

Introduced by the Hon Ian Cohen, MLC

First print



New South Wales

Electricity Supply Amendment (Greenhouse Targets) Bill 1998

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Electricity Supply Act 1995* so as to require retail suppliers of electricity to have enforceable benchmarks or targets in their strategies for reducing greenhouse gas emissions.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to this Act.

Clause 3 is a formal provision giving effect to the amendments to the *Electricity Supply Act 1995* set out in Schedule 1.

Schedule 1 Amendments

Schedule 1 [1] amends clause 6 of Schedule 2 to the Act so as to require a retail supplier's strategies for reducing greenhouse gas emissions to include benchmarks or targets specified by the Minister.

Schedule 2 [2] amends clause 8 of Schedule 2 to the Act so as to impose a penalty on a retail supplier that exceeds the benchmarks or targets specified in its strategies for reducing greenhouse gas emissions. Whether a retail supplier has exceeded the relevant benchmarks or targets will be evident from its annual report. The amount of the penalty is to be \$10 per tonne of carbon dioxide equivalent emissions per year for every tonne by which the emissions arising from the production of electricity supplied by it exceeds the relevant benchmarks or targets.

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New South Wales

Electricity Supply Amendment (Greenhouse Targets) Bill 1998

No. , 1998

A Bill for

An Act to amend the *Electricity Supply Act 1995* with respect to the imposition and enforcement of conditions of retail suppliers' licences concerning greenhouse gas emissions.

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Electricity Supply Amendment (Greenhouse Targets) Act 1998*.

2 Commencement

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This Act commences on the date of assent to this Act.

3 Amendment of Electricity Supply Act 1995 No 94

The *Electricity Supply Act 1995* is amended as set out in Schedule 1.

Schedule 1 Amendments

(Section 3)

[1] Schedule 2 Licences

Insert “designed to meet annual greenhouse gas emissions benchmarks or targets specified by the Minister, being benchmarks or targets” after “must be” in clause 6 (6) (a). 5

[2] Schedule 2

Insert after clause 8 (1):

(1A) If the holder of a retail supplier’s licence contravenes a condition of the licence of a kind referred to in clause 6 (4) (a), such a contravention being established by the contents of an annual report published by the retail supplier as referred to in clause 6 (4) (d): 10

(a) the retail supplier must pay a penalty of \$10 per tonne of carbon dioxide equivalent emissions per year for every tonne by which the emissions arising from the production of electricity supplied by it (as measured and reported in accordance with the methodology referred to in clause 6 (4) (d) (ii)) exceeds the retail supplier’s annual greenhouse gas emissions benchmarks or targets referred to in clause 6 (6) (a), and 15 20

(b) it is a further condition of the retail supplier’s licence that any penalty arising under paragraph (a) must be paid within 6 months after the date on which the annual report is published. 25

