

## Federal Labor's renewable energy reforms

November 2018

On 22 November 2018 Federal Labor Leader Bill Shorten committed a future Labor government to a ten-year energy investment framework aimed at creating certainty for industry, lowering power prices, and increasing reliability.

Federal Labor's *Plan for More Renewable Energy and Cheaper Power* seeks to deliver on a 50 percent renewable energy target by 2030 through a bipartisan energy market mechanism. Modelled closely on the Coalition's former policy, the National Energy Guarantee, it retains the use of existing resources while promoting new investment in renewables with reliability and emissions guarantees from providers.

Labor's framework will provide an additional \$10 billion in capital for the Clean Energy Finance Corporation (CEFC) over five years from 2019-20, to support large-scale generation and storage projects including solar and wind farms. Doubling investment in the CEFC will facilitate Labor's Household Battery Program, which sets a national target of one million household battery installations by 2025 through:

- \$2,000 rebates for 100,000 households on incomes of less than \$180,000 per year to purchase and install battery systems, with low-cost loans for households;
- The *Neighbourhood Renewables Program* to establish community power hubs for renters and social housing residents with a capped budget cost of \$75 million over the forward estimates and \$100 million over four years to 2022-23.

Labor's long-term strategy to support the installation of the batteries to Australian households and increase renewable employment will include:

- \$10 million for a Clean Energy Training Fund to train workers in clean energy industries;
- \$8.5 million to establish a Just Transition Authority to oversee pooled redundancy schemes and diversification plans in regions impacted by closure of coal-fired power plants;
- Mandatory pooled redundancy schemes for power stations and coal mines;
- Tailored policies to promote economic diversification in impacted regions and communities.

The Plan will also invest \$5 billion to create an independent Energy Security and Modernisation Fund to upgrade Australia's energy transmission and distribution systems.

A new Energy Productivity Agenda will assist Australian businesses to improve energy efficiency through a range of incentives, such as grants of up to \$20,000 to help manufacturers reduce their energy usage.

### Further information

For more information, please contact your Hawker Britton consultant Simon Banks on +61 419 638 587.

Further Hawker Britton Occasional Papers on the activities of the Federal Opposition are available [here](#).

Further details of Federal Labor's *Climate Change Action Plan* are available [here](#).