

31 March 2006

Renewable and Distributed Generation Working Group Secretariat
Ministerial Council on Energy
GPO Box 9639
CANBERRA ACT 2601

By email: rdgwgsecretariat@industry.gov.au

Dear Sir/Madam

**Re: Impediments to the Uptake of Renewable & Distributed Energy
Discussion Paper**

Hydro Tasmania is Australia's largest renewable energy generator, producing approximately 60% of Australia's renewable energy from hydropower and wind. Hydro Tasmania is an active participant in the renewable energy market within Australia and has experienced first hand many of the impediments to the uptake of renewable energy outlined in this discussion paper. Many of these issues have resulted in unnecessary increases in costs and delays to our projects and it is imperative that they be given comprehensive consideration and are addressed.

As such, Hydro Tasmania commends the Ministerial Council on Energy Standing Committee of Officials' (MCE SCO) Renewable and Distributed Generation Working Group's (RDGWG) work to identify and review the issues affecting the uptake of renewable and distributed generation within Australia and thanks MCE SCO for the opportunity to respond.

Hydro Tasmania has contributed to the development of the Renewable Energy Generators of Australia's (REGA) submission on the discussion paper and supports the views expressed in that submission.

Hydro Tasmania would like to reiterate the key role that renewable and distributed energy has in reducing Australia's emissions intensity from energy supply and the significant potential to result in industry development and employment opportunities, particularly in regional and remote Australia.

We strongly encourage MCE to broaden the Terms of Reference of the RDGWG to encompass non-National Energy Market (NEM) as well as NEM issues. The non-NEM related issues highlighted in the paper are a major impediment to the uptake of renewable energy within Australia and until all impediments are comprehensively assessed and appropriate measures identified, the industry will not be able to realise its full potential.

The communiqué from the February 2006 COAG meeting set out COAG's commitment to "providing energy users with the most efficient, secure and sustainable supply of electricity from all available fuels and generation sources, and include where appropriate an increased share of renewable energy". REGA urges COAG, as a part of this commitment, to address the full range of impediments to the uptake of renewable energy so that this commitment can be fulfilled.

Please do not hesitate to contact me should you wish to discuss any aspect of this letter further on 03 6230 5249 or 0438 340905 (email alex.beckitt@hydro.com.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alex Beckitt', with a horizontal line drawn through the middle of the signature.

Alex Beckitt
Group Manager
Market Investigation and Development