

# EXPOSURE DRAFT

Mr Mick Gentleman

(Prepared by Parliamentary Counsel's Office)

## Electricity Feed-in (Solar Premium) Bill 2007

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## **Electricity Feed-in (Solar Premium) Bill 2007**

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### **A Bill for**

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

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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 (Solar Premium) Act 2007*.

### 2 Commencement

This Act commences on the day after its notification day.

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

### 3 Object of Act

The object of this Act is to promote the generation of electricity from renewable energy sources.

### 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 *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)).

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**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.

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## Part 2 Renewable energy sources— supply to electricity distributors

### 6 Feeding-in electricity generated by renewable energy generator to electricity distribution network

- (1) This section applies to an electricity distributor licensed to distribute electricity through an electricity 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 a 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) buy the electricity supplied to the network from the generator.
- (3) The distributor must pay the occupier for the total amount of electricity supplied to the distributor's network from renewable energy generators at the occupier's premises—
  - (a) for not more than 10kwh of installed capacity—at the premium rate; and
  - (b) for more than 10kwh of installed capacity—at 50% of the premium rate.

### 7 Utility Service

The action required by a distributor under section 6 is a utility service for the *Utilities Act 2000*.

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**8 Renewable energy generator—standards**

(1) An electricity distributor must determine the standards that apply to the connection of a renewable energy generator to the distributor's electricity network.

(2) A determination under this section is a notifiable instrument.

*Note* A notifiable instrument must be notified under the Legislation Act.

(3) The distributor must also—

(a) publish the standards in a daily newspaper published and circulating in the ACT; and

(b) make copies of the standards available for public inspection during office hours at the distributor's business premises.

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## Part 3 Solar premium—determination of rate

### 9 Determination of premium rate

- (1) The Minister must determine the premium rate payable under this Act by an electricity distributor, for each financial 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 must have regard to the following:
  - (a) the need to encourage the generation of electricity from renewable sources;
  - (b) the need to reduce emissions from greenhouse gases;
  - (c) the desirability of customers being able to recoup investment on renewable energy generators within a reasonable time;
  - (d) the distributor's costs in making payments under this Act;
  - (e) 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 highest retail price of electricity for a domestic customer on the day this Act commences.

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## Part 4                      Miscellaneous

### 10            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) The regulations may prescribe offences for contraventions of the regulations and prescribe maximum penalties of not more than 10 penalty units for offences against the regulations.
- (3) The regulations may prescribe the form of notices to be placed on sites where a renewable energy generator is located.

### 11            Independent Competition and Regulatory Commission Act 1997, new section 20 (2) (l)

*insert*

- (l) if the regulated service is the supply of electricity—the cost of renewable energy feed-in payable under the *Electricity Feed-in (Solar Premium) Act 2007*.

### 12            Independent Competition and Regulatory Commission Act 1997, new section 20AA

*after section 20, insert*

### 20AA        Price regulation—solar premium

- (1) This section applies if—
- (a) the commission is required to make a decision under section 20 (1) in relation to the price of electricity; and

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- (b) the terms of reference for the reference to the commission include the cost of renewable energy feed-in payable under the *Electricity Feed-in (Solar Premium) Act 2007*.
- (2) In making the decision, the commission must direct that any increase in the price of electricity attributable to the cost of renewable energy feed-in is applied to consumers in proportion to the amount of electricity used by each consumer.

**Example**

price increases are discounted for certain groups like low level users or pensioner concession card holders

*Note*      An example is part of the Act, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see Legislation Act, s 126 and s 132).

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## Dictionary

(see s 3)

*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
- Executive
- Minister (see s 162)
- regulation
- under

**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.

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

**renewable energy generator** means a device that—

- (a) is capable of generating electricity exclusively from a renewable energy source; and
- (b) for a photovoltaic generator with a capacity that is not more than 10kVA for a single phase connection—complies with AS 4777; and
- (c) for a photovoltaic generator with a capacity that is more than 10kVA for a single phase connection—complies with the distributor’s standard under section 8; and
- (d) for a photovoltaic generator with a capacity that is not more than 30kVA for a three phase connection—complies with AS 4777; and

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- (e) for a photovoltaic generator with a capacity that is more than 30kVA for a three phase connection—complies with the distributor’s standard under section 8.

*renewable energy source* means any of the following:

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

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## Endnotes

**1 Presentation speech**

Presentation speech made in the Legislative Assembly on 2007.

**2 Notification**

Notified under the Legislation Act on 2007.

**3 Republications of amended laws**

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

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