



Renewable Energy (Electricity) Amendment Regulation 2012 (No. 1)¹

Select Legislative Instrument 2012 No. 13

I, QUENTIN BRYCE, Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following regulation under the *Renewable Energy (Electricity) Act 2000*.

Dated 22 February 2012

QUENTIN BRYCE
Governor-General

By Her Excellency's Command

GREG COMBET
Minister for Climate Change and Energy Efficiency

1 Name of regulation

This regulation is the *Renewable Energy (Electricity) Amendment Regulation 2012 (No. 1)*.

2 Commencement

This regulation commences on the day after it is registered.

3 Amendment of *Renewable Energy (Electricity) Regulations 2001*

Schedule 1 amends the *Renewable Energy (Electricity) Regulations 2001*.

Schedule 1 Amendments

(section 3)

[1] Subregulation 3 (1)

insert

Jobs and Competitiveness Program has the meaning given by section 5 of the *Clean Energy Act 2011*.

[2] Subregulation 22A (1), definition of *coke oven coke*

substitute

coke oven coke means the solid product obtained from the carbonisation of coal (principally coking coal) at a high temperature and includes coke breeze and foundry coke.

[3] Subregulation 22A (1)

insert

iron ore, for Part 37 of Schedule 6, means any form of iron ore product that has not been semi-processed into iron ore balls or

exposed to a hardening process by the application of heat or pressure and includes:

- (a) magnetite ore that has been concentrated; and
- (b) hematite ore that has been crushed to varying extents.

[4] Regulation 22D, notes 1 to 3

substitute

Note Other Divisions in a Part of Schedule 6 set out information that is required for the purposes of calculating the amount of a liable entity's partial exemption.

[5] Paragraph 22P (3) (a)

substitute

- (a) an audit report prepared under the:
 - (i) emissions-intensive trade-exposed assistance program; or
 - (ii) Jobs and Competitiveness program; and

[6] Regulation 22W

omit

[7] Subregulation 22X (1)

after

in relation to

insert

a

[8] After subregulation 22X (1)

insert

- (1A) However, if an application under subsection 46A (1) of the Act for a partial exemption certificate is:

- (a) for 2012; and

- (b) made by a prescribed person mentioned in regulation 22G, 22H, 22I, 22J or 22K; and
 - (c) for an emissions-intensive trade-exposed activity mentioned in Parts 33 to 39 of Schedule 6;
- the application must be lodged with the Regulator before 30 April 2012.

[9] Subregulations 22X (1), (2) and (3)

omit each mention of

must be made

insert

must be lodged with the Regulator

[10] Paragraph 22ZC (4) (a)

substitute

- (a) if the amount or volume relates to an amount or volume previously given to the Department of Climate Change and Energy Efficiency for:
 - (i) the assessment of whether the activity should be an emissions-intensive trade-exposed activity; and
 - (ii) the determination of the electricity baseline for each relevant product of the activity;
- the amount or volume and any related audit report provided with it;

[11] Paragraphs 22ZC (4) (b) and (c)

omit

emissions-intensive trade-exposed assistance program

insert

Jobs and Competitiveness Program

[12] Paragraph 22ZC (4) (b)

omit

Australian emissions units

insert

carbon units

[13] Schedule 6, subclause 655 (1)

omit

1.70

insert

1.67

[14] Schedule 6, paragraph 686 (2) (a)

omit

that have a concentration of copper equal to or greater than
20% on a dry weight basis

[15] Schedule 6, paragraph 686 (2) (b)

omit

that has a concentration of copper equal to or greater than 35
grams per litre of electrolyte

[16] Schedule 6, after clause 694*insert***Part 33 Production of ammonia****Division 1 Production of ammonia****695 Production of ammonia**

The production of ammonia is the chemical transformation of hydrocarbons (or other hydrogen feedstock) to hydrogen (H₂) that is subsequently reacted with nitrogen (N₂) to produce anhydrous ammonia (NH₃) that has a concentration of ammonia (NH₃) equal to or greater than 98%.

Division 2 Classification of activity**696 Classification of activity**

The production of ammonia is a highly emissions-intensive activity.

Division 3 Electricity baseline for calculating partial exemption**697 Electricity baseline for product**

The electricity baseline for calculating the amount of a liable entity's partial exemption in respect of the production of ammonia is 0.224 MWh per tonne of 100% equivalent anhydrous ammonia (NH₃) contained within anhydrous ammonia that:

- (a) has a concentration of ammonia equal to or greater than 98%; and
- (b) is produced by carrying on the emissions-intensive trade-exposed activity; and

(c) is of saleable quality.

