



27 February 2009

NSW sets target for Energy Savings Scheme

The NSW Government today announced the target for a new state-wide mandatory energy efficiency scheme for electricity retailers at the Government's Green Skills summit in Sydney.

Deputy Premier and Minister for the Environment and Climate Change Carmel Tebbutt said the Government's new scheme – the Energy Savings Scheme – would help families reduce greenhouse gas emissions and save money on their power bills.

The target starts on 1 July at 0.4% and ramps up to 4% by 2014.

“Our modelling indicates the average household electricity bill will be reduced by about \$45 - \$50 each year, between now and 2020. Households who directly take part in the energy efficiency activities will save even more,” Ms Tebbutt said.

The Government's scheme, formally known as NEET, will also stimulate jobs growth for the companies that provide energy efficiency products and services to homes and businesses.

The scheme works by setting an energy savings target which has to be met by electricity retailers. Retailers meet the target by undertaking energy efficiency activities, or contracting specialist companies to do them.

“We expect the scheme to help create and protect jobs in NSW,” she said.

“In these tough economic times, the Government is more determined than ever to put in place policies that support jobs for NSW.”

In the first four years of the scheme an estimated 8.5 million Megawatt-hours of electricity will be saved — equivalent to around 8.5 million tonnes of carbon dioxide each year.

From 2014 to 2020 the Scheme will deliver energy efficiency improvements that will save around 3.2 million Megawatt-hours each year, or around 4% of annual electricity sales. This is equivalent to around 3.2 million tonnes of carbon dioxide each year.

“This Government is committed to using smart policies to make NSW a greener State. This scheme will deliver environmental benefits, new green jobs and supports the overall strength of the NSW economy. It will be the most comprehensive of its kind in the country,” she said.

The Scheme is part of the NSW Government's broader energy efficiency strategy which includes \$63 million to retrofit the homes of low income earners; \$35 million for businesses to save energy; and requiring the State's largest energy users to implement specific savings measures at their facilities.

“The NSW Energy Savings Scheme will work alongside the Commonwealth's Carbon Pollution Reduction Scheme and help to insulate families against any rise in energy prices,” she said.

“The new targets announced today will build on the success of the NSW Greenhouse Gas Reduction Scheme — which was a world first when we launched it in 2003.



Carmel Tebbutt MP

Deputy Premier

Minister for Climate Change and the Environment | Minister for Commerce



“That scheme has led to the installation of high efficiency light bulbs in more than twenty percent of households in NSW.”

The Scheme will operate until 2020 unless it is replaced by a national energy efficiency trading scheme. Trade-exposed industries that are particularly intensive users of electricity will be exempt from the Scheme.

The NSW Government will introduce legislation shortly.

Media Contact: Alex Walker 0401 088 155

