

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Additional Estimates 2011-12, 13 February 2012

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	62
Program:	1.1		
Division/Agency:	CSMD		
Topic:	Regulation Impact Statement		
Hansard Page EC:	EC7-8		

Senator BOSWELL: I have a couple of questions on the gas management act, the refrigerants. What consultation has the department undertaken with the industry regarding the imposition of a carbon tax on the current 911 licence holders that have a licence to import equipment containing synthetic greenhouse gases?

Mr Comley: That is a matter for SEWPaC; they administer that act. We consult with that department, which directly consults with their stakeholders. That question would be better directed to the department of environment.

Senator BOSWELL: I have a question about the impact statement. Should that go to them too?

Mr Comley: The RIS on the carbon price covered that off. Is that right, Dr Kennedy?

Dr Kennedy: I believe so. I have to take meticulous notes.

Senator BOSWELL: Was there a regulation impact statement?

Senator Wong: The regulation impact statement would have been done in the context of the carbon price package. I think that Dr Kennedy is saying that he will take on notice what specific information on that aspect we can provide.

Senator BOSWELL: Is that your question?

Mr Comley: The regulation impact statement for the introduction of the clean energy future package was provided by this department. We can take on notice any questions about material contained in that regulation impact statement.

Answer:

The Regulation Impact Statement (RIS) for the Clean Energy Future set out, at pp51-52 of the RIS, consideration of the impacts of introducing a carbon price on imports of synthetic greenhouse gases, including refrigerants. In summary, the assessment in the RIS states that:

- Synthetic greenhouse gases have significant global warming potential. The industry is made up of a mixture of small and large importers. Imposing obligations through the carbon pricing mechanism, using the 25 kilotonnes of carbon dioxide equivalent (kt CO₂-e) direct emissions threshold, would impose reporting obligations and emissions liabilities on approximately 45 entities. The associated compliance costs were estimated at around \$15 million (start-up) and \$3 million (ongoing).
- However, not imposing carbon pricing mechanism obligations on the 650 or so smaller importers would create distortions in the market. These distortions could be addressed by adjusting the levies paid by smaller importers under Commonwealth Ozone Protection and Synthetic Greenhouse Gas Management legislation.

- An alternative approach would be to exclude synthetic greenhouse gases from the carbon pricing mechanism entirely (except where emitted by industry, such as aluminium perfluorocarbons) and apply an equivalent carbon price on all imports of synthetic greenhouse gases by adjusting existing levies paid under the *Ozone Protection and Greenhouse Gas Management Act 2003* (the Act).
- Applying an equivalent carbon price through adjusting existing levies under the Act would not impose new administrative requirements on importers currently licensed under the Act. It would avoid larger liable entities from having to deal with two regulators and would largely eliminate the distortions caused by the use of the 25 kt reporting threshold under the carbon pricing mechanism.
- Importers of sulphur hexafluoride who currently do not import other types of synthetic greenhouse gases will face some additional reporting and compliance costs as they will be brought into the ozone reporting scheme for the first time. However, these costs are expected to be low.
- As international negotiations are currently underway regarding the possible inclusion of such gases under the Montreal Protocol, keeping these gases in a separate system to the carbon price mechanism would simplify their eventual management under the Montreal Protocol, should that eventuate.
- Such treatment would also avoid the compliance costs noted above, reduce industry concerns about the ability to fund permit acquisitions and provide greater certainty about the level of the carbon price – under a linked levy approach the carbon price would be known prior to import.

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Outcome: 1 **Question No:** 63
Program: 1.1
Division/Agency: CSMD
Topic: Energy Security Fund – Applications
Received
Hansard Page EC: EC33

Senator BIRMINGHAM: I appreciate forward purchasing and so on means that people will be hedging against their own expectations of where the market might go. I will quickly try to move through some of the expenses side of the department's operations under the carbon pricing package. You mentioned before the energy security fund and the nice round \$1 billion that is there in 2011-12. Have decisions been made on how that funding is to be allocated?

Dr Kennedy: No, in consultation on the guidelines for that fund was done late last year. Applications were opened and recently closed to apply for moneys in that fund and the department is currently considering those applications.

Senator BIRMINGHAM: Are you able to reveal how many applications were received?

Dr Kennedy: I do not think that, given we are in the midst of the process, it would be appropriate for me to go into the details, because we are just considering those applications. But I would be happy to take questions on notice around numbers in the process.

Answer:

The Department received nine complete applications. The outcomes of the Department's assessment were published on the Department's website on 30 March 2012 and are provided below. Cash payments will be made in June 2012.

Generation Complex name	Cash Payment amount
Alcoa Anglesea Power Station	\$14,901,959.75
Augusta Power Stations	\$59,482,064.73
Collinsville Power Station	\$8,719,952.91
Energy Brix Australia Corporation Pty Ltd	\$27,721,819.72
Hazelwood Power Station	\$265,887,649.47
Loy Yang A Power Station	\$240,116,761.67
Loy Yang B Power Station	\$116,904,439.63
Redbank Power Station	\$8,766,418.74
Yallourn W Power Station	\$257,498,933.37

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	64
Program:	1.1		
Division/Agency:	LD		
Topic:	Fugitive Emissions		
Hansard Page EC:	EC16		

Senator MILNE: Needless to say, you may anticipate an FOI request on that. Just to come back to it, though: given that analysis, have you upgraded your estimation or increased your estimation of the fugitive emissions from coal seam gas as a result of that report?

Ms Thompson: We have had to go back and have a look at the actual figures as part of the national accounts across the time series, so I would like to take that particular element of the question on notice.

Answer:

The report by George Wilkenfeld and Associates Pty Ltd titled *Updated Scope 3 Emission Factors for Natural Gas Consumed in Australia, Based on NGERS Data* used data collected under the National Greenhouse and Energy Reporting system (NGERS) for the year 2008-09. The National Greenhouse Accounts emission estimates are also based on the same NGERS data and therefore no changes to the National Greenhouse Accounts were applicable.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	65
Program:	1.1		
Division/Agency:	LD		
Topic:	Emissions Factor for Coal Seam Gas		
Hansard Page EC:	EC17		

Senator MILNE: Given the work that has been done, what is your assumption about the greenhouse benefit of coal seam gas relative to coal?

Ms Thompson: On the actual emissions factor for the gas as a whole: emissions associated with natural gas including coal seam methane are 38 per cent lower on average than black coal on a per unit of energy basis.

