



Australian Renewable Energy Agency Determination 2012¹

Australian Renewable Energy Agency Act 2011

I, MARTIN FERGUSON, Minister for Resources and Energy, make this Determination under subsection 20(2) of the *Australian Renewable Energy Agency Act 2011*.

Dated: 2 July 2012

MARTIN FERGUSON
Minister for Resources and Energy

1 Name of Determination

This Determination is the *Australian Renewable Energy Agency Determination 2012*.

2 Commencement

This Determination commences on 2 July 2012.

3 Definition

In this Determination:

Act means the *Australian Renewable Energy Agency Act 2011*.

ARENA means the Australian Renewable Energy Agency.

Board means the Australian Renewable Energy Agency Board.

4 Approval of the interim funding strategy

1. The Board, in accordance with subsection 19(1) of the Act, has developed a general funding strategy (**the Strategy**) for the provision of financial assistance. The intention of this funding strategy is that it allow for early funding decisions by the Board, and that early in the 2012-13 financial year the Board will develop a funding strategy for the 2012-2013, 2013-2014 and 2014-2015 financial years.
2. The Board has, in accordance with subsection 20(1) of the Act, given a copy of the Strategy to me for approval.
3. In accordance with subsection 20(1) of the Act I approve the Strategy which is Schedule 1 of this Determination.
4. In accordance with subsection 21(1) of the Act the Strategy is to come into force on 2 July 2012.

Schedule 1

Australian Renewable Energy Agency – Interim General Funding Strategy

Under the *Australian Renewable Energy Act 2011* (**the Act**), a general funding strategy covering a three year period, is required to be in place so the Australian Renewable Energy Agency (**ARENA**) can expend unallocated funds and enter into new funding agreements. Each year, ARENA will issue a yearly update. The 2012-13 general funding strategy will outline ARENA's priorities for provision of financial assistance between 2012/13 and 2014/15.

This interim general funding strategy will allow the ARENA Board to maintain industry momentum for renewable energy technology development and make initial funding decisions prior to the release of its 2012-13 general funding strategy later this year. These activities will incorporate activities which have transferred to ARENA, which ARENA will continue to administer.

ARENA's objectives, as outlined in the Act, are to:

- (a) improve the competitiveness of renewable energy technologies; and
- (b) increase the supply of renewable energy in Australia.

Interim Funding Activities

ARENA will have the ability to fund the following activities, which will also form part of the general funding strategy.

Emerging Renewables Program (ERP)

- ERP will continue in a format that reflects the change in governance to the independent, decision making ARENA Board. Revised program guidelines will allow for more streamlined assessment of funding applications.

Large scale solar

- Pursuant to the formal requests, under section 11 of the ARENA Act, from the Minister for Resources and Energy, ARENA will consider providing funding support to projects from Round 1 of Solar Flagships.

Biofuels

- ARENA will consider funding applications made to the Advanced Biofuels Investment Readiness (**ABIR**) program, based on the recommendation of the Biofuels Advisory Committee. ARENA may consider providing a total funding envelope of greater than the \$15 million originally allocated to the ABIR program, should there be high number of meritorious projects.

Renewable Energy Venture Capital Fund

- The Renewable Energy Venture Capital (**REVC**) Fund program will continue to invest in the Southern Cross Renewable Energy Fund.

Continuing Projects and Deeds

- ARENA will continue to administer all projects transferring to ARENA under the *Australian Renewable Energy Agency (Consequential Amendments and Transitional Provisions) Act 2011* Act. With the consent of the proponent, such administration may include reformulation of a project consistent with ARENA's objectives.

Additional activities

- ARENA may make expenditure on stakeholder engagement, communication activities, necessary infrastructure, knowledge sharing, international memberships, research and analysis, and permitted administration costs under the Act.