# Energy Efficiency (Cost of Living) Improvements (Priority Household Target) Determination 2020

## Disallowable instrument DI2020-222

made under the

Energy Efficiency (Cost of Living) Improvement Act 2012, s 8 (Priority household target)

# **EXPLANATORY STATEMENT**

#### Introduction

This explanatory statement relates to the Energy Efficiency (Cost of Living) Improvements (Priority Household Target) Determination 2020 as presented to the Legislative Assembly. It has been prepared in order to assist the reader of the disallowable instrument and to help inform debate on it. It does not form part of the disallowable instrument and has not been endorsed by the Assembly.

The statement must to be read in conjunction with the disallowable instrument. It is not, and is not meant to be, a comprehensive description of the disallowable instrument. What is written about a provision is not to be taken as an authoritative guide to the meaning of a provision, this being a task for the courts.

# Overview

The Energy Efficiency (Cost of Living) Improvement Act 2012 (the Act) requires electricity retailers to achieve energy savings in households and small-to-medium enterprises. It is a key mechanism for delivering on the ACT's emission reduction targets by helping households and businesses reduce emissions and energy costs.

The purpose of the disallowable instrument is to set a priority household target (PHT) and assure a proportion of the prescribed energy savings target are met through activities administered in priority households.

Section 8(2)(b) of the Act provides that if a determination does not increase the PHT, the determination must be made at least three months before the start of the compliance period to which the target relates. This target has not increased from the value set for the 2020 compliance period.

The disallowable instrument does not engage any human rights under the *Human Rights Act 2004*. A regulatory impact statement has been prepared for the disallowable instrument.

## **Clause Notes**

Clause 1 Names the instrument.

Clause 2 Indicates the time of commencement of the disallowable instrument, which will be the day after its notification day.

Clause 3 Determines the priority household target to be 30 per cent of the total energy saving obligations for the compliance period 1 January 2021 to 31 December 2021. This target has not increased from the value set for the 2020 compliance period.

Clause 4 Indicates that section 81 (6) of the Legislation Act 2001 applies. Section 8 (1) of the Act is amended by section 8 of the Energy Efficiency (Cost of Living) Improvement Amendment Act 2019 (Amendment Act) to remove the greenhouse gas emissions metric and substitute an energy savings metric. The Amendment Act was notified on 3 October 2019. Section 8 of the Amendment Act is an uncommenced provision that will commence on 1 January 2021.