



**HOUSE OF REPRESENTATIVES**

**PROOF**

**BILLS**

**Clean Energy Finance Corporation  
Amendment (Grid Reliability Fund) Bill 2020**

**Second Reading**

**SPEECH**

**Tuesday, 16 February 2021**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

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<b>Speaker</b> Phillips, Fiona, MP	<b>Question No.</b>

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**Mrs PHILLIPS** (Gilmore) (18:06): I'm pleased to rise today to speak on the Clean Energy Finance Corporation Amendment (Grid Reliability Fund) Bill 2020. I'm glad of the opportunity for a number of reasons. I think there is a misconception among some circles of the government that regional Australia does not want to see the types of projects the Clean Energy Finance Corporation funds, but nothing could be further from the truth. I want to talk a bit about the various ways small businesses and community organisations in my electorate are taking the lead on renewables, filling the space the Morrison government has clearly vacated. Firstly, though, I just want to touch on some aspects of this bill which spark my interest.

Labor is the one that created the Clean Energy Finance Corporation under the Gillard government. It was a great time for investment in this emerging industry under the previous Labor government because Labor saw and understood the opportunities that it could create. Not only that but Labor actively worked to encourage and support growth in this industry. That's because we understood that this could lead to more jobs—something my electorate, which has traditionally had one of the highest unemployment rates in the country, could do with. Labor understood that encouraging private investment in renewables could pay dividends to the taxpayer, and it did, not only through returns to the green bank but to everyday Australians' hip pockets through lowered power bills. Again, in my electorate, where the average income is low, this is critical. There is flow-on benefit to flow-on benefit. That is without even looking at the environmental benefits from investing in and growing the renewable energy sector. To put it plainly, this just made sense, and it still does.

Unfortunately this bill is just another attempt by the Liberal-National government to undermine the key functions of the CEFC and continue to plunge the renewable energy sector into uncertainty. There are some parts of this bill that I do support because certain aspects will make it easier for the CEFC to achieve the goals that Labor originally had in mind. Some aspects of this bill will modernise the electricity grid, which will support the further uptake of renewable generation. That is absolutely something we want to see. We want to make it easier to decarbonise the electricity sector, and Labor supports moves to do so. In short, we support the parts of this bill that stay true to the original purpose Labor gave to the CEFC. If it's consistent with that view and helps make that goal easier to achieve, we support it. What I won't support, however, is any move to undermine those goals and to fundamentally change the CEFC's purpose to support renewable energy generation.

Sadly, that is largely what this bill is seeking to do and why Labor is proposing such substantial amendments. The bill is seeking to use a fund designed to encourage renewable energy projects to pay for gas generation projects. Gas generation is not a new technology and pretty clearly does not meet the definition of a low-emissions technology. Not only this but the bill wants to give the minister, Angus Taylor, the power to decide what would be an eligible investment and it removes the requirement that CEFC investments make a positive return. So it takes a highly successful, world-renowned green bank and turns it into support for fossil fuel projects the minister wants to progress, with no guaranteed financial benefit for the taxpayer. Why? It makes absolutely no sense at all. Not only that but it completely contradicts what the CEFC was created to do and it is completely and utterly unnecessary. That is why Labor are moving the amendments we are today—to make sure that the CEFC can maintain its remit.

The Clean Energy Finance Corporation has been a roaring success. It is now viewed as the world's best-practice green bank, the most well designed and successful of its kind. It has a proven record of leveraging private investment, helping to drive more than \$27 billion in additional private sector investments. This in turn has seen more than \$718 million returned to taxpayers. That is no small feat. It is truly remarkable. Even more remarkable, it has done so under a Liberal-National government that has continually sought to undermine and even abolish it. Imagine what we could have achieved if this industry had continued to receive certainty, encouragement, investment and support under a Labor government. We have proven that that is exactly what we would have provided.

At the last election, I was proud to announce that a Shorten Labor government would establish a community power hub on the New South Wales South Coast, a hub that would have helped renters and social housing residents benefit from cheaper and cleaner renewable energy. It would have supported local projects and local jobs. It would have helped us reach our Renewable Energy Target, because Labor has always been the leader when it comes to cheaper, cleaner renewable energy. You know what I hear when we talk about renewables? Jobs, jobs, jobs. The New South Wales South Coast needs job creation, but the Morrison government is leaving us behind. If the government is trying to say there is no demand for renewable energy projects to be funded under the CEFC then I invite the Prime Minister to visit the South Coast to learn a thing or two about this.

The Morrison government's complete misunderstanding—let's call it that—of what people in regional areas like ours want when it comes to action on climate change was perhaps proven only last week when the Deputy Prime Minister tried to 'rescue' the agricultural sector from clean energy targets. The agricultural sector in my electorate don't want to be rescued; they want to be part of it, and many of them already are. The group Farmers for Climate Action, which I know sports members from my electorate, was quick to call this out. Even the National Farmers Federation couldn't let that one go. The reality is that, in the gaping black hole that has been this government's energy policy, local industry, including farmers, and the community sector have been working to fill the space.

