

# Rural and Regional Adjustment (Business Energy Saving and Transformation Rebate Scheme) Amendment Regulation 2023

Explanatory Notes for SL 2023 No. 101

made under the

*Rural and Regional Adjustment Act 1994*

## General Outline

### Short title

*Rural and Regional Adjustment (Business Energy Saving and Transformation Rebate Scheme) Amendment Regulation 2023*

### Authorising law

Sections 11 and 44 of the *Rural and Regional Adjustment Act 1994* (the Act).

### Policy objectives and the reasons for them

On 28 September 2022, the Honourable Anastacia Palaszczuk MP, the then Premier and Minister for the Olympics, announced the Queensland Energy and Jobs Plan (Plan). The Plan sets out actions across three focus areas to transform Queensland's energy system to ensure there is a continued delivery of clean, reliable, and affordable power, and the targets of 70 per cent renewable energy by 2032, and 80 per cent by 2035.

The focus area two of the Plan is to deliver affordable energy for households and businesses, and support more rooftop solar and batteries. Action 2.4 (Drive savings for small businesses) will deliver a program to save businesses money on their electricity bills, targeting small to medium businesses. The Business Energy Savings Transformation program (BEST program) aims to assist small and medium sized businesses to save money on their electricity bills by delivering support to purchase energy efficient equipment and smart technologies to reduce their energy consumption.

The Business Energy Saving and Transformation Rebate Scheme (Scheme) is part of the BEST program. It will assist owners of eligible Queensland businesses to offset the cost of buying and installing energy-efficient appliances and equipment for their businesses.

The primary purpose of the *Rural and Regional Adjustment (Business Energy Saving and Transformation Rebate Scheme) Amendment Regulation 2023* is to enable the Queensland Rural and Industry Development Authority (QRIDA) to administer the Scheme.

## **Achievement of policy objectives**

The policy objective will be achieved by amending the *Rural and Regional Adjustment Regulation 2011* to establish the Scheme as an approved scheme under the *Rural and Regional Adjustment Act 1994* (the Act). This enables QRIDA to administer the scheme, as QRIDA can only provide financial assistance under an approved assistance scheme prescribed by regulation under the Act.

The Amendment Regulation will prescribe a new schedule 52 which will set out the scheme in detail. Under the Scheme, eligible businesses will receive a rebate of up to 50 per cent of the purchase and installation costs of eligible energy efficient equipment.

## **Consistency with policy objectives of authorising law**

The subordinate legislation is consistent with the objectives of the Act, which establishes QRIDA to administer assistance schemes that foster the development of a more productive and sustainable rural and regional sector in Queensland.

## **Inconsistency with policy objectives of other legislation**

This subordinate legislation is not inconsistent with the policy objectives of any other legislation.

## **Alternative ways of achieving policy objectives**

An alternative way to achieve the policy objective would be to have an entity other than QRIDA provide the assistance. However, QRIDA was established to provide assistance and support to the State's economy and has significant experience and expertise in administering grants funding. Given QRIDA's expertise, QRIDA is the most appropriate entity to administer the grants scheme.

## **Benefits and costs of implementation**

QRIDA has extensive experience in administering grant, loan and rebate and payment schemes for government and is well placed to administer the schemes.

The Queensland Government has allocated \$16 million to the Scheme which is designed to help eligible businesses offset the costs of purchasing and installation of energy efficient equipment. Eligible businesses can apply for a rebate of 50 per cent of the purchase and installation costs of eligible equipment, up to \$12 500 per applicant.

The Scheme will help to reduce energy consumption and emissions. This investment will help businesses manage their electricity use and bills so they can spend money on other important aspects of their business and expand to employ more people throughout Queensland.

## Consistency with fundamental legislative principles

The subordinate legislation has been drafted with regard to, and is consistent with, the fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992*.

## Consultation

To help shape the Plan, extensive consultation was conducted by the Department of Energy and Public Works with agencies, across jurisdictions, industry and the public.

During the development of the Business Energy Saving and Transformation scheme, the Department of Energy and Public Works undertook extensive consultation including consultation with the, Queensland Business Chamber, Business Queensland, Queensland Farmers' Federation and retailers of energy efficiency appliances and equipment.

The consultation was undertaken by face-to-face and virtual stakeholder meetings, phone calls and exchange of correspondence. As a result of the consultation process, scheme parameters were adjusted to further increase the benefit to scheme customers.

The Department of Agriculture and Fisheries consulted the Office of Best Practice Regulation (OBPR) on whether the amendments are excluded from further analysis under the *Queensland Government Guide to Better Regulation (Guidelines)*. The OBPR advised that the proposal will not add to the burden of regulation and will not result in significant adverse impacts. No further regulatory impact analysis is required under the Guidelines.