- (b) wind;
- (c) any other source prescribed by regulation.

***transition franchise tariff retail price***, in relation to electricity generated by a renewable energy generator connected to an electricity network at any time, means the transition franchise tariff retail price payable for electricity at that time under a price direction under the *Independent Competition and Regulatory Commission Act 1997*.

***utility***—see the *Utilities Act 2000*, dictionary.

---

## Endnotes

**1 Presentation speech**

Presentation speech made in the Legislative Assembly on 9 April 2008.

**2 Notification**

Notified under the Legislation Act on 9 July 2008.

**3 Republications of amended laws**

For the latest republication of amended laws, see [www.legislation.act.gov.au](http://www.legislation.act.gov.au).

---

I certify that the above is a true copy of the Electricity Feed-in (Renewable Energy Premium) Bill 2008, which was passed by the Legislative Assembly on 2 July 2008.

Acting Clerk of the Legislative Assembly

© Australian Capital Territory 2008