2022

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

TENTH ASSEMBLY

Report No. 4 of the Standing Committee on Environment, Climate Change and Biodiversity

Inquiry into Renewable Energy Innovation in the ACT

Government Response

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Introduction

Canberra is an internationally recognised centre for renewables research and innovation and continues to deliver world-leading renewable energy policies and programs. The ACT Government has achieved and will maintain its commitment to 100% renewable electricity in 2020 and beyond. We are also recognised for our world-leading emissions reduction targets, and have already achieved our legislated greenhouse gas emissions reduction target of 40% below 1990 levels by 2020, driven largely by the ACT's investment in renewable electricity.

The ACT Government has made significant progress on delivering its ambitious climate action agenda set out in the *Parliamentary and Governing Agreement for the 10th Legislative Assembly (PAGA).* This includes a number of key initiatives that will further renewable energy innovation in the ACT. Across 2021 and 2022 the ACT Government has:

- Released the ACT Zero Emissions Vehicle Strategy 2022-30 which will increase penetration of zero emissions vehicles and industry in the ACT;
- Announced the pathway to electrification to phase out fossil fuel gas in the ACT, sending a clear signal to the renewable energy industry;
- Launched the Sustainable Household Scheme, an innovative finance scheme that facilitates no interest loans of up to $15,000 for the purchase of energy efficient and zero emissions appliances;
- Commenced procurement activity for the Big Canberra Battery project, which will assist in the delivery of 250MW of distributed energy storage across the ACT; and
- Provided $1.4 million in funding to roll out more than 70 new public electric vehicle chargers across the ACT.

In February 2021, the Standing Committee on Environment, Climate Change and Biodiversity (the Committee) established an Inquiry into renewable energy innovation in the ACT. The Inquiry received twenty-five submissions and hearings took place over three days in June and July 2021.

The Committee's final report was circulated in June 2022 and tabled in the Legislative Assembly on 2 August 2022.

The Committee provided thirty-seven recommendations spanning across the ACT policy and regulatory contexts; regulatory innovation, social equity; renewable energy sectors; innovative finance; and environment sectors.

The recommendations are outlined and addressed in this Government Response.

Government response to Standing Committee's Inquiry into Renewable Energy Innovation in the ACT

Recommendation 1

The committee recommends that the ACT Government continue to strongly pursue its target of zero net emissions by 30 June 2045 at the latest by setting strong interim targets across a broad range of policy areas and ensure adequate budget expenditure to meet these targets.

Response: AGREED IN PRINCIPLE

Targets set the ambition and direction for government decision-making. The ACT is already leading the nation with its ambitious net zero emissions by 2045 target. In addition, the ACT has legislated interim emissions targets to ensure continued emissions reduction over time. The direction and ambition has been set and continues to inform government decision-making and investment.

The government continues to work towards its emissions targets and deliver existing climate action commitments, including the delivery of the ACT Climate Change Strategy 2019-2025. Key policy documents have been released outlining the pathway to eliminate emissions from transport and gas.

Recommendations 2 and 3

The committee recommends that the ACT Government seek to improve co-ordination and collaboration of Territory, Federal and International plans/ targets/agreements to ensure that the ACT remains a leader in renewable energy innovation in Australia and internationally.

The committee recommends that the ACT Government explores enhanced mechanisms for coordination between directorates to ensure that renewable energy efforts across the ACT government are consistent and integrated.

Response: AGREED

ACT Government continues to work with Australian Government agencies to support national efforts to attract direct foreign investment and support the growth of products, services and intellectual property related to zero emissions.

Across the ACT Government, cross directorate involvement and engagement is critical to ensure that education, compliance and regulatory functions for renewable energy innovation in the ACT is achieved and delivered responsibly.

The Office of the Coordinator General for Climate Action has been established to coordinate and support the ACT Government's ambitious agenda for climate action. This has included the establishment of new governance arrangements across agencies. The ACT Government will continue to review and refine coordination mechanisms on an ongoing basis.

Recommendation 4

The committee recommends that the ACT Government commission innovative social science research and methodologies to understand how to transition sectors (i.e. transport,

gas for cooking) or parts of the community that may have significant infrastructure and behaviour change barriers to reducing their emissions.

