



Claire O'Rourke
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Dear Ms O'Rourke,

Thank you for your letter to Mr Shorten and for the opportunity for us to outline Labor's positive plans for renewable energy.

Labor understands the fundamental importance of renewable energy and the massive opportunities the transition to clean energy brings. A strong renewable energy sector must be at the centre of Australia's response to the challenges of climate change. This will create jobs, drive investment and push down power bills for families and small businesses.

Please find our responses to your questions below.

Will your party commit to a goal of 100% renewable power (electricity only) by 2030?

Climate change is driving the most profound restructuring of the world economy this century – the transition from fossil fuel based energy to renewable energy. Labor understands the fundamental importance of this transition and the massive opportunities that come with it.

A strong renewable energy sector will be at the centre of Labor's response to the challenges of climate change. With the right policies the renewable energy sector also provides immense opportunities: it will drive job creation; boost manufacturing investment; and put downward pressure on power prices for families and small businesses.

A Shorten Labor Government will return Australia to being a leading renewable energy economy by:

- Ensuring that 50% of the nation's electricity is sourced from renewable energy by 2030.
- Providing greater certainty and flexibility for the Clean Energy Finance Corporation, and delivering more funding for the Australian Renewable Energy Agency (ARENA) and community renewables projects.
- Establishing a Community Power Network.
- Seeing the Commonwealth lead by example as a direct purchaser of renewable energy.

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Will your party commit to holding regular national clean energy reverse auctions from 2017?

A Shorten Labor Government will announce the proposed design details by 1 October 2017 with legislation governing post-2020 arrangements to be introduced to Parliament in late 2017.

That process will ensure that Labor implements the best mechanism to achieve 50% renewable energy.

Labor has seen the success of reverse auctions, including in the ACT and will be considering clean energy reverse auctions when developing the best mechanism to boost renewables.

Will your party commit to establishing or coordinating a national feed-in tariff recognising the contribution solar households make to the grid?

A Shorten Labor Government will initiate an Electricity Modernisation Review including a review of the National Electricity Market (NEM) to ensure that its objective, law, rules and operations are consistent with the needs of Australian consumers in the 21st Century. The current operation of the NEM does not take account of the value of renewable energy and of the revolution in roof top solar.

The Electricity Modernisation Review will consider issues such as the role of feed-in tariffs. Specifically, the review will seek to:

- Ensure the system takes proper account of the need to reduce carbon pollution levels in electricity generation; and of modern trends in electricity, including distribution and storage.
- Ensure that significant growth in renewable energy is transitioned into the energy mix in an orderly manner as old and heavily polluting coal power is withdrawn and replaced.
- Ensure the lowest possible cost power for all Australian households and businesses.

Labor will consult with the COAG Energy Council, NEM agencies, industry, unions and energy users about the conduct of the Electricity Modernisation Review.

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Will your party commit to establishing a federally funded Community Powerhouses program in the next term of government?

Labor will invest \$98.7 million to establish a Community Power Network and Regional Hubs. We will develop a Community Power Network to deal with the challenges of implementing renewable energy solutions in social and community housing, rental properties and apartment-style living. The Network will oversee the development of Community Power Hubs that will work in communities to support the development of local projects to address local needs and assist them in applying for grants through the Community Power Network fund.

The Community Power Network will:

- Be a solution broker.
- Develop a series of regional hubs.
- Bring legal and technical expertise to the passion of community ideas.
- Provide start-up funding to help kick-start clean energy projects across Australia.
- Develop an online community of ideas and support.

Will your party commit to protecting and expanding the CEFC and ARENA?

Labor created ARENA and CEFC and we will continue to support them.

Labor is committed to debt, equity and capital grant funding for the renewable energy sector.

Labor has committed \$206.6 million for a specific Concentrated Solar Thermal round of funding, \$98.7 million to establish a Community Power Network and Regional Hubs, all to be funded through ARENA and a commitment to continue the Clean Energy Innovation Fund.

ARENA is fully funded for 2016/17 but we recognise that the balance of funds and programs needs further consideration to ensure that we have what is actually required to achieve our targets for the renewable revolution and deliver on the commitments in our Climate Change Action Plan. On winning Government we will sit down with the ARENA board and work through exactly what is required.

Labor is glad we forced Malcolm Turnbull to finally drop his plans to abolish the CEFC, and we will continue the Clean Energy Innovation Fund if elected.

Sincerely,

ALP Information Services Unit

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