

Reply form

Name:	Brian Cox
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Organisation:	Bioenergy Association
Please identify your sector:	Renewable energy
What are your views on the objective of this proposal? Do you agree or disagree with it? Why?	The objective of the proposal is strongly supported. However we disagree that establishing a levy for coal would be administratively difficult as there are only a small number of coal suppliers. The coal levy should be at source regardless of use. This would also send a strong signal to coal producers and users that their costs should reflect the environmental externalities.
What do you think is the appropriate balance between 'administrative simplicity/transparency' and the 'causer or beneficiary pays' and 'rationality' criteria? Should more weight be given to one over the others?	<p>We should move away from thinking about energy in silos (electricity, gas, petroleum are all input focused) and think only of "energy" in its wider sense. A major barrier to changes in the energy sector is that the electricity, petroleum and gas sectors are considered as special, yet they are only the supply side of the energy balance. This has resulted in energy being limited only to those three input sources and less focus on what the energy is used for, and how it is used.</p> <p>Progress on climate change and the use of renewable energy and energy efficiency will only be made once we move to considering energy as a whole – supply and use. There are often tradeoffs between the energy sources and so we should be thinking of the outputs of energy – heat, transport, economic growth, employment and the environmental outcomes desired.</p> <p>The proposal starts heading in the right direction by referring to the energy levies but then falls apart when it drifts back to talking about each separate supply source. The individual levies should be considered as components of the "Energy Levies".</p> <p>It is administratively most efficient if levies are applied at source so on equity grounds they should apply to all energy at source. An exemption can apply for renewable fuels while they are the specific source of the levy.</p> <p>The preferred option should be that which collects funds from a wide cross section of the users and provides the maximum flexibility for EECA to allocate it to the most effective mechanism.</p>

Which option do you think provides the best balance?	Option 3A.
What is your preferred option?	Option 3A.
Why do you consider this the best option?	This option provides the maximum flexibility and allows coverage of activities that are difficult to prescribe or fit into a specific fuel class.
Of the options you do not prefer, what issues or reasons do you think are most important for us to consider?	The other options perpetuate everything that is wrong with the current energy sector where the focus is on energy supply and not the wise use of energy.
Are there other options for providing transparency in the use of levy money (besides requiring annual consultation and reporting)?	Annual consulting and reporting is adequate.