Response: AGREED

The ACT Government seeks stakeholder views and research in the preparation of its suite of policies and programs for emissions reduction.

As part of the gas transition work, the ACT Government will investigate how to transition sectors of the community off fossil fuel gas use, particularly those where there are specific infrastructure challenges. Work will also be done on options to encourage behaviour change, supported with a public communications campaign. This work will inform the development of an Integrated Energy Plan for the ACT.

The ACT Government has also established partnerships to support the transition to net zero, including having provided 5 years of funding to ANU for the Battery Storage and Grid Integration Program, a research program looking into grid integration and battery technology.

Recommendation 5

The committee recommends that the ACT Government consider providing an update of the ACT's carbon budget and the latest estimate of when it will be spent.

Response: AGREED

The ACT Climate Change Council previously used a carbon budget to arrive at its recommendations for greenhouse gas emissions reductions targets for the ACT, which the ACT adopted. The ACT Government will consider asking the ACT Climate Change Council, or seeking an independent entity, to update the ACT's carbon budget after an interim target year.

Recommendation 6

The committee recommends that the ACT Government reports to the Assembly on the status of its 2020-25 Sustainable Energy Policy and provide more detail on the progress of the ACT goal to net zero emissions against its carbon budget in reports produced under the Climate Change and Greenhouse Gas Reduction Act 2010.

Response: NOTED

Under the *Climate Change and Greenhouse Gas Reduction Act 2010* (the Act), each financial year the Minister must ask an independent entity to prepare a report about greenhouse gas emissions and the targets mentioned in part 2 of the Act.

As per the response to recommendation 5, the ACT Climate Change Council used a carbon budget to arrive at its recommendations for greenhouse gas emissions reductions targets for the ACT, which the ACT adopted. To this end reporting on the emissions reductions targets meets the same goal of the ACT reporting on meeting its carbon budget.

The ACT reports openly and transparently on how it tracks against its emissions reduction targets via its annual greenhouse gas inventory report. This report shows where emissions

are generated and how this has changed over time. This document can be found on the ACT Government climate choices website.

The development and scope of the next Sustainable Energy Policy is still under consideration. The finalisation and publication of other strategic policy work, such as the Powering Canberra: Our Pathway to Electrification and ACT Zero Emissions Vehicle Strategy 2022-30, was required to inform the direction of other future energy policy.

Recommendations 7 and 8

The Committee recommends the ACT Government support the ACT Renewables Hub to have long term objectives and projects that focus on outcomes to address social, technological, environmental, and labour market barriers and innovation to support ACT leadership in the renewable energy field.

The committee recommends that the ACT Renewables Hub be funded to conduct future mapping of the ACT renewable ecosystem, with a goal of identifying gaps and growth areas.

Response: AGREED IN PRINCIPLE

Since the hearings for this Inquiry in June and July 2021, the ACT Renewables Hub has completed initial mapping of the ACT renewables ecosystem. The map can be found at www.actrenewableshub.org.au.

The ACT Government has supported the ACT Renewables Hub from 2016 through its evolution as an original physical working space, to the virtual online Hub. Financial support for the Hub ceased in June 2022 when the most recent contract with the Smart Energy Council (SEC), for managing the Hub concluded. The Smart Energy Council will continue operating the Hub independent of ACT Government. Work is underway to formalise this arrangement.

In the next iteration of the Renewable Energy Innovation Fund (REIF), the Government will explore options to align the ACT's long term renewable energy innovation objectives with the ACT Renewables Hub activities in the ACT and develop emerging and innovative renewable energy ecosystems that leverage the ACT's strengths, and to collaborate with the ACT Renewables Hub on such work.

Through the *Skilled to Succeed: skills and workforce agenda for the ACT*, the ACT Government will seek to strengthen local training capability in technology, building and construction and knowledge-based industries, including in renewable energy. Government funding will seek to ensure public investment is supporting government priorities, keeping pace with what is needed by industry and students today, and meeting the needs of new and emerging industries.

Recommendation 9

The committee recommends the ACT Government continue to look at delivering R&D and start-up grant schemes and funding that promotes innovation and diversity in the renewable energy sector.

