



Factsheet: What is the Warburton Review in to the Renewable Energy Target?



What is the RET?

In recognising the social, environmental and economic benefits of cleaning up our energy system, the Renewable Energy Target (RET) was established in 2000 under the Howard government. It has enjoyed shared political support up until this year.

- The RET works by setting a quota of renewable energy that must be supplied by electricity companies to Australian businesses and households each year until 2020.
- Currently, the RET is set at 20%. We are set to surpass it and achieve 28% renewable energy by 2020. Something we should be proud of.
- So far, the RET has created over 13,000 jobs and \$18 billion of investment. We still have six years and around another 7,000 jobs and \$21 billion of investment a year to look forward to under the current RET.

What is the Warburton Review?

Clean energy has been so popular and successful that it is destroying the profits of coal and gas companies. It does this because once built, renewable generator cost nothing to run – the sun, wind, waves and geothermal heat do the rest for us. Because they are the cheapest way to produce electricity, they bring the price down for everyone and coal barons don't like it. That's why they want to change the rules – enter climate denier Dick Warburton and his band of fossil fuel protectionists hand-picked to review the scheme.

What did the Review 'find'?

The review was set up to recommend on how to relieve cost of living pressures for ordinary Australians. However, the review's modelling showed the RET would actually reduce household energy bills by 2020.

Even through keeping the RET would be cheaper by 2020, the review recommended the two options that the Abbott government wanted all along, to axe or wind back the RET, giving coal companies an extra \$9 billion.

What would it mean for households and businesses?

- Under the current RET, if you put solar on your roof it reduces your bills by around 65%.
- Axing the RET would make it cost \$2600 more on average to install a solar panel system at home.
- Winding back the RET would increase the cost by \$1600, putting it beyond the reach of many Australians.

The review's own modelling showed that the two options recommended in the review were the two most expensive options for Australian households and businesses out of the six modelled.

The two options that provided the greatest relief to households were to increase the Renewable Energy Target from 20% to 30%, or to keep the RET we already have.

These options would cut the profitability of coal companies.

If Australia, the world's biggest coal exporter, no longer needs its own domestic industry, it will mean Abbott has to ask himself some hard questions.

What now?

In the next few weeks, the government will announce its decision on whether it will destroy clean energy in Australia or save it.

The Abbott government can reduce electricity bills by keeping the RET as it is, or lifting the target much higher. The Senate won't pass Abbott's death warrant for renewable, but Clive Palmer has said he is only committed to the RET until 2016, not 2020. This will result in huge uncertainty for the renewable industry and a reluctance for banks to finance new projects.

To stop Abbott from destroying the industries and jobs of the future, we have to take action. Become a climate champion today: <http://grns.mp/climate-champion>