

State by State: Who really benefits from reducing the Renewable Energy Target?

September 2014

The Renewable Energy Target (RET) is designed to reduce carbon pollution from the electricity sector and build Australia's renewable energy industry. And it's working: the RET has already reduced half a million cars' worth of pollution.¹ By 2020, it should help create enough renewable energy to power every household in Australia.

But some coal and gas power companies and industry associations want the target reduced or abolished completely. They claim that it would help electricity customers. These claims are wrong.

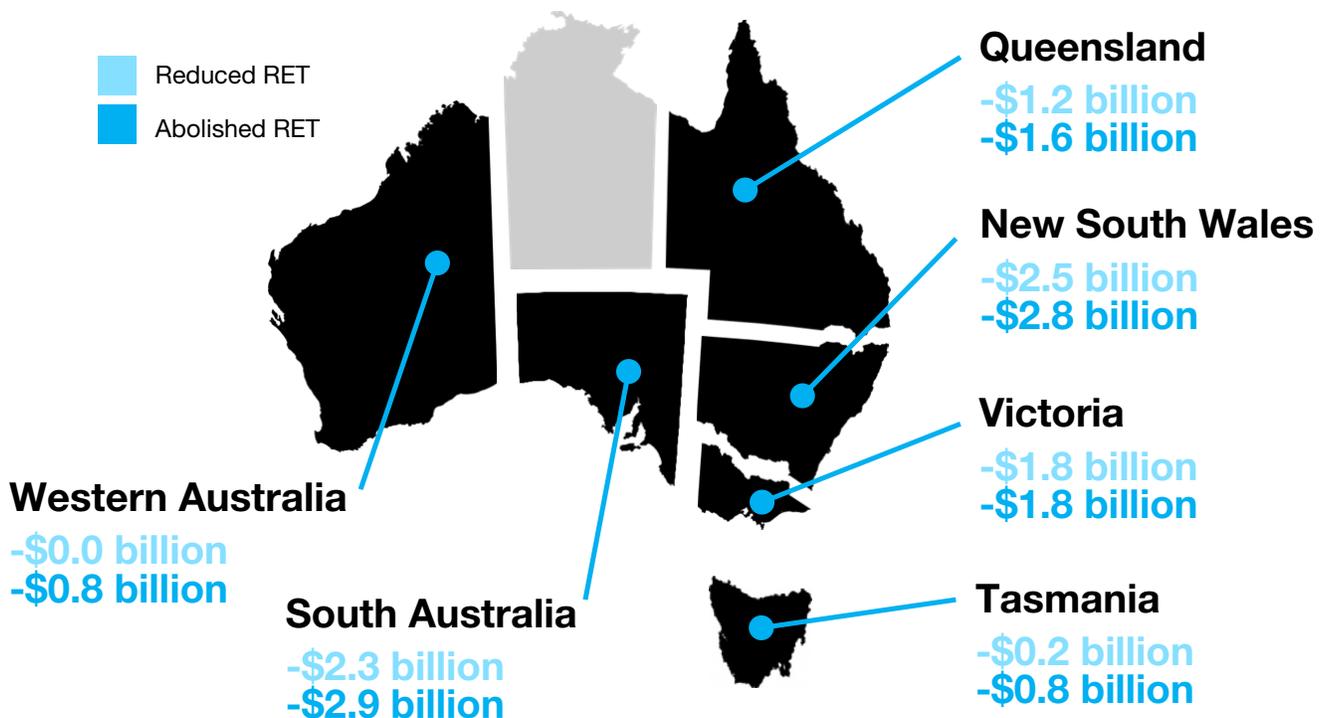
Independent analysis shows that reducing the RET is a step back from a clean energy economy that rewards coal and gas power companies at the expense of households and small business.²

What would it mean for your state?

In total, Australia would lose \$8 billion of investment in renewable energy technologies like solar and wind if the RET is reduced. The figure is even higher in each state if the RET is altogether abolished.

NSW and South Australia would each lose over \$2 billion, while Victoria and Queensland would lose over \$1 billion.³ If the RET is abolished, states would lose even more investment.

Figure 1. Lost investment in renewable energy (net present value)



Reducing the RET won't lower power bills, but it will increase coal-fired electricity generation and cut renewable energy generation.

Table 1: Increase in weekly electricity bill (household using 6.5 MWh) with a reduced RET (capped at 20% renewable energy)

2015-2020	2021-2025	2026-2030
+\$0.28	+\$0.74	+\$1.01

In NSW, for example, the loss in renewable energy generation would be the equivalent of powering 830,000 fewer households with renewable energy by 2030.

Table 2: Change in electricity generation (GWh) by source and state, 2030, under a reduced RET

State	Change in electricity generation by type (GWh)		
	Coal	Gas	Renewable energy
NSW	+16,907	-6,629	-5,377
SA	+1131	+535	-3,817
VIC	+1,362	+819	-2,599
QLD	+813	+941	-1,346
WA	+5	+6	-20
TAS	0	+3	+6

ENDNOTES

¹ Calculated using National Greenhouse and Energy Reporting (Measurement) Determination 2008 (Schedule 1) and ABS, 2008, Survey of Motor Vehicle Use.

² The Climate Institute, Australian Conservation Foundation and WWF-Australia, 2014. *Who really benefits from reducing the Renewable Energy Target?* The Climate Institute, Sydney.

³ Investment figures represent net present value of future investment to 2030, calculated using a 10% discount rate.