Response: AGREED

The ACT Government has a number of programs in place to promote innovation and diversity in the renewable energy sector. This includes:

- The Canberra Innovation Network (CBRIN), which is a not-for-profit company established by the ACT Government to bring together universities, research institutes and the private sector to coordinate, connect, promote and grow the region's innovation ecosystem. CBRIN's mission is to empower entrepreneurs to make an impact and position Canberra as a clever, connected and creative city where entrepreneurs and businesses build on our excellence in research and innovation to create social and economic benefits for all. The activities, programs, mentoring and coaching that CBRIN delivers for entrepreneurs and start-ups across a breadth of industries are also available to those in the renewable energy sector.
- The Innovation Connect Grants (ICON), which the ACT Government has funded since 2008. The ICON grant is delivered through CBRIN and to date, has provided 285 grants worth over $7.4 million for businesses seeking seed funding to prove a concept or produce prototypes. Many of these projects have driven innovation in sustainability, renewables, and energy. For example, in 2021 and 2022 alone, the ICON Grant has funded projects and/or products that advance water filtration technology for future water security, development of machine learning to automate solar panel electroluminescence (EL) image analysis, turns the mandatory energy-efficiency star rating into practical, decision-oriented graphics, helping people build future-proof homes, and a robotic solution to assist textile recyclers in sorting and handling waste streams.
- Priority Investment Program - The ACT Government also delivers the Priority Investment Program that funds co-investment projects to support the commercialisation of research, grow jobs and develop our knowledge intensive sectors. The Priority Investment Program (PIP) is open to a wide array of projects, including in the areas of renewables, sustainability and energy. For example – PIP provided the Distributed Energy Resources (DER) Lab with a $1.5m grant, which was for the establishment of a lab which mirrors the electricity grid, in an environment that will provide a fail-safe power system to rapidly, efficiently, and securely develop and test technologies and systems (like batteries, solar panels, and electric vehicles) before deploying them into the live grid.
- Since the 2020-21 Budget the ACT Government has committed $26.5 million to the Future Jobs Fund (FJF), including $22 million through the recently announced 2022-23 Budget. The FJF cuts across portfolios and will fund a breadth of activities that seek to support jobs growth in our knowledge intensive sectors, the commercialisation of research, and initiatives that will attract and retain a skilled workforce. There are opportunities across the FJF's co-investment grants, venture capital funds, and investment attraction initiatives to fund and promote innovation and diversity in the renewable sector.

<u>Recommendations 10 and 11</u>

The committee recommends that the ACT Government continues to increase investment in renewable energy sector skills education and training, working in partnership with CIT and the ACT universities.

The committee recommends that the ACT Government continue to fund and support CIT Renewable Energy Skills Centre of Excellence to develop and grow to become the Australian and Asia-Pacific leader in renewable sector skill development.

Response: AGREED

The ACT Government supports the CIT's Renewable Energy Skills Centre of Excellence, the ANU's hydrogen research and various scholarships. Through the Renewable Energy Innovation Fund, the ACT Government financially supports the Battery Storage and Grid Integration Program (BSGIP) at the ANU to undertake socio-techno-economic research, development and demonstration activities that support designing and implementing the building blocks of our future electricity system.

Through the reverse auction industry investment commitment, the ACT Government supports and provides regular feedback and guidance to the CIT Renewable Energy Skills Centre of Excellence, on emerging renewable energy skills training and development needs.

The ACT Government is committed to providing CIT with at least 75 per cent of government vocational education training funding and will continue to provide strategic guidance to the CIT Renewable Energy Centre of Excellence.

Recommendation 12

The committee recommends that the ACT Government look to engage the Australian Government in discussion around opportunities through current Asia-Pacific labour and mobility schemes to up-skill workers here in the ACT.

Response: AGREED

The ACT Government is committed to working with the Australian Government to ensure that skills needs in the Territory can be met through various migration pathways, including through labour mobility schemes. The ACT has opted-in to the Australian Government's Pacific Australia Labour Mobility (PALM) Scheme. PALM is relevant for low- or semi-skilled occupations (i.e. requiring a maximum of Cert IV). The scheme allows businesses approved by the Department of Foreign Affairs and Trade to hire workers from Pacific Island countries and Timor-Leste, if they can demonstrate that job vacancies cannot be filled through domestic recruitment.

