
Emissions battle to focus on aluminium in Australia

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The Australian reported that exemptions for aluminium producers will be at the centre of negotiations between the Australian government and opposition over legislation to force major power users and retailers to source 20% of their electricity from renewable by 2020.

As foreshadowed in The Australian recently the government will drop its failed negotiating tactic of linking compensation arrangements under the renewable energy bill to the emissions trading scheme, which was voted down in the Senate on August 14th 2009.

The list of proposed amendments Mr Greg Hunt opposition environment spokesman delivered to Mr Penny Wong Climate Change Minister recently went well beyond the decoupling of the 2 bills which the government had tried to use as a tactic to pressure the coalition to pass the ETS.

According to the Aluminium Council, the amendments also included a demand that aluminium producers get additional exemptions from the costs of the scheme, which would be worth USD 550 million over 10 years.

The opposition is also proposing that companies capture and using coalmine methane to generate energy be covered and that some of the renewable energy permits be set aside for still developing technologies such as geothermal.

In stark contrast to the hostilities over the emissions trading scheme, both sides were positive about reaching an agreement on the renewable energy laws, which will be debated in the House of Representatives on August 12th and the Senate on August 13th 2009. The battle of emissions trading continued with Mr Kevin Rudd PM of Australia blaming Mr Malcolm Turnbull for the legislation's defeat, saying it was impossible to negotiate with an opposition that had not even put forward any amendments.

Mr Rudd told Melbourne radios that "We have said repeatedly, give us some amendments. Remember, this thing, which was voted down by the Liberals in the Senate recently not one single amendment was put forward by the Liberals. I have not the slightest intention of going to an early poll. I don't think people like that. I think they want you to serve the term that you have been elected for. So I would just really like this thing to get through."

The Opposition Leader said that it was Mr Rudd who had spurned the negotiating table. Mr Turnbull said that "If he was serious about getting agreement on an emissions trading scheme, then he would have been talking to us. He has rebuffed any attempt by us to negotiate, forced it to a vote now and said they'll bring it back in November. And that's because it fits in with the constitutional timetable for a double dissolution his aim is to get to an early election ahead of next year's budget because he knows he's going to have to make some tough economic decisions which will be unpopular."

Mr Hunt said that he would be flexible on his proposed amendments. The delay to the renewable energy laws has caused disruption and uncertainty and is costing an estimated USD 2 million a week.

(Sourced from the Australian)

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