

Australian Capital Territory

# Utilities (Greenpower Obligations) Exemption 2026

Disallowable instrument DI2026-68

made under the

Utilities Act 2000, s 75G (Exemption from greenpower obligations)

## EXPLANATORY STATEMENT

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### Introduction

This explanatory statement relates to the *Utilities (Greenpower Obligations) Exemption 2026* as made by the Minister for Climate Change, Environment, Energy and Water and 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 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

Under section 75E of the *Utilities Act 2000 (the Act)*, electricity retailers operating in the ACT are required to have a GreenPower product available to customers. Section 75E establishes general obligations for retailers to make GreenPower products available, section 75F requires retailers to provide certain information about GreenPower on customers' electricity bills, and section 75G provides the Minister with power to exempt retailers from these requirements if satisfied the exemption is in the public interest.

These provisions were established when GreenPower served as a key mechanism for consumers to support renewable energy generation beyond standard grid supply. However, the context has fundamentally changed since the ACT Government achieved its 100 per cent renewable electricity target in 2020 through the Large-scale Feed-in Tariff (*LFiT*) scheme, to which ACT customers contribute through the network component of their electricity bills.

The purpose of this instrument is to exempt all National Electricity Retail Law (*NERL*) retailers operating within the ACT from the obligation to have a GreenPower product available to their customers under section 75E of the Act, as the Minister is satisfied on reasonable grounds that the exemption is in the public interest.

Retailers will remain free to voluntarily offer GreenPower products if they identify market demand but will no longer be required to do so under the Act.

GreenPower products purchased by ACT customers are not counted towards the ACT's 100 per cent renewable electricity target and have not been counted in the past. This is to avoid over matching of electricity consumption with renewable energy, as ACT customers electricity consumption is already matched with 100 per cent renewable electricity via the LFiT scheme. GreenPower products do, however, contribute to reducing Australia's overall greenhouse gas emissions and therefore still provide benefits to decarbonising Australia's energy grid beyond the ACT's existing target.

The exemption will provide greater clarity to ACT consumers about what they are paying for, avoiding any perception of duplicated payment for renewable electricity in the ACT. Current GreenPower uptake in the ACT is low, with approximately 2 per cent of ACT households and 0.9 per cent of ACT businesses purchasing GreenPower during 2025, suggesting limited consumer demand for these products in a jurisdiction that has already achieved 100 per cent renewable electricity.

This instrument revokes the *Utilities (Greenpower obligations) Exemption 2022* (DI2022-39). The main difference between this instrument and the 2022 exemption is that while the 2022 exemption only applied to retailers' obligations under section 75E (1) (a) of the Act, the 2026 exemption applies to all GreenPower obligations under section 75E.

### **Regulatory impact statement**

A regulatory impact statement is not required as this instrument does not impose appreciable costs on the community or part of the community (see section 34 (1) of the *Legislation Act 2001*).

### **Human rights**

This instrument engages the right to a healthy environment under section 27C of the *Human Rights Act 2004* as it exempts NERL retailers from the obligation to offer a renewable energy product (GreenPower products). Renewable energy products produce less greenhouse gas emissions and pollutants than fossil-fuel generated energy, therefore exempting retailers from offering renewable energy products engages the right to a healthy environment. However, the right is not significantly impacted as the ACT has already achieved its 100 per cent renewable energy target.