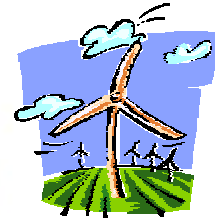


# Wind Farm Developments



**National Emissions Trading Taskforce Secretariat  
The Cabinet Office  
GPO Box 5341  
SYDNEY NSW 2000**

## **Submission to National Emissions Trading Taskforce Discussion Paper From Wind Farm Developments (WFD)**

WFD strongly supports the introduction of a National Emissions Trading Scheme as proposed by the National Emissions Trading Taskforce putting a price on carbon emissions to deal with the external costs of power generation is a crucial part of a suite of methods which are necessary to combat global climate change.

However, considering how important the task of reducing our greenhouse gas emissions is, there are a number of things which it would be prudent of the taskforce to consider, as outlined below;

- The exclusion of electricity generators with a capacity of under 30MW is concerning because it reduces the scope for the development of small renewable energy projects. For example, in remote areas where the choice exists between a diesel generator and wind turbines/solar panels/biomass plants. Not requiring permits to be purchased for a diesel generator reduces their cost and makes the renewable options less competitive.
- The five year period of notice before the scheme may be expanded to cover other sources of emissions is of concern because it significantly delays active emissions reductions from large polluters. In addition it may encourage large outputs of emissions in the meantime before caps are introduced. A 2-3 year period of notice would be more than sufficient.
- The scheme does not currently take the News South Wales Renewable Energy Schemes (NRET) into account. This should be amended. Likewise, the information regarding the Victorian Renewable Energy Target should be updated to reflect the final design of the scheme, specifically the details of the target, penalties and eligibility.
- The capacity for Permit Auction Revenue to be redistributed to further reduce greenhouse gas emissions should be explored. Two options to consider are:

1. *Distribute this revenue to low income households to fund energy efficiency improvements to offset increases in electricity prices; and or*
  2. *Infrastructure projects to facilitate further renewable energy development such as electricity network augmentation.*
- A more stringent cap in order to effectively increase the price of emissions by a greater amount would be required to see significant increases in renewable energy investment.

The current carbon prices, as proposed, are set such that it will encourage the use of gas over coal for electricity generation. While this is a positive step toward reducing greenhouse gas emissions, the government needs to continue to recognize that such carbon prices will be insufficient to continue renewable energy generation investment without policies such as the VRET (and potentially NRET) schemes.

Again, Wind Farm Developments applauds the State governments for undertaking development of a National Emissions Trading Scheme and we look forward to working with the taskforce in the future.

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