

ADAPTING TO CLIMATE CHANGE

03. GOVERNMENT ASSISTANCE OPPORTUNITIES



Summary

Both federal and local governments provide numerous types of incentives or assistance to encourage businesses to reduce emissions and improve energy efficiency. These are often changing and can be searched for on the business.gov.au website. Depending on business size, mushroom growers and composters could be eligible for several schemes listed below.

Background

As part of Australia's international climate change target commitments, a suite of policies was developed in 2017 to help reduce domestic carbon emissions. This includes increasing renewable energy production capacity, improving energy use productivity, and encouraging businesses to reduce emissions.

There are numerous forms of assistance provided by federal and state/territory governments. Key opportunities are listed below. These change frequently, or eligibility may depend on meeting specific criteria, such as business size or region. To search for assistance opportunities see www.business.gov.au/grants-and-programs, then enter your business postcode, business type (Agriculture, Forestry and Fishing), and select assistance to 'recycle waste or reduce my energy use'.



Windy Hill Wind Farm.

Photo by C. Mackinney.

Emissions Reduction Fund

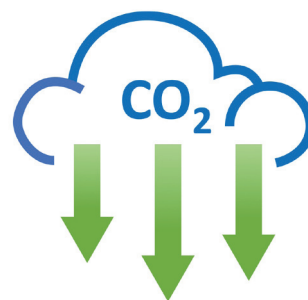
Under this program, participants earn Australian Carbon Credit Units as reward for emissions reductions. The credits can be sold to government, or on the secondary market to generate income.

To qualify, an emissions reduction project needs to be developed and registered by the Clean Energy Regulator. Note that the Emissions Reduction Fund does not actually provide funding to participants – the financial incentive is through the sale of carbon credits.

The emissions reduction project would need to result in a significant reduction in emissions - projects that a mushroom or compost producer may consider are:

- Equipment upgrades – e.g. boiler system, air conditioning
- Waste heat capture and re-use
- Fuel switching

Information at <http://www.cleanenergyregulator.gov.au/ERF>



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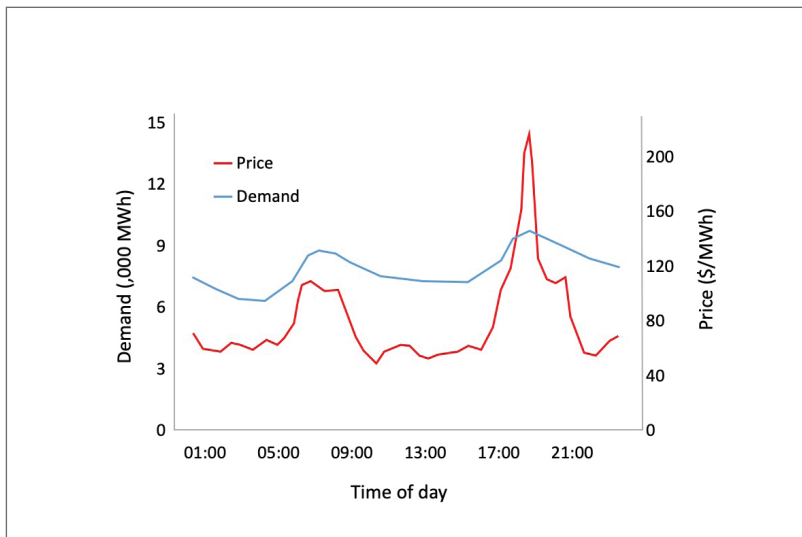


Figure 1. Demand for electricity on a Monday in NSW, and the resulting variable spot prices paid for electricity to meet surges in demand. From AEMC.

Large-scale Renewable Energy Target

This program encourages large-scale investment in renewable power, through the creation of tradeable certificates for generation of renewable energy. Certificates can be sold to entities such as electricity retailers to meet their obligations under the large-scale renewable energy target. They could also be sold to companies who want to voluntarily offset emissions or energy use. The program is legislated to end in 2030.

A mushroom farm or compost producer would need to apply to become an accredited power station to participate in the program. Once accredited as a 'power station', large-scale generation certificates can be created for electricity generated by the power station's renewable energy sources (e.g. solar/wind). The certificates are managed by the Clean Energy Regulator.

A large-scale solar system is defined as a photovoltaic system which exceeds 100kW capacity. A system below this capacity may be eligible for certificates under the small-scale renewable energy target.

Information at <http://www.cleanenergyregulator.gov.au/RET>

Wholesale demand response in the electricity market

The cost of electricity surges when the network is under strain (Figure 1). Any effort to reduce or shift electricity demand during those periods can benefit a large electricity consumer. This is called demand response, and a new rule was recently announced by the Australian Energy Market Commission. This formalises an arrangement where electricity consumers are paid for electricity they avoid using during peak times.

The program is called the Wholesale Demand Response Mechanism and is due to start in October 2021. During times of high energy demand, large energy users can be paid to reduce electricity consumption. It will also give large energy users the ability to schedule their demand into the market, based on electricity prices.

To participate, a business will need to enter an agreement with a demand response service provider, who then 'sells' the unused electricity to the wholesale market.

Mushroom composters and producers could take advantage of this program by using backup diesel or gas generators during peak times.

Information at <https://www.aemc.gov.au/rule-changes/wholesale-demand-response-mechanism>



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Clean Energy Finance Corp

Low cost finance is available for smaller-scale renewable energy projects. Applications for finance can be made through a number of banks and financiers via the CEFC website.

Information at <https://www.cefc.com.au/where-we-invest/sustainable-economy/asset-finance/>

Energy saving programs

State and territory governments provide schemes to assist businesses save energy. That includes assistance for businesses to assess resource and energy use, and identify opportunities for improvements.

There are also programs such as the NSW Energy Savings Scheme where businesses are encouraged to invest in technologies that reduce their energy use. Certificates are generated for the energy saved, and parties such as electricity retailers purchase the certificates back from the business.

A number of these programs are listed by state/territory on the Smart Energy Council website and the energy.gov.au website:

- <https://www.smartenergy.org.au/government-energy-saving-schemes>
- <https://www.energy.gov.au/business/grants-and-funding>

Conducting an energy efficiency assessment

The Australian Government has resources available to help conduct an energy efficiency assessment on a business. That includes understanding energy use in the business and identifying opportunities to improve efficiencies.

Information at <https://www.energy.gov.au/business/large-businesses/energy-management/conduct-energy-efficiency-assessment>