Note **Saleable quality** is defined in regulation 22C

Part 34 Production of ammonium nitrate

Division 1 Production of ammonium nitrate

698 Production of ammonium nitrate

The production of ammonium nitrate is the chemical transformation of anhydrous ammonia (NH_3) to ammonium nitrate solution ($\text{NH}_4\text{NO}_{3(\text{aq})}$) that has a concentration of ammonium nitrate (NH_4NO_3) equal to or greater than 60%.

Division 2 Classification of activity

699 Classification of activity

The production of ammonium nitrate is a highly emissions-intensive activity.

Division 3 Electricity baseline for calculating partial exemption

700 Electricity baseline for product

The electricity baseline for calculating the amount of a liable entity's partial exemption in respect of the production of ammonium nitrate is 0.114 MWh per tonne of 100% equivalent ammonium nitrate (NH_4NO_3) contained within ammonium nitrate solution ($\text{NH}_4\text{NO}_{3(\text{aq})}$) that:

- (a) has a concentration of ammonium nitrate (NH_4NO_3) equal to or greater than 60%; and
- (b) is produced by carrying on the emissions-intensive trade-exposed activity; and
- (c) is of saleable quality.

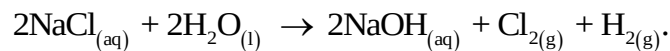
Note **Saleable quality** is defined in regulation 22C

Part 35 Production of chlorine gas and sodium hydroxide (caustic soda) solution

Division 1 Production of chlorine gas and sodium hydroxide (caustic soda) solution

701 Production of chlorine gas and sodium hydroxide (caustic soda) solution

- (1) The production of chlorine gas and sodium hydroxide solution (caustic soda solution ($\text{NaOH}_{(\text{aq})}$)) is the chemical transformation of sodium chloride solution ($\text{NaCl}_{(\text{aq})}$) brine to chlorine ($\text{Cl}_{2(1,\text{g})}$) and sodium hydroxide solution (caustic soda solution ($\text{NaOH}_{(\text{aq})}$)) that has a concentration of sodium hydroxide (NaOH) equal to or greater than 14%.
- (2) The production of sodium hydroxide (NaOH) must be 1:1.13 times the produced weight of chlorine (Cl_2).
- (3) The following chemical reaction must be involved in the chemical transformation:



Division 2 Classification of activity

702 Classification of activity

The production of chlorine gas and sodium hydroxide solution (caustic soda solution ($\text{NaOH}_{(\text{aq})}$)) is a highly emissions-intensive activity.

Division 3 Electricity baseline for calculating partial exemption

703 Electricity baseline for product

The electricity baseline for calculating the amount of a liable entity's partial exemption in respect of the production of

chlorine gas and sodium hydroxide solution (caustic soda solution ($\text{NaOH}_{(\text{aq})}$)) is 2.63 MWh per tonne of 100% equivalent sodium hydroxide (caustic soda (NaOH)) on a dry weight basis that:

- (a) is not recycled back into the emissions-intensive trade-exposed activity (such as a stream of sodium hydroxide solution (caustic soda solution $\text{NaOH}_{(\text{aq})}$) recycled back into the chemical treatment step); and
- (b) is contained within the sodium hydroxide solution produced by carrying on the emissions-intensive trade-exposed activity.

Part 36 Production of fused zirconia

Division 1 Production of fused zirconia

704 Production of fused zirconia

The production of fused zirconia is the physical and chemical transformation of zircon (ZrSiO_4) by:

- (a) the removal of silica (silicon dioxide (SiO_2)) using a reductant such as carbon; and
- (b) heating the zircon to its fusion point; to produce fused zirconia (zirconium dioxide (ZrO_2)) that has a concentration of zirconium dioxide (ZrO_2) equal to or greater than 96%.

Division 2 Classification of activity

705 Classification of activity

The production of fused zirconia is a moderately emissions-intensive activity.

Division 3 Electricity baseline for calculating partial exemption

706 Electricity baseline for product

The electricity baseline for calculating the amount of a liable entity's partial exemption in respect of the production of fused zirconia is 4.88 MWh per tonne of fused zirconia (zirconium dioxide (ZrO_2)) that:

- (a) has a concentration of zirconium dioxide (ZrO_2) equal to or greater than 96%; and
- (b) is produced by carrying on the emissions-intensive trade-exposed activity; and
- (c) is of saleable quality.