The ACT Government also engages regularly with the Australian Government to ensure that visa pathways exist for skilled migrants to come to Canberra to work in priority areas. The ACT has received an interim allocation for its skilled migration program in 2022-23 and will continue to discuss a potential increase to this allocation with its Commonwealth counterparts.

Recommendation 13

The committee recommends that the ACT Government explore opportunities to create a regulatory environment that can facilitate innovation and experimentation in the renewable energy sector.

Response: AGREED

The ACT Government is committed to knowledge based economic growth through the ongoing development of our innovation ecosystems and promoting creativity, disruption, and change.

Canberra has a reputation as a city of early adopters, the ACT Government:

- was the first city in Australia to adopt and regulate ridesharing, bringing diversity and choice to our transport options, and ensuring safety and a level playing field for transport operators.

- is trialling world first drone-delivery technologies, balancing the needs of consumers, the environment and safety to ensure success.

- funded a trial of new driver monitoring technology that will help Australia and the world understand how humans will interact with semi-automated vehicles in a real-world situation.

The Territory's single layer of government, knowledgeable population, population density and geography provide an environment suitable to trialling new technologies.

In the next iteration of the Renewable Energy Innovation Fund, we will explore options to create opportunities for policy incubation that would allow innovative pilots and regulatory sandboxing trials for the ACT.

Recommendation 14

The committee recommends that the ACT Government investigates the development of arrangements for removing the barriers that prevent job mobility in the renewables energy sector.

Response: NOTED

Since the Committee's final report was circulated, Automatic Mutual Recognition (AMR) in the ACT has commenced and will be helpful in removing barriers that prevent job mobility in the renewables energy sector. AMR allows workers who hold an occupational registration or licence in one Australian State or Territory to work in other Australian States or territories without needing to pay additional fees or apply for a separate registration. This will aid the energy sector making it easier for workers around Australia to develop their professional networks and engage with other organisations in the renewable energy sector.

It should be noted that significant risk exemptions can be sought when occupational regulatory schemes present a significant risk to consumer protection, environment protection, animal welfare, or public or worker safety. A significant risk exemption has been introduced for construction occupations, including electricians, which will be in place for three years. During this time, the Government will work to bring these occupations into the scheme so that the barriers to occupation mobility are reduced. Even though the exemption is in place, electricians from other jurisdictions can continue to avail themselves of the mutual recognition provisions to obtain an ACT licence.

Non-competition, or restraint clauses in employment contracts are a complex area of law, with their enforcement governed by the common law. An employer may also choose not to

enforce a restraint clause. A restraint clause will, however, only be enforceable if the restraint is considered reasonable. Some non-competition clauses will not be considered unreasonable, this will often turn on the specific facts of the case. Non-competition clauses must have a legitimate business interest they intend to protect. Their enforcement will depend on the reasonableness of the terms of the clause including the duration of the clause, the geographic area it applies to, and the activities proposed to be restrained.

Recommendation 15

The committee recommends that the ACT Government, through its plans/strategies/ frameworks/grants ensure that it prioritises and promotes diversity and inclusivity.

Response: AGREED

The ACT Government recognises the immense value in promoting diverse and inclusive workforces in the ACT. This is reflected in the ACT Wellbeing Framework where Identity and Belonging is one of the twelve wellbeing domains which guides policy design and decision making. Diversity and inclusivity principles will be considered as part of future plans/strategies/frameworks/grants.

Recommendations 16 and 17

The committee recommends that the ACT Government considers, as part of its policy and planning work in relation to renewable energy, the social and human dimensions associated with achieving renewable energy targets and objectives.

The committee recommends that the ACT Government continues to ensure that renewable energy innovation contributes to achieving social goals as part of a just energy transition to net zero emissions.

