

## 2012 Policy Commitment - ACT Greens

Election Commitment:	
<b>Name of Commitment:</b>	<b>Increase Government purchase of renewable energy from 37.5% of total electricity consumption to 90% in 2020</b>
<b>Cost Request Submitted by:</b> <sup>1</sup>	Meredith Hunter MLA, ACT Greens Parliamentary Leader
<b>Date Request Received:</b>	10-Oct-12
<b>Additional Information Requested (including date):</b>	Additional information on whether the initiative was an expenditure or revenue measure was requested on 16/10/2012
<b>Additional Information Received (including date):</b>	16/10/2012


Reference No: GRN125

Date of Public Release: 21-Sep-12

Financial Implications:						
Impact On:	2012-13	2013-14	2014-15	2015-16	2016-17	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	0.0	0.0
Expenses <sup>(a)</sup>	0.0	-3,418.9	-3,472.9	-3,527.9	-3,583.7	-14,003.4
<b>Net Operating Balance</b>	<b>0.0</b>	<b>-3,418.9</b>	<b>-3,472.9</b>	<b>-3,527.9</b>	<b>-3,583.7</b>	<b>-14,003.4</b>
<b>Capital Requirement</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash Surplus/Deficit</b>	0.0	-3,418.9	-3,472.9	-3,527.9	-3,583.7	-14,003.4

(a) A negative number indicates a decrease in revenue or an increase in expenses

Other Information:
<b>Caveats or qualifications to the costing:</b>
The costing only relates to the <i>GreenPower</i> component of the <i>ACT Green Climate and Energy</i> package. It is assumed that the commitment funds the purchase of 37.5 per cent of the overall ACT Government electricity consumed from green energy.
<b>Other Comments:</b>
The variance between the commitment and the Treasury costings relates to higher ACT Government energy consumption at a lower cost of around \$55 per megawatt hour.
Treasury notes that the commitment includes an assumed decrease in ACT Government energy consumption of 10 per cent in 2013-14, and 5 per cent annually thereafter. This assumption is based on the achievability of another commitment which Treasury has been unable to verify. Treasury has not adopted this assumption as the achievability of the targets cannot be verified in the absence of specific initiatives being identified.
<b>Costing Methodology Used:</b>
<b>- Costing Technique:</b>
Green energy includes both GreenPower purchases and renewable energy.
The commitment was costed by the ACT Greens assuming ACT Government energy consumption of 128,000 MWh and a cost for green energy of \$67 per MWh. Treasury has assumed a lower average cost per megawatt hour of around \$55 and higher energy overall energy consumption.
<b>- Policy Parameters:</b>
n/a
<b>Statistical Data Used:</b>
n/a



Megan Smithies  
Director-General