

Mr Bernie Fraser  
Chair  
Climate Change Authority  
GPO Box 1944  
MELBOURNE VIC 3001

14 November 2012

(via email to: [enquiries@climatechangeauthority.gov.au](mailto:enquiries@climatechangeauthority.gov.au))

Dear Mr Fraser

**RE RENEWABLE ENERGY TARGET REVIEW DISCUSSION PAPER: QGC  
COMMENTS**

This letter relates to the Renewable Energy Target (RET) Review Discussion Paper, issued by the Climate Change Authority (CCA) on 26 October 2012.

**APPEA submission**

QGC Pty Limited is working closely with APPEA. We have contributed to and support the submission by APPEA dated 14 November 2012, including all proposed recommendations.

**Key issues**

QGC wishes to highlight the following issues in particular:

1 Recommendations 2 and 3 - targets

We strongly support APPEA's recommendation that the fixed GWh target should be revised downwards. If the fundamental goal is to achieve a commitment of 20%, there can be no justification for a fixed GWh requirement that we now know will exceed that requirement.

2 PECs for upstream electricity loads

The CSG-LNG projects with electric compression in the field have a substantial electricity requirement and applying the EITE activity definition (liquefaction process only), no PECs would be available to offset this liability.

In light of this, it would be highly desirable, and consistent with the principles for relief, if PECs were available in line with the supplementary allocation scheme under the Clean Energy Act (full supply chain).



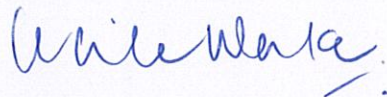
3 Recommendation 20 – self generation exemptions

As currently drafted, the recommendation appears to ignore the existing 100MW threshold and would bring all new generators (arguably including home generators) under the RET scheme.

In our discussions with you about this, you have recognised this as an unintentional consequence of the recommendation as currently drafted and we urge you to consider amendments.

For QGC, removal of the exemption completely would impose a RET liability on a reasonably significant load, however retention of the 100MW threshold would largely resolve this.

Yours sincerely



Cecile Wake  
Vice President, Commercial  
QGC Pty Ltd  
Cecile.Wake@bg-group.com