Response: AGREED

Consistent with the Parliamentary Agreement for the 10th Assembly, the ACT Government will continue to ensure a just transition for those impacted by the shift to net zero emissions, including considering the social and human dimensions associated with achieving renewable energy targets and objectives. The ACT Government provides a variety of rebates, resources and support available via the ACT Government's Everyday Climate Choices website to support households, community organisations and businesses.

The ACT Government provides ongoing support to reduce energy hardship for vulnerable households, such as the Home Energy Support program which provides rebates for Australian Pensioner Concession and Veterans' Affairs Gold Card holders for sustainable home upgrades for rooftop solar systems, hot water heat pumps, reverse cycle heating and cooling systems, and better ceiling insulation.

Recommendation 18

The committee recommends that the ACT Government adopts ambitious and measurable performance targets for the Energy Efficiency Improvement Scheme (EEIS) and considers opening the scheme to broader market participation.

Response: NOTED

Performance targets for the EEIS are enacted by legislation. Each year the Administrator determines the Energy Savings Result for each retailer, which measures and determines performance against the set targets. The Scheme's performance is regularly evaluated and target setting considers lifetime achievements of the scheme, including energy, emissions and bill savings and the overall cost: benefit ratio.

The EEIS operates by setting an obligation on electricity retailers with electricity sales within the ACT to make energy savings, via targets based on a percentage of their electricity sales within household and small to medium businesses. Electricity retailers do not receive ACT Government funding to deliver EEIS energy savings products or activities. Likewise, installers do not receive any rebates or compensation from the ACT Government for their participation in the EEIS. Electricity retailers can partner with businesses that undertake approved energy saving activities for the acquisition of energy savings factors. Businesses must apply to the scheme to become an Approved Energy Savings Provider in order to deliver energy savings activities and generate energy savings factors for acquisition by a retailer. It is at the discretion of retailers how they meet scheme obligations, and whether they use Approved Energy Savings Providers to deliver activities on their behalf.

The EEIS is one of a suite of mechanisms available to the broader ACT energy efficiency market to deliver energy savings activities. Other programs include the Sustainable Household Scheme and Home Energy Support Program.

Recommendation 19

The committee recommends that the ACT Government provide more detailed and clear strategies on its implementation of the big batteries program, including that a diverse range of participants take up battery storage.

Response: AGREED

The ACT Government's Climate Choices website provides up to date information on the implementation of the Big Canberra Battery program. The procurement activities outlined encourage all eligible businesses to apply.

The ACT Government is looking to support a diverse range of participants to deliver the Big Canberra Battery program. This includes through dividing the program into three streams - large transmission batteries, behind the meter batteries and medium scale distribution batteries to provide diverse opportunities. Further, the ACT Government expects to release two procurements for batteries at government sites, in August 2022. These two procurements have been split based on the size of batteries, to enable a diverse range of suppliers.

Recommendation 20

The committee recommends that the ACT Government ensures its renewable energy programs and specifically, its roll-out of community-scale batteries, occurs as a just transition.

Response: AGREED

The ACT Government is currently looking into options for neighbourhood scale batteries including community ownership options. This stream of procurement will consider opportunities for just transition and social impacts.

Recommendation 21

The committee recommends that the ACT Government expand the current ACT Renewables Hub initiative to support knowledge-sharing of community battery information to empower communities to design, develop and operationalise community-scale battery projects in the ACT, and provide specific training on community batteries for technicians.

Response: NOTED

The ACT Government will continue to engage with the Smart Energy Council in managing the ACT Renewables Hub to support knowledge-sharing and the development of training opportunities including for community-scale batteries, this may not necessarily mean an expansion of the current initiative.

Recommendation 22

The committee recommends that the ACT Government consider developing a plan covering the financial, social, business and industry transition of fully electrifying our hot water systems in the ACT.

Response: NOTED

Water heating is one of the primary uses of fossil fuel gas in the ACT and as such will be a key focus of the Gas Transition work the government will be undertaking during 2022-24. This work will inform the development of an Integrated Energy Plan for the ACT. For reference, a series of documents on the gas transition pathway, including a position paper, were released on 4 August 2022. There are numerous zero emissions hot water technology options available and so this does not necessarily require “electrifying” our hot water systems.

