

2007

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

**ELECTRICITY (GREENHOUSE GAS EMISSIONS)
AMENDMENT BILL 2007**

EXPLANATORY STATEMENT

Circulated by the authority of

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ELECTRICITY (GREENHOUSE GAS EMISSIONS) AMENDMENT BILL 2007

PURPOSE

The purpose of the Bill is to extend the current Greenhouse Gas Abatement Scheme (GGAS) to 2020 unless and until a National Emissions Trading Scheme (NETS) is established.

BACKGROUND

The *Electricity (Greenhouse Gas Emissions) Act 2004* was passed by the Legislative Assembly in August 2004. The Act established the ACT Greenhouse Gas Abatement Scheme (GGAS). The Scheme is designed to reduce or offset greenhouse gas emissions associated with the production of electricity that is subsequently consumed in the ACT.

The ACT Scheme is mandatory for all electricity retailers and requires them to acquire an increasing percentage of their product each year from accredited clean and greener generation sources. The Act establishes a requirement on electricity retailers in the ACT to achieve an annual greenhouse gas emission benchmark for the electricity they sell. The benchmarking scheme came into effect on 1 January 2005.

The GGAS Scheme is the single most effective greenhouse gas abatement measure available to the Territory in reducing its greenhouse gas emissions. In its first full year of operation (2005) the Scheme reduced ACT greenhouse gas emissions by 316,362 tonnes, the equivalent of taking 73,560 cars off the roads for a year.

DETAILS OF THE BILL

Clause 1 provides that the name of the Act is the *Electricity (Greenhouse Gas Emissions) Amendment Act 2007*.

Clause 2 provides the commencement date of the extension as the day after its notification day.

Clause 3 provides the Legislation amended as the *Electricity (Greenhouse Gas Emissions) Act 2004*.

Clause 4 provides for the extension of the Scheme, which deals with extension by omitting 2012 and substituting 2020

Clause 5 provides for a clearer definition of Consumer Price Index (CPI) by omitting Sydney and substituting Canberra.