

# Electricity Feed-in (Large-scale Renewable Energy Generation) FiT Capacity Release Determination 2020 (No 1)

Disallowable instrument DI2020–250

made under the

**Electricity Feed-in (Large-scale Renewable Energy Generation) Act 2011 - Section 10 (FiT capacity release)**

## EXPLANATORY STATEMENT

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This explanatory statement relates to the *Electricity Feed-in (Large-scale Renewable Energy Generation) FiT Capacity Release Determination 2020 (No 1)* (the instrument) as presented to the ACT Legislative Assembly. It has been prepared in order to assist the reader of the instrument and to help inform debate on the instrument. It does not form part of the instrument and has not been endorsed by the Legislative Assembly.

The explanatory statement must be read in conjunction with the instrument. It is not, and is not meant to be, a comprehensive description of the instrument. What is said 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.

### Background

The *Electricity Feed-in (Large-scale Renewable Energy Generation) Act 2011* (the Act) allows for the Minister to grant feed-in tariffs (FiTs) to renewable energy generators. FiTs represent a guaranteed price for the energy created by the generators.

Section 10 of the *Electricity Feed-in (Large-scale Renewable Energy Generation) Act 2011* (the Act) permits the Minister to determine, by disallowable instrument, that a stated part of the FiT capacity (a FiT capacity release) is to be made available for the grant of FiT entitlements.

### Overview of the instrument

The purpose of this disallowable instrument is to determine 250 megawatts of capacity to be released in the form of a competitive process, an energy auction, to be conducted by the

Environment, Planning and Sustainable Development Directorate in 2019 and 2020. A FiT entitlement may be granted under the release to a large-scale renewable energy generator using wind, solar or another energy source declared by the Minister to be a renewable energy source, in the ACT or another participating jurisdiction.

## **Human Rights**

This instrument does not engage with or limit any human rights.

## **Regulatory impact statement**

A Regulatory Impact Statement (RIS) is not required, in accordance with s34(1) of the *Legislation Act 2001*, as the disallowable instrument is not likely to impose appreciable costs on the community. Further s36(1)(b) of the *Legislation Act* provides that in this instance a RIS is not necessary as the disallowable instrument does not operate to the disadvantage of anyone by adversely affecting the person's rights or imposing liabilities on the person.

## **Provisions in detail**

### **Clause 1      Name of Act**

This clause names the disallowable instrument.

### **Clause 2      Commencement**

This clause states when the disallowable instrument commences.

### **Clause 3      Determination of FiT capacity release**

This clause, in accordance with s10 of the Act, states the part of the FiT capacity (a FiT capacity release) that is to be made available for the grant of FiT entitlements. This clause also, in accordance with s10 of the Act, determines the following in relation to a FiT entitlement that may be granted under the release:

- that it is to be granted by way of a competitive process;
- the term of the entitlement;
- the kind of renewable energy source that must be used;
- the location of a renewable energy generator; and
- the minimum capacity of a renewable energy generator that may be granted a FiT entitlement under the release

Subsection 3(2) provides that the kind of renewable energy source that must be used is wind, solar or an energy source declared by the Minister to be a renewable energy source. Under s6(2) of the Act, the Minister may declare, by disallowable instrument, an energy source to be a renewable energy source.