Recommendation 23

The committee recommends that the ACT Government consider how to retrain gasfitters to support the industry transition.

Response: NOTED

Gas fitting is a component of a nationally accredited Certificate III in Plumbing, not a standalone qualification, therefore most qualified gasfitters (with the exception of some) in the ACT are qualified plumbers. The implications of the gas transition for the ACT workforce, in particular for gasfitters, will be a key focus of the Gas Transition work the government will be undertaking during 2022-24. This will include investigation of options for retraining.

It is expected that demand for Licensed Gasfitters will continue for a significant period of time for the disconnection as well as servicing of gas appliances. When existing gas appliances start to age, customers will be encouraged to switch to electric which will require disconnection of the gas supply to the appliance which is licensed gas fitting work.

CIT will work with industry to upskill and reskill gasfitters.

Recommendation 24

The committee recommends that the ACT Government work with the Master Plumbers Association ACT and Canberra Institute of Technology to provide continuing professional development for heat pump and solar water installers.

Response: AGREED IN PRINCIPLE

The implications of the gas transition for the ACT workforce will be a key focus of the Gas Transition work the government will be undertaking during 2022-24. This will include consideration of the need for government intervention in the continuing professional development space. Ongoing engagement with the Master Plumbers Association ACT and Canberra Institute of Technology on the transition, as well as a number of other key stakeholders, will support this work as it progresses.

CIT will continue working with ACT Government and the Master Plumbers Association to provide continuing professional development for heat pump and solar water installers.

Recommendation 25

The committee recommends that the ACT Government determine if a special licence category should be created for plumbers undertaking solar hot water heater and heat pump installations.

Response: NOTED

The ACT Government, as part of its commitment to continuing to have construction occupations being undertaken by appropriately licensed and trained persons, will continue to monitor and assess the need for any additional measures to support high quality building work and compliance with building standards that promote health, safety, amenity and sustainability.

Recommendation 26

The committee recommends that the ACT Government continues supporting the capture of gas from landfill to convert to green energy.

Response: AGREED

The ACT Government will continue to support the capture of gas from landfill to convert to green energy.

Recommendation 27

The committee recommends that the ACT Government support dispatchable battery power through the co-location of renewable energy projects at suitable sites that can be connected to the ACT electricity network.

Response: AGREED

The Big Canberra Battery project will provide at least 250MW of dispatchable battery power connected to the ACT electricity network. This will encourage more renewable energy projects to connect to the network.

Recommendation 28

The committee recommends that the ACT Government improve staff technical expertise within the Utilities Technical Regulator team to provide the directorate with the necessary knowledge base to assess development applications for renewable energy projects.

Response: NOTED

The Utilities Technical Regulation team (UTR) maintains technical expertise relevant to the renewable energy projects sector, by having staff with electrical sector engineering qualifications. Additionally, UTR engages consultants with electrical engineering qualifications and experience in ACT transmission and distribution systems. These resources work with teams across Government in relation to renewable energy and how it will integrate with, and affect utility infrastructure.

Recommendation 29

The committee recommends that the ACT Government develops a robust transition strategy for decarbonisation of the transport sector in ACT with a clear target that is consistent with the ACT Government target of net zero by 2045 at the latest.

Response: AGREED

Since the release of the Committee's final report, the ACT Government has released the 2022-30 Zero Emissions Vehicle (ZEV) Strategy for the ACT. The Strategy includes the setting of a ZEV sales target of 80-90% for 2030 and signals an intention to prohibit new fossil-fuelled vehicles from 2035. Action from other governments, including the Commonwealth, and the vehicle industry, will be required to ensure that the sales target can be met, and to deliver light passenger vehicle emissions reductions in line with the net zero target.
The Strategy also includes an action to prohibit onboarding of new internal combustion engine (ICE) vehicles to rideshare and taxi networks by 2030. The transition to a zero-emissions transport system is a goal that will benefit all Canberrans in the long-term, and the ACT Government is developing these changes now to ensure that Canberra continues to be a highly liveable, and climate-resilient city.

Recommendation 30

The committee recommends that the ACT Government explore targets to increase charging infrastructure and establish other incentives that may help EV uptake such as negative registration fees, transit lane access, and preferred parking arrangements for private EVs.