Senator MILNE: And that is based on the independent analysis you had done last year?

Ms Thompson: That is based on the total of the sources of analysis that we used to prepare the emissions factors, and emissions factors are also part of the NGERs determination.

Senator MILNE: If you were to separate out the methane from coal seam gas as opposed to other gas operations, what is that factor?

Ms Thompson: I would need to take that on notice.

Answer:

Methane emissions from coal seam gas are estimated and reported within the National Greenhouse Accounts (NGA) as part of the fugitive emissions from natural gas exploration, production and processing, transport, venting and flaring. It is currently not possible to separately identify the emissions associated with the extraction of coal seam gas from those of natural gas.

The Department publishes scope 3 emission factors in its NGA workbook document for natural gas (including coal seam methane), as well as for other major fuel types, based on quantifiable upstream sources of emissions. The NGA workbook can be found on the Department's website at:

www.climatechange.gov.au/publications/greenhouse-acctg/national-greenhouse-factors.aspx.

The Department is currently giving considering to the separation of the scope 3 factor estimates for coal seam gas from other gas sources for future NGA workbook publications. Initially, these newly estimated factors would reflect existing information sets although the Department will improve the factors as new information comes to light.

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Outcome:	1	Question No:	66
Program:	1.1		
Division/Agency:	LD		
Topic:	Coal Seam Gas Emissions Estimate		
Hansard Page EC:	EC17		

Senator MILNE: Is the coal seam gas accounted for separately in our inventory or is it all lumped together? Is it fugitive emissions from gas generally, or is coal seam gas separately accounted for?

Ms Thompson: My understanding is that methane from coalmines is put together in the inventory, but I would like to check that on notice for you.

Senator MILNE: It is the coal seam gas operations that I am referring to more particularly. I would like you to take on notice what your current estimate is for coal seam gas emissions in the greenhouse inventory.

Answer:

Fugitive emissions from the extraction of coal seam gas are reported with fugitive emissions from natural gas in the National Greenhouse Gas Inventory consistent with the classifications used under the United Nations Framework Convention on Climate Change and the Kyoto Protocol. The reporting classifications require fugitive emissions to be reported by source categories based on the stage of the production cycle such as exploration, production/processing and transmissions and for all gas generally rather than by the type or origin of the gas.

Fugitive emissions associated with natural gas activities were 9.3 million tonnes carbon dioxide equivalent in 2009, the latest year available. This figure is inclusive of natural gas and coal seam gas and represents the fugitive emissions from exploration, production/processing, transmission, distribution, and includes gas flaring and venting.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	67
Program:	1.1		
Division/Agency:	LD		
Topic:	George Wilkenfeld		
Hansard Page EC:	EC17		

CHAIR: Before we go on, could you give us a bit of an overview about George Wilkenfeld and his expertise in this area.

Ms Thompson: Yes. George Wilkenfeld has been very active in the area of providing technical advice to Australia for the preparation of the inventory over many years. He has also done a lot of work in the renewable energy space. He is generally regarded as one of the extremely prominent and authoritative sources of expertise in this area.

Senator MILNE: But did he do field studies? Is his analysis based on field studies?

Ms Thompson: Are you asking if he personally went out and measured the methane in coalmines as part of the work that he did?

Senator MILNE: It is the coal seam gas operations around Australia, and, yes, I am asking not if he necessarily did it personally but whether his team doing the analysis actually had field studies.

Ms Thompson: We would need to take that as on notice as well.

Answer:

George Wilkenfeld and Associates Pty Ltd was commissioned by the Department of Climate Change in January 2010 to provide a report on scope 3 emissions factors for natural gas using data collected under the National Greenhouse and Energy Reporting System (NGERS) for the year 2008/09. The report, *Updated Scope 3 Emission Factors for Natural Gas Consumed in Australia, Based on NGERS Data*, was completed in June 2010. The consultant was not required to and did not undertake any field study component or measurements as part of the work.

The report calculated updated scope 3 emissions factors, aggregated at a state and territory level, associated with the supply of natural gas, coal seam gas and natural gas by-products, based on data submitted by NGERS respondents, which they were required to calculate in accordance with the methods in the *National Greenhouse and Energy Reporting (Measurement) Determination 2008*, reproduced in the *National Greenhouse and Energy Reporting (Measurement) Technical Guidelines v1.1* available at:
www.climatechange.gov.au/publications/greenhouse-report/~media/publications/greenhouse-report/nger-measurement-technical-guidelines-pdf.ashx

Scope 3 emissions factors include the effects of those classes of fugitive emissions which are within the scope of the methods in *National Greenhouse and Energy Reporting (Measurement) Technical Guidelines 2008 v1.1*. The study was commissioned prior to the recent public debate about fugitive emissions associated with the extraction of coal seam gas.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	68
Program:	1.1		
Division/Agency:	LD		
Topic:	Australian Farm Institute Modelling		
Hansard Page EC:	EC26-27		

Senator FISHER: Will you inform the Australian Farm Institute of the department's view of their research?

Mr Comley: I can take this on notice, but to my knowledge we have had an ongoing dialogue with the Australian Farm Institute on a continual basis.

Senator FISHER: That may be, but—

Mr Comley: Certainly over the last four years we have had a number of discussions with the Australian Farm Institute about the nature of their views on carbon pricing and the particular work they have done.

Senator FISHER: If you have not specifically addressed the issues—the three points—that you raised earlier, would you please do so?

Senator Wong: What I will do is take on notice your request as to any further information regarding the report which you mentioned and see whether or not we can provide in answer to a question on notice a summary of some of the issues that Mr Comley has outlined as being problematic in terms of the department's view about that report.

Answer:

The Australian Government Treasury modelling and the most recent Australian Farm Institute modelling both broadly reflect the policy settings around the carbon pricing mechanism and seek to address potential impacts on agriculture noting that agricultural emissions are not covered by the carbon price. However, the modelling frameworks and many of the underlying assumptions are quite different to the Treasury modelling.

Treasury analysis uses a whole-of-economy model that incorporates feedback effects from changes in relative prices and other variables; and reflects abatement opportunities and industry assistance measures under the Clean Energy Future Plan. The results indicate that the agriculture sector will continue to grow under the carbon pricing mechanism, with gross output growing by an estimated 12 per cent between 2010 and 2020. Treasury analysis also estimates that output from all sub-sectors – including sheep and cattle, dairy cattle and grains – will be higher in 2020 with a carbon price than it would have been without. This reflects a transfer of resources to sectors of the economy that are less emissions-intensive or not covered by the carbon price (such as agriculture), among other things.

