

Senate Environment and Communications Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Department of Industry, Science, Energy and Resources
Inquiry into the Clean Energy Finance Corporation Amendment (Grid Reliability Fund) Bill 2020
13 October 2020

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, SCIENCE, ENERGY AND RESOURCES

TOPIC: UNGI Assets

REFERENCE: Question on Notice - Senator Hanson-Young

QUESTION No.: 3

1. Please confirm if any Department has considered if the 12 UNGI assets could be financed by the CEFC from GRF monies? Has any department provided any report or advice to the Minister or the Minister's office of how the fund could be used to fund UNGI gas or other investments? Please provide a copy
2. Given that the Department knows and has assessed the 12 UNGI assets do they think that any UNGI gas asset would not be excluded by the requirement that the Investment must be an Investment that "supports the achievement of low-emission energy systems"? If so why not?

ANSWER

1. The Department provided advice and briefing to support the Government's decision and subsequent announcement regarding the Grid Reliability Fund on 30 October 2019, where it stated its intent that the program could support eligible projects shortlisted under the Underwriting New Generation Investments (UNGI) program.

The Department's advice has covered the operation of the GRF including that the Board will retain its independence with regards to investment decisions and as a result eligible UNGI projects may be considered by the CEFC on a project by project basis under the GRF.

2. As the explanatory memorandum of the *Clean Energy Finance Corporation Amendment (Grid Reliability Fund) Bill 2020* makes clear, gas-fired electricity generation projects can be considered for investment under the GRF where they are contributing to the achievement of a low emissions energy system. The Bill leaves it up to the Board to consider whether potential GRF investment contribute to a low emissions energy system.