I want to spend some time talking about some of the evidence from my electorate which I think supports this and demonstrates why we simply do not need to be opening up the CEFC to fossil fuels—apart from the obvious, of course. Let's just explore where the government can and should be investing. I want to start with one new, exciting project set to get off the ground in Nowra which I am pleased to say has received support under the government's microgrid energy initiative. It's definitely a positive step to see a grant going towards this great project, but I think it truly highlights what innovation is out there just waiting for some investment because this project is being driven by local dairy farmers and by industry. A new large-scale renewable energy biogas power generation plant is being built in Nowra and will receive manure from a small group of local dairy farms. The methane will be extracted and used to produce clean green energy which in turn will be given back to 18 local dairy farms. Why? Because these farmers want to be a part of the renewable energy future. They can see the value; they can see the difference this will make to their businesses and to the environment and they don't want to be left behind. A far cry from what the Deputy Prime Minister is saying and a far cry from what this bill is trying to do by shifting to fossil fuels. That's just one example, but there are many more.

Repower Shoalhaven is a community-run organisation that helps to deliver community solar projects for businesses and individuals. It has a strong volunteer base and wants to help locals be a part of the clean energy future. Repower Shoalhaven has worked with Flow Power to co-develop a solar farm in Nowra. It's a community initiated scheme and it will sell solar power to businesses near and far. Even the City of Sydney council wants in, committing to buy its electricity from Repower Shoalhaven along with two other regional renewable energy farms. Again, what do I hear when we talk about a project like this? Jobs, jobs, jobs. Local jobs for local people to help reduce power bills for people across New South Wales. It is truly remarkable and it is all being driven by our local community.

Just last week I met with the Jervis Bay and Districts Meals on Wheels, a fantastic local organisation working to support elderly people and those with a disability in our community. What was one of the things they wanted to talk with me about? Their dream of putting solar on their roof to help lower their power bills. Community organisations all across the South Coast could be benefiting from this. In the grants programs I have run since being elected, I have had so many requests for funding to support renewable energy projects. The Yulunga Public Hall in Manyana, the Durras Community Association, Bay & Basin Community Resources and the All Saints Anglican Church have all told me that they want solar power to help them. Broulee Surfers Surf Life Saving Club also wants to purchase Tesla batteries to help it prepare for future emergencies. We know community organisations run off the smell of an oily rag and solar could make all the difference if only they could afford to fund it.

Under the last round of the Stronger Communities Program, I was delighted to help the Southcoast Health and Sustainability Alliance, or SHASA as it is known locally, install a solar system with backup batteries at the Red Door Hall. This is a Moruya institution which provides a weekly free meal to people feeling isolated or financially disadvantaged, and SHASA is one of the many local organisations that are driving support for renewables in the Eurobodalla. Under that same funding program, SHASA was looking for funding for two electric vehicle charging points which, unfortunately, I was unable to fund. Still they are looking for innovative ways of driving investment. They are also partnering with Micro Energy Systems Australia and the Australian

National University to conduct a feasibility study into eight microgrids across the Eurobodalla. The three-year study will work with the community to make sure that the microgrids will meet the needs of locals with the aim of making sure people don't lose power in an emergency, something many of us unfortunately experienced during the bushfires, and something we all want to avoid happening again.

It is clear that local people want to make our electricity network more reliable and more resilient. Our councils are also driving this. Shoalhaven City Council adopted a sustainable energy policy in May 2019 to achieve net zero emissions by 2050. The Eurobodalla Shire Council has an emissions reduction plan which aims to source 100 per cent of the council's electricity from renewable energy by 2030. We also have a range of community and business funded electric vehicle charging stations across the South Coast that aim to encourage the uptake of electric vehicles. I could go on and on, but I think the point is clear: people in my electorate of Gilmore on the New South Wales South Coast want to see investment in renewables. We want to engage in the opportunities that renewables provide and we want to be a part of the renewable energy future. Without government investment and support, we will get there but it will be slower and it will cost more.

If the government were serious about meeting our obligations under the Paris climate change agreement and about achieving net zero emissions by 2050, then it simply would not be putting up bills like this one. We would be investing in these types of projects as an absolute priority. We would be helping our farmers do what they can to reduce emissions because they are the ones at the forefront, bearing the brunt of this government's inaction. Drought, bushfires, flood—they don't happen in isolation; they are happening for a reason. And farmers want something done to reduce the impact of climate related disasters before it's too late.

Bills like this hurt the job creation market. Because of the Morrison government's chaotic and abysmal policies, we have seen a collapse in new large-scale renewable energy projects. Investment and jobs in renewables should be taking off. Place like the South Coast should be reaping the rewards that this industry has to offer. Instead, the University of Technology Sydney and the Clean Energy Council have projected that 11,000 renewable energy jobs will be lost in the next two years because of this government's policy failures.

The people of the South Coast cannot afford to see those jobs lost. We need a government that is focused on grabbing the opportunities that renewables can provide. That's what I want to do and that's what I will continue to push for as the member for Gilmore. So I support the amendments Labor has proposed today and I hope the government will see sense and allow the CEFC to continue doing what it was created to do: support and encourage renewables.