Response: AGREED IN PRINCIPLE
On 1 July 2019, the ACT Government also introduced changes to the road rules to allow zero emissions vehicles (including pure electric, plug-in hybrid-electric vehicles and those vehicles powered by a hydrogen fuel cell) to drive in transit lanes in the ACT until 31 December 2023. This change implemented actions from the ACT's Transition to Zero Emissions Vehicles Action Plan 2018-2021.

In May 2021 the ACT Government added a 2-year 100% concession on the registration fee component of registration fees and charges for new and used battery electric and hydrogen fuel cell vehicles first registered between 24 May 2021 and 30 June 2024. The concession is also provided to vehicles converted to battery electric or hydrogen fuel cell operation in that time.

The ZEV Strategy for the ACT sets a minimum number of public charging stations needed in 2025, and has committed funding for grants programs to ensuring that the target minimum number is reached. The zevStrategy also explored and funded various incentives to increase EV uptake, including exploring transit lane access and preferential parking arrangements.

Through the Planning System Review and Reform Project mechanisms to require charging infrastructure for new multi-unit residential and commercial buildings and investigating measures to support retrofitting of charging infrastructure in existing buildings is being undertaken. This work is progressing, with initial investigations to inform any changes made to the planning system to support EV ready developments.

The 2022 edition of the National Construction Code (NCC) includes provisions that will enable Class 2 and Class 5 to 9 buildings to be easily retrofitted with Distributed Energy Resource (DER) equipment. This includes photovoltaic (PV), EV charging and battery storage equipment. The provisions do not require DER equipment to be installed, rather that the capacity for this equipment is provided for, which is designed to facilitate easier (and hence cheaper) installation of such equipment in future. These provisions will become mandatory for new homes from October 2023.

As noted in the Committee's report, on 11 May 2022 the Road Transport (Road Rules) Regulation 2017 (the road rules) was amended to encourage the increased use of electric vehicles in the community and support the Government's broader policy objectives of reducing transport emissions to protect public health and address climate change. The changes introduced (among other things) two new strict liability offences for stopping in a parking area designated for electric-powered vehicles. The first offence applies to a driver of a non-electric powered vehicles who stops in a parking area for electric powered vehicles. The second offence applies to a driver of an electric powered vehicle who stops in the parking area if their vehicle is not plugged into an external source of electricity. Both offences have a maximum court fine of 20 penalty units (currently $3,200) or an infringement notice penalty of $128.

Recommendation 31

The committee recommends that the ACT Government support the development of an integrated transport network including the installation of charging hubs for personal mobility devices such as electric bikes and scooters at various locations across Canberra.

Response: AGREED IN PRINCIPLE

The Government is supporting cycling and active travel to make Canberra a more sustainable city and a better place to live. Canberra is a growing city and the Government has made commitments to reduce congestion and emissions, and improve health outcomes.

Swapping out some car trips, and making active travel options easier for people who do not drive, can ease the cost of living with increasing fuel prices, paying for parking, and reducing personal health care costs. Active travel options also contribute to our local economy through events, increasing visitation to businesses as well as the retail and maintenance industry.

For these reasons and more, the Government made a commitment to update the 2015 'Active Travel Framework' in the Transport Strategy. The draft updated Active Travel Plan was released for consultation on Thursday 14 July 2022 and includes within it a priority area (Priority 4 -Making active travel and bicycle parking easy) to make active travel easier for people.

The community has over time identified barriers to being able to cycle and use active travel. By addressing the most challenging barrier for women, for people who are less mobile, and for the young and old, active travel options are more accessible for everyone.

The Government will use the feedback received over time and during the current consultation process with the community and stakeholders to guide the development of options to reduce barriers to people using personal mobility devices such as electric bikes and scooters as part of their active travel plans.

Recommendation 32

The committee recommends that the ACT government consider a procurement contract option to convert the ACT Government vehicle fleet (including buses) to EV in return for an EV manufacturer establishing a strong administrative and R&D presence in Canberra—similar to the process of reverse auctions for electricity.

