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Hydrogen Strategy Team
Office of Energy and Climate Change
NSW Treasury



Submitted via email: renewablefuelscheme@environment.nsw.gov.au

NSW Renewable Fuel Scheme- Rule 1 consultation paper

The Australian Financial Markets Association (**AFMA**) is responding to the NSW Renewable Fuel Scheme (**the RFS**) Rule 1 consultation paper.

AFMA is the leading financial markets industry association promoting efficiency, integrity and professionalism in Australia's financial markets, including the capital, credit, derivatives, foreign exchange, energy, carbon, and other specialist markets. Our membership base is comprised of over 125 of Australia's leading financial market participants, including many of the key participants in Australia's natural gas and environmental product markets.

Key points

- We support aligning the RFS with the Commonwealth Government's Guarantee of Origin (GO) and Renewable Energy Guarantee of Origin (REGO) schemes.
- The commencement of the RFS should be delayed until 2025 to allow a greater range of renewable fuels to be included in the scheme.

1. Fuel eligibility restrictions

As AFMA highlighted in our previous submission,¹ we support expanding the RFS to other renewable fuels. We consider that the market will naturally determine and drive investment into the renewable fuels that are best suited to support the energy market transition.

We believe that a range of fuels will be critical to achieving our 2050 target and AFMA believes that including an expansive range of fuels in the RFS will aid these efforts. Therefore, we believe the RFS should be delayed until all fuels can be included. We would ask the department to re-consider their intention to start the RFS as a green hydrogen only scheme.

AFMA Recommendations

- i. Delay the RFS start until a wider range of renewable fuels can be included.

2. GO and REGO schemes alignment

As recommended by AFMA in our previous submission and in our January 2023 submission,² we strongly support alignment with the GO and REGO schemes. We thank the department for taking an aligned approach within the RFS and encourage the Department to continue to align the schemes as they develop.

¹ [NSW Renewable Fuel Scheme discussion paper AFMA submission, December 2023](#)

² [NSW Renewable Fuel Scheme Discussion Paper AFMA submission, January 2023](#)

We note that the department is also considering a range of future work and we welcome the early indication of this provided to stakeholders in this consultation. We understand that time matching may be considered, potentially leveraging the REGO proposal. We would encourage the department to consult with industry thoroughly on any such plans, ahead of any implementation.

AFMA Recommendations

- ii. Maintain alignment between the RFS to the GO and REGO schemes as they all develop.

AFMA would welcome the opportunity to discuss this submission further and would be pleased to provide further information or clarity as required. Please contact me via myoung@afma.com.au or 02 9776 7917.

Yours sincerely,



Monica Young

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