Note **Saleable quality** is defined in regulation 22C

Part 37 Production of iron ore pellets

Division 1 Production of iron ore pellets

707 Production of iron ore pellets

The production of iron ore pellets is the physical and chemical transformation of iron ore to produce saleable iron ore pellets that are for the production of steel and that have:

- (a) a concentration of iron (Fe) equal to or greater than 63%; and
- (b) a concentration of alumina (aluminium oxide (Al_2O_3)) equal to or less than 2%; and
- (c) a concentration of silicon dioxide (silica (SiO_2)) equal to or less than 7%; and
- (d) an average diameter of between 9 and 16 millimetres.

Division 2 Classification of activity**708 Classification of activity**

The production of iron ore pellets is a moderately emissions-intensive activity.

Division 3 Electricity baseline for calculating partial exemption**709 Electricity baseline for product**

The electricity baseline for calculating the amount of a liable entity's partial exemption in respect of the production of iron ore pellets is 0.0498 MWh per tonne of iron ore pellets on a dry weight basis that:

- (a) have a concentration of iron (Fe) equal to or greater than 63%; and
- (b) have a concentration of alumina (aluminium oxide (Al_2O_3)) equal to or less than 2%; and
- (c) have a concentration of silicon dioxide (silica (SiO_2)) equal to or less than 7%; and
- (d) have an average diameter of between 9 and 16 millimetres; and
- (e) are not a relevant product for the emissions-intensive trade-exposed activity of integrated iron and steel manufacturing; and
- (f) are produced by carrying on the emissions-intensive trade-exposed activity; and
- (g) are of saleable quality.

Note 1 **Relevant product** is defined in regulation 22A.

Note 2 **Saleable quality** is defined in regulation 22C

Part 38 Production of liquefied natural gas

Division 1 Production of liquefied natural gas

710 Production of liquefied natural gas

The production of liquefied natural gas is the physical transformation of natural gas (in a gaseous state) into liquefied natural gas that has a concentration of methane (CH₄) equal to or greater than 70%.

Division 2 Classification of activity

711 Classification of activity

The production of liquefied natural gas is a moderately emissions-intensive activity.

Division 3 Electricity baseline for calculating partial exemption

712 Electricity baseline for product

The electricity baseline for calculating the amount of a liable entity's partial exemption in respect of the production of liquefied natural gas is 0.0640 MWh per tonne of liquefied natural gas that:

- (a) has a concentration of methane (CH₄) equal to or greater than 70%; and
- (b) is produced as part of carrying on the emissions-intensive trade-exposed activity; and
- (c) is transported (either as a gas or liquid) away from the facility where the natural gas was liquefied and not taken back to that facility.

Note A tonne of liquefied natural gas transported away from the facility does not include any liquefied natural gas that is transferred to the transportation vessel but boils off and returns to the facility.

Part 39 Production of magnetite concentrate

Division 1 Production of magnetite concentrate

713 Production of magnetite concentrate

The production of magnetite concentrate is the physical transformation of magnetite ore (ore containing Fe_3O_4 that has a key property of ferrimagnetism) to produce saleable magnetite (Fe_3O_4) concentrate that:

- (a) has a concentration of iron (Fe) equal to or greater than 60% of the concentrate on a dry weight basis; and
- (b) has a particle size of less than 75 microns for at least 80% of the concentrate.

Note Ferrimagnetism is ions of iron (Fe^{2+} and Fe^{3+}) spontaneously aligning in the sublattice of a crystalline solid to produce a net magnetic moment that is observed as permanent magnetisation of the solid at normal room temperature.

Division 2 Classification of activity

714 Classification of activity

The production of magnetite concentrate is a moderately emissions-intensive activity.

Division 3 Electricity baseline for calculating partial exemption

715 Electricity baseline for product

The electricity baseline for calculating the amount of a liable entity's partial exemption in respect of the production of magnetite concentrate is 0.0826 MWh per tonne of 100% equivalent iron (Fe) contained within magnetite (Fe_3O_4) concentrate that:

- (a) has a concentration of iron (Fe) equal to or greater than 60% of the concentrate on a dry weight basis; and

-
- (b) has a particle size of less than 75 microns for at least 80% of the concentrate; and
 - (c) is produced by carrying on the emissions-intensive trade-exposed activity; and
 - (d) is of saleable quality.

Note **Saleable quality** is defined in regulation 22C.

Note

1. All legislative instruments and compilations are registered on the Federal Register of Legislative Instruments kept under the *Legislative Instruments Act 2003*. See www.comlaw.gov.au.