The AFI modelling considers carbon price impacts facing farm businesses in the short term and does not predict future outcomes or capture interactions between different sectors of the economy. Differences in the framework and assumptions between the AFI modelling and Treasury modelling include:

- AFI modelling does not take account of economy-wide interactions that may occur in response to the carbon price.
 - As such, the results do not capture a shift in resources from emissions-intensive to less emissions-intensive or excluded sectors of the economy.
 - In particular, economy-wide modelling by Treasury points to a depreciating exchange rate, which improves the competitiveness of domestic producers of low emissions-intensive goods, helping to neutralise the cost impact of the carbon price.
- AFI modelling assumes that 100 per cent of the carbon costs experienced throughout the supply chain will be passed to farmers.
 - Estimating cost pass-through requires extensive data analysis and econometric estimates of supply and demand responses. The extent of pass-through will depend on both the elasticity of demand by final consumers in both international and domestic markets, and processors' ability to absorb increases in costs and remain profitable.
 - Modelling by the Australian Bureau of Agricultural and Resource Economics and Sciences shows that 100 per cent pass-through would be unlikely, pointing to the possible degree of differentiation between traded products, for example, the premium that is paid on some Australian exports.
- AFI modelling does not take account of opportunities available under the Carbon Farming Initiative (CFI).
 - The CFI provides an opportunity for farmers to generate carbon credits from activities to reduce emissions or store carbon. Credits can be sold in voluntary carbon markets or to companies with a liability under the carbon price.
 - Methodologies have already been approved under the CFI for the destruction of methane generated from manure in piggeries and environmental plantings.

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Outcome:	1	Question No:	69
Program:	1.1		
Division/Agency:	ASCD		
Topic:	Power Shift 2011 Conference - Report		
Hansard Page EC:	EC18		

Senator IAN MACDONALD: I have a couple of quick follow-ups from answers given in writing to questions taken on notice. On the Power Shift 2011 conference, you told me in written answer to a question I raised, as did Senator Birmingham, at last estimates: 'The department has not yet received the audited financial report for this activity.' Have you got it by now? This is question No. 87.

Mr Comley: Dr Banerjee and Ms Sidhu will answer that question.

Senator IAN MACDONALD: Really the question is: do you have the audited financial report? My other question was: could you let us have a copy of the application and a copy of the audit done afterwards? You said it had not been done yet. I am just wondering if it has been done by now. It is question No. 87.

Ms Sidhu: I do not believe we have that yet.

Senator IAN MACDONALD: Could you tell me when you expect to have that done?

Ms Sidhu: We will have to take that on notice.

[...]

Senator IAN MACDONALD: Can you give me an estimate of when you will have the audited financial reports?

Ms Sidhu: I will have to take that on notice.

Answer:

The Department received an audited acquittal of the funds that it provided to the Australian Youth Climate Coalition for the *Power Shift 2011* conferences (in Brisbane and Perth) in accordance with the Funding Agreement on 9 January 2012.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	70
Program:	1.1		
Division/Agency:	ASCD		
Topic:	Climate Change Grant Program		
Hansard Page EC:	EC18		

Senator IAN MACDONALD: Of the 357 applications that were received, how many were successful?

Ms Sidhu: There were 13 successful projects.

Senator IAN MACDONALD: Is it possible to get copies of those 13 applications that were successful?

Mr Comley: We would have to take that on notice, just to see if there is any commercial, confidential or other information we would not normally release.

Answer:

It is not the ordinary practice for Government agencies to disclose, by publication, entire applications or specific details of applications as such materials contain commercial-in-confidence information. The release of such materials would not reasonably be anticipated by applicants.

Neither the Climate Change Grant Program (Grant Program) Guidelines nor the Grant Program Application Form envisage publication of applications. These documents contain statements that would lead applicants to expect that their applications would not be published.

Ordinarily, broad details of successful grant applications are published, but the application details, and information about unsuccessful applicants, are not disclosed at all.

In accordance with the Finance Minister's instructions, the Department of Climate Change and Energy Efficiency publishes the details of all grants administered by the Department at: www.climatechange.gov.au/about/grants.aspx

The Department is happy to make available to the Committee a summary of the Grant Program applications.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	71
Program:	1.1		
Division/Agency:	ASCD		
Topic:	Open Mind – Focus Groups		
Hansard Page EC:	EC35		

Senator BIRMINGHAM: What have the latest results of your 10 focus groups informed the government in terms of attitudes toward the clean energy future package?

Mr Comley: Senator, I do not think it would be appropriate to share the preliminary results of a report. If you want to ask for the provision of that report I am happy to take that on notice.

Answer:

The report referenced above was generated for the purpose of providing advice to the Department and was not intended for public release.

The consultant would not have reasonably expected the report would be widely distributed and as such the Department has determined that it is appropriate to seek advice from the research company prior to the release of the report.

Following consultation with the consultant, the Department has determined not to release the report referenced above as it contains commercially sensitive information that may reveal the proprietary approach of the research company to conducting research for, and presenting advice to, the Department.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	72
Program:	1.1		
Division/Agency:	CSMD		
Topic:	Carbon Price Modelling and Electricity Pricing		
Hansard Page EC:	Written		

Senator Birmingham asked:

1. What is the predicted annual increase in electricity prices out to 2050?
2. What is the predicted increase in electricity prices out to 2050 without a carbon tax or ETS?

Answer:

Table 5, on page 12, of the *Strong growth, low pollution* update shows per cent increases in household electricity prices out to 2050 in the Government policy scenario.

Chart 4.18, on page 74, of the *Strong growth, low pollution* report shows increases in household electricity prices to 2050 in the absence of a carbon price.

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Outcome:	1	Question No:	73
Program:	1.1		
Division/Agency:	CSMD		
Topic:	Foreign Carbon Credits		
Hansard Page EC:	Written		

Senator Birmingham asked:

What is the expected annual revenue out to 2020 from foreign carbon credits?

Answer:

The Australian Government does not receive any revenue from foreign carbon credits.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	74
Program:	1.1		
Division/Agency:	Land		
Topic:	Carbon emissions		
Hansard Page EC:	Written		

Senator Bushby asked:

For what percentage of total carbon emissions in Australia is transport responsible – and how has that figure changed over the last five years?

