



Australian Government
**Department of Climate Change
and Energy Efficiency**

Dear Mr Holland

Thank you for your letter of 13 May 2011 to the Prime Minister, the Hon Julia Gillard MP, concerning renewable energy. Your letter has been forwarded to the Minister for Climate Change and Energy Efficiency, the Hon Greg Combet AM MP, as he has portfolio responsibility for this matter. The Minister has asked me to respond on his behalf.

The Australian Government is committed to addressing climate change and reducing Australia's carbon pollution. Renewable energy generation will play an important role in reducing Australia's greenhouse emissions, and the Australian Government has introduced a number of initiatives that will significantly increase investment in renewable energy.

The Government set a Renewable Energy Target (RET) of 20 per cent of Australia's electricity to come from renewable sources by 2020. The RET also includes incentives to help Australian households, businesses and community groups do their bit on climate change. For example, the RET encourages the move towards rooftop solar photovoltaic panels and solar water heaters.

The Australian Parliament passed legislation in June 2010 to implement the enhanced RET scheme. From January 2011, the existing RET scheme will be separated into two parts – the Small-scale Renewable Energy Scheme (SRES) and the Large-scale Renewable Energy Target (LRET), providing greater certainty for households, large-scale renewable energy projects and installers of small-scale renewable energy systems.

The Government is also providing significant funding for research, development and demonstration of clean energy technologies, including renewables, through the Clean Energy Initiative (CEI). The CEI includes the \$1.5 billion Solar Flagships Program and the Australian Centre for Renewable Energy (ACRE), which draws together more than \$560 million of renewable energy investment.

In addition, the \$100 million Renewable Energy Venture Capital Fund will make critical early-stage equity investments that leverage private funds to support the commercialisation of emerging renewable technologies, for instance in geothermal, solar, wave and bio-energy technologies.



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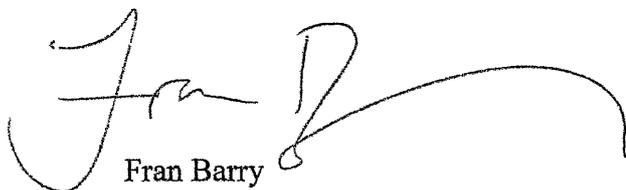
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The Government has also announced the Connecting Renewables program which will invest \$1 billion over the next decade in electricity networks to connect Australia's renewable resources to Australian homes.

Further information about climate change and renewable energy is available online at www.climatechange.gov.au and www.livinggreener.gov.au.

Thank you for bringing your concerns to the Minister's attention.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Fran Barry', with a long, sweeping flourish extending to the right.

Fran Barry
Director
Coordination and Renewables Branch
8 June 2011