Response: NOTED

The majority of the ACT government fleet is leased. It is uncertain how this model could be applied for leased vehicles but will be further considered in consultation with ACT Procurement and owner operators such as Transport Canberra and Emergency Services Agency.

Transport Canberra is finalising the contract arrangements for the first 12 battery electric buses expected to be delivered by end of 2022. A procurement process is currently out to market for the purchase of a further 90 battery electric buses with these expected by the end of 2024.

Recommendation 33

The committee recommends that the ACT Government engage with industry to leverage ARENA and ARC Linkage grants. This allows $1 of company money to obtain $3-4 more dollars from Federal Government research funding.

Response: AGREED IN PRINCIPLE

In the next iteration of the Renewable Energy Innovation Fund, the Government will explore options to enhance public-private collaborations in developing and demonstrating new technologies and leverage private investments. Research-industry partnership proposals will be particularly encouraged. The Government will expect to leverage co-investment for every

dollar it invests in renewable energy technologies. The ACT Government has engaged with local ACT businesses and research institutions to bring two ARENA-funded projects to the ACT, including the Realising Electric Vehicle to Grid Services project and Project Converge, which seeks to assist the ACT electricity network operator to improve network congestion management, minimise network expenditure and improve distributed energy resources market bidding into energy markets.

The Priority Investment Program (PIP) is a co-investment focussed grant program that since 2018 has leveraged funding from the Australian Government and the private sector to foster collaboration between research and industry to unlock new capability and investment. For example, PIP provided the Distributed Energy Resources Lab with a $1.5m grant, which was for the establishment of a lab which mirrors the electricity grid, in an environment that will provide a fail-safe power system to rapidly, efficiently, and securely develop and test technologies and systems (like batteries, solar panels, and electric vehicles) before deploying them into the live grid.

Recommendation 34

The committee recommends that the ACT Government provides support to create a network of local non-distributing cooperatives and a platform cooperative, including the potential of low-interest bank loan, to fund a CORE Cooperative of interested organisations.

Response: AGREED IN PRINCIPLE

The ACT Government has a range of schemes available to individuals and different types of organisations, such as not-for-profit community groups. This includes the Community Zero Emissions Grants Program, which is available to help fund projects that lower. The total grant amount available is $600,000 over four years, ending in 2025. In 2022, six projects received a total of $155,823.50 funding.

Recommendation 35

The committee recommends that the ACT Government look into micro-tenders for local small and medium sized businesses for grants to ensure broad participation in renewable innovation in the ACT.

Response: NOTED

Small to medium businesses, including 'start-ups', will be eligible to apply for Renewable Energy Innovation Fund grants.

Recommendation 36

The committee recommends that the ACT Government consider changing relevant planning and building codes to ensure that all apartments can provide adequate electrical infrastructure in their basements and outdoor car parks, to allow electric vehicle users to charge their cars at home.

Response: AGREED

Through the Planning System Review and Reform Project mechanisms to require charging infrastructure for new multi-unit residential and commercial buildings and investigating

measures to support retrofitting of charging infrastructure in existing buildings, is being undertaken.

This work is progressing, with initial investigations to inform any changes made to the planning system to support EV ready developments.

The 2022 edition of the National Construction Code (NCC) includes provisions that will enable Class 2 and Class 5 to 9 buildings to be easily retrofitted with Distributed Energy Resource (DER) equipment. This includes photovoltaic (PV), EV charging and battery storage equipment. The provisions do not require DER equipment to be installed, rather that the capacity for this equipment is provided for, which is designed to facilitate easier (and hence cheaper) installation of such equipment in future. These provisions will become mandatory for new homes from October 2023.

Recommendation 37

The committee recommends that all new and refurbished Government facilities are required to include renewable energy generation capability.

Response: AGREED IN PRINCIPLE

The ACT Government is committed to ensuring that all new and refurbished Government facilities are powered by renewable electricity, rather than by natural gas. Solar PV has a demonstrated financial benefit and already plays an important role in reducing the cost of Government operations. Government will continue to utilise this technology. It is noted that in exceptional circumstances, solar PV is not suitable, particularly where roof space is limited or not structurally capable of housing solar panels.