Answer:

The below table presents annual carbon dioxide equivalent emissions from transport as a percentage of the national inventory total (excluding Land Use, Land Use Change and Forestry).

These figures were calculated from the latest published inventory emissions estimates, *Quarterly Update of Australia's National Greenhouse Gas Inventory: September Quarter 2011* (published on the Departmental website at: www.climatechange.gov.au/emissions).

2007	2008	2009	2010	2011
15.2%	15.3%	15.3%	15.2%	16.1%

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	75
Program:	1.1		
Division/Agency:	CSMD		
Topic:	Effect of Australian Dollar on Carbon Pricing		
Hansard Page EC:	Written		

Senator Birmingham asked:

1. In light of the increase in the Australian dollar, has the Department calculated relative to other countries how expensive Australia's carbon tax now is?
2. If not, are there any plans to undertake such calculations at any time in the future?

Answer:

1. The Department regularly monitors carbon prices around the world. Based on exchange rates at 17 April 2012, examples of countries that have a carbon price higher than the price that will be applied in Australia during 2012-13, the first year of the carbon pricing mechanism, include:
 - Norway's carbon tax on petrol is 380 Norwegian Krone/tonne, (around A\$64) in 2011.
 - Switzerland's carbon tax on certain fossil fuels is 36 Swiss Francs/tonne (around A\$38).
 - In Canada, the province of British Columbia has a carbon tax of CA \$25 (around A\$24), which will increase to CA \$30 (around A\$29) in July 2012.

A 2011 report by the Productivity Commission found that in a range of countries studied (China, Germany, Japan, New Zealand, South Korea, the United Kingdom and the United States) implicit costs per tonne of emissions reductions ranged from below A\$10 to above A\$400.

2. As noted in the answer to part 1., the Department regularly monitors how Australia's carbon price compares to other international carbon prices.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	76
Program:	1.1		
Division/Agency:	CSMD		
Topic:	Carbon Tax – Coverage		
Hansard Page EC:	Written		

Senator Birmingham asked:

For each of 2012-13, 2015-16, 2020-21 and 2050:

1. What is the current estimated number of businesses or entities – total and broken down by state – to be directly liable for the carbon tax?
2. What is the current estimated number of sites – total and broken down by state – to be directly liable for the carbon tax?

Answer:

1. The currently estimated number of businesses or entities directly liable under the carbon pricing mechanism is approximately 500, broken down approximately by state or territory as follows:
 - 115 operating solely in New South Wales and the Australian Capital Territory;
 - 100 operating solely in Queensland;
 - 70 operating solely in Victoria;
 - 65 operating solely in Western Australia;
 - 20 operating solely in South Australia;
 - 15 operating solely in Tasmania;
 - fewer than 10 operating solely in the Northern Territory; and
 - a further 45 operating across multiple states.

These numbers are largely based on historic emissions data reported under the National Greenhouse and Energy Reporting Scheme (NGERS). This is an indication of the potential number of liable entities for the first year of the carbon pricing mechanism (2012-13). Due to the inherent uncertainty around the nature of future business activities in Australia, estimates are not possible for 2015-16, 2020-21 and 2050.

On 4 May 2012 the Clean Energy Regulator published the Liable Entities Public Information Database (LEPID) and commenced publishing on it the names of entities that it has reasonable grounds to believe will be liable entities for 2012-13. The LEPID currently includes 248 entities which are included because of their emissions reported under the *National Greenhouse and Energy Reporting Act 2007* or because they are liable as Natural Gas Suppliers under the *Clean Energy Act 2011*. These entities account for 70 per cent of the emissions to be covered by the carbon pricing mechanism.

The Regulator will add additional entities to the LEPID after further consultation with landfill operators, entities intending to transfers liability under provisions of the *Clean Energy Act 2011* and entities that may choose to opt into the carbon pricing mechanism as part of the liquid fuels Opt-in Scheme from 1 July 2013.

2. The currently estimated total number of sites covered by the carbon pricing mechanism is approximately 500. This number is largely based on historic data reported under NGERS. This is an indication of the potential number of liable sites for the first year of the carbon pricing mechanism (2012-13). Due to the inherent uncertainty around the nature of future business activities in Australia, estimates are not possible for the years 2015-16, 2020-21 and 2050.

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Outcome:	1	Question No:	77
Program:	1.1		
Division/Agency:	CSMD		
Topic:	Carbon Tax – Free Permits		
Hansard Page EC:	Written		

Senator Birmingham asked:

For each of 2012-13, 2015-16, 2020-21 and 2050:

1. What is the current estimated number of businesses or entities – total and broken down by state – likely to receive some free permits? What percentage of their permits will be free?
2. What is the current estimated number of sites – total and broken down by state – likely to receive some free permits? What percentage of their permits will be free?

Answer:

1. Initial estimates based on EITE activities assessed to date indicate that around 137 businesses or entities undertaking 38 activities will be eligible emissions-intensive trade-exposed entities under the Jobs and Competitiveness Program and are expected to apply for assistance. This initial number of applicants is an underestimate as further activities are currently undergoing eligibility assessment. Up to 50 activities could be potentially eligible for assistance.

The locations of the head offices of the expected applicants per state are:

- 36 entities located in New South Wales;
- 4 entities located in the Northern Territory;
- 27 entities located in Queensland;
- 13 entities located in South Australia;
- 10 entities located in Tasmania;
- 23 entities located in Victoria; and
- 24 entities located in Western Australia.

In 2012-13, entities will receive assistance equivalent to 94.5 per cent of the industry average baselines where they are conducting highly-emissions intensive activities and 66 per cent of the industry average baselines for moderately emissions-intensive activities. Assistance rates are designed to decline by a rate of 1.3 per cent per annum such that, for highly emissions-intensive activities, assistance will equal 90.9 per cent of the industry historic baseline in 2015-16, 85.1 per cent of the industry historic baseline in 2020-21, and 58.2 per cent of the industry historic baseline in 2049-50. Assistance for moderately emissions-intensive activities will equal 63.5 per cent of the industry historic baseline in 2015-16, 59.4 per cent of the industry historic baseline in 2020-21, and 40.7 per cent of the industry historic baseline in 2049-50.

28 activities have been assessed as highly emissions-intensive and 10 activities have been assessed as moderately emissions-intensive.

The Program is to be reviewed by the Productivity Commission in the third year of the carbon pricing mechanism and as part of the general reviews. The Government, after considering the outcomes of a Productivity Commission review, may adjust the assistance rates in light of the assessment of the economic and environmental efficiency of the Program in the context of Australia's climate change policies and those in other countries.

In particular, the Productivity Commission will be asked to examine whether assistance rates should be paused at 90 per cent for a highly emissions intensive activity and 60 per cent for a moderately emissions intensive activity if less than 70 per cent of international competitors have introduced comparable carbon constraints.

Under the Energy Security Fund, 42.7 million free permits will be provided to the most emissions intensive electricity generators over the first four years of the carbon price.

At this stage it is not possible to provide details on the number of applications received. In line with the Guidelines, the Department will publish a copy of each certificate of eligibility for coal-fired generation assistance on the Department's website as soon after such certificates are issued as practical. Each certificate will state the annual assistance factor in respect of the generation complex.

2. Assistance under the Jobs and Competitiveness Program is provided in respect of activities being conducted rather than to individual facilities. As such, it is the entities conducting the activities that receive assistance not facilities.

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Outcome:	1	Question No:	78
Program:	1.1		
Division/Agency:	CSMD		
Topic:	Impact of Carbon Tax		
Hansard Page EC:	Written		

Senator McKenzie asked:

1. How is the government assisting the La Trobe Valley adapt to the carbon tax?
2. People in the La Trobe Valley are seeking support in the form of Carbon Assist Officers and have approached the government about securing this form of support.
3. What is the department's view on this? Would they be willing to provide support of the type sought by the people of the La Trobe Valley?
4. What support is the Government providing specifically for the Murray Goulburn region of Victoria, where the carbon tax – as well as the Murray Darling Basin Plan – is likely to wreak economic havoc?

Answer:

1. A Cooperative Agreement between the Australian and Victorian Governments, signed on 13 December 2011, is facilitating the development of a coordinated and strategic approach to support the Latrobe Valley transition.

The governance arrangements, which were recommended by regional leaders, include a Joint Ministerial Forum, Mayoral Reference Group and Latrobe Valley Transition Committee. The arrangements seek to ensure the planning and consultation process is locally driven and coordinated across all three tiers of government.

The Latrobe Valley Transition Committee is developing a set of strategic directions for the Latrobe Valley which, following consultation with the public and industry, will form the basis of advice to all levels of government on opportunities to support the growth of the Latrobe Valley economy.

In addition, the Government through the Department of Regional Australia, Local Government, Arts and Sport (DRALGAS) is undertaking research to support the existing evidence being gathered across all levels of Government to assess the potential impacts of carbon pricing on the Latrobe Valley.

In addition to these governance arrangements, under the Clean Energy Future Plan the Government has established a range of measures to support businesses, households and communities transition under carbon pricing. These measures include the Jobs and Competitiveness program (JCP), Clean Technology program, Carbon Farming Initiative, energy efficiency programs, household assistance package, Energy Security Fund and Regional Structural Adjustment Assistance Package.

For example, companies conducting activities that are assessed as emissions-intensive and trade exposed are eligible for assistance under the JCP which significantly reduces the impact of the carbon price on their operations. This will support local jobs and production, encourage industry to invest in cleaner technologies, and reduce the risk of carbon leakage. The ongoing program will provide \$8.6 billion of assistance over the first three years of the carbon pricing mechanism. The most emissions-intensive trade-exposed activities will receive assistance to cover 94.5 per cent of industry average carbon costs in the first year of the carbon price, with less emissions-intensive trade-exposed activities to receive assistance to cover 66 per cent of industry average carbon costs.

Thirty-six activities have been formally assessed and established in legislation as eligible for assistance. If any of these activities are conducted in the Latrobe Valley, assistance that significantly reduces the impacts of the carbon price will be provided under the JCP.

Any manufacturers in the Latrobe Valley who conduct activities which do not meet the thresholds for assistance under the JCP can seek assistance under the Clean Technology Program. This program will provide grant funding of \$1 billion to support investment in energy efficient capital equipment and low emissions technology. An additional \$200 million is also available through the program to support research, development and commercialisation of clean technology products, processes and services.

- 2 - 3. The Government has received a proposal from the Latrobe City Council, which seeks funding for two 'Carbon Assist Officers' for that municipality. This proposal is with DRALGAS for consideration.

DRALGAS has advised the Department of Climate Change and Energy Efficiency that it has encouraged the Latrobe City Council to work with the Regional Development Australia Gippsland Committee on engagement issues and to consider developing a revised proposal that would have broader application across the Latrobe Valley region.

The Government already funds an AusIndustry Regional Manager based in Traralgon and needs to understand how the proposed roles would complement this existing support. The Minister of Regional Development, Regional Australia and Local Government, the Hon Simon Crean MP, is responding to the Latrobe City Council regarding the preliminary proposal.

4. On 18 November 2011, the Minister for Sustainability, Environment, Water, Population and Communities, the Hon Tony Burke MP, jointly announced with the Victorian Minister for Water a re-scoped Northern Victoria Irrigation Renewal Project (NVIRP) Stage 2 package totalling \$1.2 billion. This package will deliver a world-class irrigation system for northern Victoria's food producers in the Goulburn Murray Irrigation District through connecting irrigators to a modernised network of supply channels known as the backbone.

The Commonwealth will contribute \$953 million for the NVIRP 2 infrastructure project which is the main element of the re-scoped package. This funding will generate water savings of 204GL, half of which will be transferred to the Commonwealth and the other half to Victoria. Victoria has agreed to sell its share of the water savings from NVIRP 2 (102 Gigalitres (GL) long term annual average yield) to the Commonwealth.

The third element of the restructured NVIRP 2 package is a new \$48.6 million on-farm water infrastructure project which the Commonwealth has committed \$43.7 million and which seeks to improve the efficiency of water use through the farm production system. It will complement the modernised water supply system being developed under NVIRP 2.

The Commonwealth has also committed \$103 million towards a Sunraysia Modernisation Project. Details of this project are not available at present as a business case is currently being developed by the Mildura Development Corporation.

In addition to funding for the NVIRP 2 package, the Commonwealth has signed funding agreements for water saving infrastructure and related activities in the Murray Goulburn region of Northern Victoria, to be funded from the Sustainable Rural Water Use and Infrastructure Program (SRWUIP). This funding will be directed to on-farm infrastructure upgrades, system modernisation planning assistance for irrigation water providers, irrigation delivery system reconfiguration activities, investigations regarding improved watering efficiency for key environmental assets, and grants designed to assist local communities to plan and adapt to a future with less water under climate change.

Northern Victoria Irrigators and Delivery Partners will also remain eligible to participate in future rounds of the On-farm Irrigation Efficiency Program, providing further assistance for irrigators to modernise on-farm irrigation infrastructure.

The Murray-Darling Basin Authority has commissioned significant studies into the socio-economic impacts of the Basin Plan. In summary, these studies find that the effect of this reform on the Basin will be small while also noting that smaller, more irrigation dependent communities, are likely to experience larger impacts over time than those communities that are less dependent on irrigation. These studies also find that the large investment by the Government through the Water for the Future initiative substantially mitigates adverse impacts of Basin reform.

In response to the findings of the 'Windsor' inquiry last year, the Government has also decided to pause general water purchase in the southern Murray-Darling Basin and focus on targeted water recovery in 2012, to investigate environmental works and measures which may reduce the need to recover water from irrigators, and consult with the industry on how best to integrate water purchases with the reconfiguration of inefficient or underutilised parts of irrigation delivery networks.

The Government is also continuing to work in partnership with communities affected by the Basin Plan to identify opportunities for growth and diversification.

The 2011-12 Budget included \$1.1 million, shared equally between all 11 Murray-Darling Basin Regional Development Australia committees to assist their efforts to better engage with the community on the social and economic impacts of living in a future with less water.

On 29 November 2011, the Minister for Regional Australia, Regional Development and Local Government announced the Murray-Darling Basin Regional Economic Diversification Project. This project involves regional experts working across the Murray-Darling Basin helping communities adapt to a future with less water. A dedicated Taskforce was established within the DRALGAS to coordinate and oversee this ground-up partnership between the Government and the communities affected by the Basin Plan.

In addition, under the Clean Energy Future Plan, the Government has established a range of measures to support businesses, households and communities transition under carbon pricing. These measures include the JCP, Clean Technology program, Carbon Farming Initiative, energy efficiency programs, household assistance package, Energy Security Fund and Regional Structural Adjustment Assistance Package.

Manufacturers in the Murray Goulburn Region will be eligible for assistance under the Clean Technology Investment Program (CTIP) and the Clean Technology Food and Foundries Investment Program. The CTIP will provide \$800 million over seven years for manufacturing businesses to invest in energy efficient capital equipment and low emissions technologies, processes and products. Additionally, \$200 million of grant funding will be made available, specifically to food and foundry companies to support investment the same types of investment.

Assistance for farmers in the region is also available under the Carbon Farming Initiative (CFI). The CFI is a carbon offsets scheme that provides new economic opportunities for farmers, forest growers and land managers while also helping the environment by reducing carbon pollution. Farmers and land managers are able to generate credits that can then be sold to other businesses wanting to offset their own carbon pollution.

Over \$1.7 billion of carbon revenues will be invested in the land sector through the Clean Energy Future plan. These measures are complimentary to the CFI and include the:

- The \$1 billion biodiversity fund which will provide incentives for carbon farming projects that deliver biodiversity benefits and support landholders to manage and protect bio-diverse carbon stores; and

- The Carbon Farming Futures program which will invest in new and innovative ways for land managers to reduce emissions and improve productivity. The program will also provide direct support for farmers to demonstrate and test new abatement activities.

In addition from 1 July 2012, the Government will monitor the impacts of carbon pricing on regions across Australia. The Government has set aside \$200 million, under the Clean Energy Future Plan, if needed, to provide structural adjustment assistance to support workers, regions and communities that remain strongly affected by carbon pricing after other forms of assistance have been provided.

**Senate Standing Committee on Environment and Communications
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Additional Estimates 2011-12, 13 February 2012

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	79
Program:	1.1		
Division/Agency:	ASCD		
Topic:	Clean Energy Future Package – Communication Expenditure		
Hansard Page EC:	Written		

Senator Birmingham asked:

Please detail all expenditure planned or undertaken in 2011-12 and 2012-13 as part of the communication of the clean energy future package including recipients of grants, research undertaken, advertising, sponsorships, websites, call centres, etc.

Answer:

As of 13 February 2012, approximately \$20 million (excluding GST) had been spent on the campaign development and media buy for the Clean Energy Future national advertising campaign. This included:

- \$3.06 million excluding GST in 2010-11; and
- \$16.9 million excluding GST in 2011-12.

To support the campaign, a further \$3.9 million (excluding GST) was spent on the *What a Carbon Price Means For You* national mail out. This included:

- \$1.08 million excluding GST in 2010-11; and
- \$2.8 million excluding GST in 2011-12.

A further \$4.3 million (excluding GST) was also spent on community and public engagement activities. This included:

- \$1.3 million in 2010-11; and
- \$3 million in the 2011-12 (up to 13 February 2012).

Expenditure on the Clean Energy Future advertising campaign and associated public engagement activities for the 2011-12 and 2012-13 financial years is detailed in the following table. All expenditure is reported as GST exclusive.

No decision has been taken regarding future communication activities in the 2012-13 financial year.

Clean Energy Future national advertising campaign and associated public engagement activity expenditure (GST exclusive)			
	2011-12	Future Expenditure 2011-12	2012-13
Projects funded from \$31.5 million allocation for Clean Energy Future campaign			
Advertising Campaign	\$16,915,437.13	No decision taken	No funding allocated
Market Research	\$359,370.17		
Creative Development	\$147,690.80		
Public Relations	\$89,120.55		
Ethnic Communications	\$90,847.93		
Pitch Fees	\$1,611.70		
Consultants	Nil		
Media Buy	\$16,208,614.16		
Legal Fees	\$18,181.82		
Direct Mail out	\$2,775,362.86	No decision taken	No funding allocated
Paper supply	Nil		
Production	\$1,293,835.71		
Distribution	\$1,481,527.15		
Projects funded from Climate Change Foundation campaign money			
Clean Energy Future Website	\$901,282.95		No funding allocated
Development	\$141,350.55		
Content	\$98,742.40		
Household Estimator	\$661,190.00		
Community Engagement Activities	\$2,107,168.77	TBA	No funding allocated
Call Centre Services	\$594,466.69	TBA	
Media Analysis	\$100,535.00	TBA	
Ad-hoc Discretionary Grant Program	\$913,647.08	\$670,870.95	
Climate Change Grant Program	\$498,520.00	\$1,894,550.00	

(*) Note initial campaign development costs were funded from the Climate Change Communications and Public Engagement Strategy (PBS refers as Climate Change Foundation Campaign) funding in 2010-11. These costs were \$3,061,090.53. This has been reported in answers to QoN's from previous Estimates.

(**) Note initial development costs including paper purchase were funded from the Climate Change Communications and Public Engagement Strategy (PBS refers as Climate Change Foundation Campaign) funding in 2012-11. This cost was \$1,080,000.00. This has been reported in answers to QoN's from previous Estimates.

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Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome: 1 **Question No:** 80
Program: 1.1
Division/Agency: ASCD
Topic: Climate Change Foundation Campaign
Hansard Page EC: Written

Senator Birmingham asked:

1. How many grants, to whom and what amounts, have been paid under the Climate Change Foundation grant program?
2. How does this compare to the number of applications received under this program?
3. For each grant, what milestones and/or deliverables have been agreed or set?
4. How many of the projects for which grants were approved have been completed?
5. For how many of the grants, and in relation to which projects, have final reports been provided to the Department?
6. For all approved grants/funded projects, please provide copies of all applications for funding, materials developed as a result of funding, and any reports or acquittals provided to the Department.

Answer:

1. Thirteen projects have been approved under the Grant Program as outlined in the table below.

Grant Program recipient	Total funding (ex. GST)
Greening Australian South Australia Ltd	\$291,200
North Australian Indigenous Land and Sea Management Alliance	\$300,000
Environment Victoria Inc	\$213,125
Auburn Community Development Network	\$72,121
Green Cross Australia (partnering with CSIRO)	\$200,000
Dirtgirlworld Pty Ltd	\$150,000
Nature Conservation Council of NSW	\$211,000
Conservation Council of Western Australia Inc	\$319,420
Australian Council of Trade Unions	\$93,000

Riverina and Murray Regional Organisation of Councils	\$90,924
RPH Australia Cooperative Ltd	\$206,100
Community Broadcasting Association of Australia	\$123,180
Planning Institute of Australia	\$123,000

2. The Department received 357 applications for the Grant Program.
3. The table below provides the milestones and/or deliverables that have been agreed or set by the Department and the respective Grant Program recipient, for each of the 13 Grant Program projects.

Organisation	Deliverables
Auburn Community Development Network	<ol style="list-style-type: none"> 1. Project planning and recruitment. 2. Progress Report 1 and Evaluation Plan. 3. Progress Report 2. 4. Completion of all materials production and distribution, and all other project activities. 5. Final Report and Financial Report (which includes the Evaluation Report).
Australian Council of Trade Unions	<ol style="list-style-type: none"> 1. Advertising of the Activity. 2. Completion of the seminar program. 3. Progress Report 1 and Evaluation Plan. 4. Completion of all seminars. 5. Progress Report 2. 6. Final Report and Financial Report (which includes the Evaluation Report).
Community Broadcasting Association of Australia	<ol style="list-style-type: none"> 1. Establish a project Steering Committee to guide project content and delivery. 2. Completion of radio scripts. 3. Progress Report 1 and Evaluation Plan. 4. Completion of recording, editing and distribution of radio segments. 5. Broadcast and digital delivery of project segments. 6. Promotion of the radio programs to all 270 community radio stations. 7. Progress Report 2. 8. Final Report and Financial Report (which includes the Evaluation Report).

<p>Conservation Council of Western Australia</p>	<ol style="list-style-type: none"> 1. Creation of online communications and action hub. 2. Progress Report 1 and Evaluation Plan. 3. Completion of geographically-targeted media coverage, including media launch. 4. Completion of offline resources, and kits (for distribution) 5. Completion of development and support for self sustaining Climate Clever community action groups 6. Progress Report 2 7. Final Report and Financial Report (which includes the Evaluation Report).
<p>Dirtgirlworld productions Pty Ltd</p>	<ol style="list-style-type: none"> 1. Launch of online information campaign. 2. Complete development of dirtgirlworld ‘ecofactor live show’ and interactive activities. 3. Progress Report 1 and Evaluation Plan. 4. Complete development of ‘dirtgirl and band live stage show’. 5. Completion of all dirtgirlworld ‘live shows’. 6. Final Report and Financial Report (which includes the Evaluation Report).
<p>Environment Victoria</p>	<ol style="list-style-type: none"> 1. Completion of project plan. 2. Progress Report 1 and Evaluation Plan. 3. Completion of project materials development 4. Progress Report 2. 5. Completion of all project Activity. 6. Final Report and Financial Report (which includes the Evaluation Report).
<p>Greening Australia SA</p>	<ol style="list-style-type: none"> 1. Progress Report 1 and Evaluation Plan. 2. Progress Report 2. 3. Final Report and Financial Report (which includes the Evaluation Report).
<p>Green Cross Australia</p>	<ol style="list-style-type: none"> 1. Establishment of Steering Committee. 2. Complete design and distribution of Schools Video Competition. 3. Progress Report 1 and Evaluation Plan. 4. Completion of micro website. 5. Progress Report 2. 6. Completion of Award Ceremony. 7. Final Report and Financial Report (which includes the Evaluation Report).

<p>North Australian Indigenous Land and Sea Management Alliance Limited</p>	<ol style="list-style-type: none"> 1. Completion of project establishment 2. Progress Report 1 and Evaluation Plan. 3. Completion of project plan 4. Completion of project planning and facilitation of training and mentoring opportunities for 'Carbon Contacts' and initiate development of 'Carbon Network'. 5. Progress Report 2. 6. Completion of design and hosting of website. 7. Completion of designing and facilitating mentoring arrangements. 8. Final Report and Financial Report (which includes the Evaluation Report).
<p>Nature Conservation Council of NSW</p>	<ol style="list-style-type: none"> 1. Progress Report 1 and Evaluation Plan. 2. Completion of project strategy, materials development, events coordination and project set-up. 4. Progress Report 2. 5. Completion of all project Activity. 6. Final Report and Financial Report (which includes the Evaluation Report).
<p>Planning Institute of Australia</p>	<ol style="list-style-type: none"> 1. Progress Report 1 and Evaluation Plan. 2. Final Report and Financial Report (which includes the Evaluation Report).
<p>Riverina and Murray Regional Organisation of Councils (RAMROC)</p>	<ol style="list-style-type: none"> 1. Progress Report 1 and Evaluation Plan. 2. Completion of planning, governance and development of seminars and seminar content 3. Completion of delivery of the Clean Energy Future Seminar Series. 4. Progress Report 2. 5. Final Report and Financial Report (which includes the Evaluation Report).

RPH Australia	<ol style="list-style-type: none"> 1. Completion of segment planning. 2. Completion of scripting of segments and pointers 1 – 13; scheduling and production of segments and pointers 1 – 10; and broadcast of segments and pointers 1 – 5. 3. Progress Report 1 and Evaluation Plan. 4. Completion of scripting of segments and pointers 14 – 30; scheduling and production of segments 11 – 30; and broadcasting of segments and pointers 6 – 18. 5. Progress Report 2. 6. Broadcast of segments and pointers 19 – 30. 7. Final Report and Financial Report (which includes the Evaluation Report).
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4. No projects have been completed.
5. No final reports have yet been submitted to the Department as the projects are still underway.
6. It is not the ordinary practice for Government agencies to disclose by publication, specific details of applications, materials, reports or acquittals, as such materials contain commercial-in-confidence information and the release of such materials would not reasonably be anticipated by applicants.

Neither the Grant Program Guidelines nor the Grant Program Application Form envisages publication of applications. These documents contain statements that would lead applicants to expect that their applications would not be published.

Ordinarily, broad details of successful grant applications are published, but the application details and information about unsuccessful applicants are not disclosed at all.

In accordance with the Finance Minister's instructions, the Department of Climate Change and Energy Efficiency publishes the details of all grants administered by the Department at: www.climatechange.gov.au/about/grants.aspx

The Department is happy to make available to the Committee a summary of the successful Grant Program applications.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

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Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	81
Program:	1.1		
Division/Agency:	ASCD		
Topic:	Clean Energy Future Market Research		
Hansard Page EC:	Written		

Senator Birmingham asked:

1. How many contracts, with whom and at what expense for each contract, has the Department entered into for market research related to climate change and/or Clean Energy Future advertising campaigns?
2. For each contract, what is the nature of the research being undertaken and the frequency of reports being provided to the Department? Please list, by contract, all reports provided to the Department. Please provide copies of all reports and/or findings.
3. Please account for evidence provided on 13 February 2012 suggesting \$1,027,976.80 had been provided to Hall and Partners/Open Mind Pty Ltd to date, whereas Contract Notice CN396498 (amended by CN396498-A1 for vendor change of name) indicates a contract value of \$929,770.
4. Please identify any smaller contracts, for example not subject to AusTender listing, with Hall and Partners/Open Mind Pty Ltd, including dates and values.

Answer:

1. Two contracts have been entered into for market research related to the Clean Energy Future advertising campaign.
 - a. Hall and Partners Open Mind – as at 13 February 2012 \$1.027 million had been expended.
 - b. Ogilvy Earth - The value of this project was \$11,202.74 excluding GST.
2. Hall and Partners Open Mind provided qualitative and quantitative research to inform the development of the campaign, to test creative materials and to measure the impact and effectiveness of the campaign as required by the Australia Government advertising guidelines.

- a. The research reports listed below have been generated under the Hall and Partners Open Mind contract up until February 2012:

Reports
Climate Change Segmentation, Benchmark And Communications Research, December 2010
Key Themes: Australia's Clean Energy Future Campaign – Creative Evaluation, undated
Topline Report – Australia's Clean Energy Future Agency Selection, undated
Topline Report: Australia's Clean Energy Future – Agency Selection (Stage 2), undated
Australia's Clean Energy Future: Creative Refinement Round 1, February 2011
Australia's Clean Energy Future: Creative Refinement Round 2, April 2011
Report: Climate Change Community Monitor Wave 2 – May 2011
Australia's Clean Energy Future: Creative Refinement Round 3, June 2011
Australia's Clean Energy Future: Creative Refinement Round 4, July 2011
Australia's Clean Energy Future: Creative Refinement Round 4 (additional brochure testing), July 2011
Clean Energy Future Advertising Tracking: Pre-campaign Phase – July 2011
Clean Energy Future Advertising Tracking: Week 1 – July 2011
Clean Energy Future Advertising Tracking: Week 2 – August 2011
Clean Energy Future Advertising Tracking: Week 3 – August 2011

Reports
Clean Energy Future Advertising Tracking: Week 4 – August 2011
Clean Energy Future Advertising Tracking: Week 5 – August 2011
Clean Energy Future Advertising Tracking: Post Burst 1 – September 2011
Clean Energy Future Advertising Tracking: Post Burst 2 – October 2011
Evaluation Report: Clean Energy Future Campaign, November 2011
Creative Refinement Round 7, December 2011
Australia's Clean Energy Future: Creative refinement Phase 2, February 2012

- i. The reports referenced above were generated for the purpose of providing advice to the Department and were not intended for public release.
 - ii. It is not usual practice to release qualitative and tracking research reports into the public domain as they contain commercially sensitive and confidential information. The remaining reports Climate Change Segmentation, Benchmark and Communications Research and Community Monitor Wave 2 are Cabinet-in-Confidence.
 - iii. The Department has determined not to release the reports referenced above as they contain commercially valuable information that may reveal the proprietary approach of the research company to conducting research for, and presenting advice to, the Department.
- b. Ogilvy Earth provided expert advice to the Department as part of the tender process to select a market research consultant to ensure that the research would meet the Department's objectives.
- i. Due to constricted timeframes, advice was provided verbally and no written reports were received.

3. Contract Notice CN396498 (amended by CN396498-A1 for vendor change of name) valued at \$929,770 including GST was a variation to an existing contract. The first phase of work under the contract was valued at \$270,230 including gst. Actual expenditure under these contracts as at 13 February 2012 was \$1,027,976.80 excluding GST.
4. There are no additional contracts held with Hall and Partners Open Mind in relation to the Clean Energy Future.

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Additional Estimates 2011-12, 13 February 2012

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	82
Program:	1.1		
Division:	RD		
Topic:	National Greenhouse and Energy Reporting Scheme		
Hansard Page EC:	Written		

Senator Birmingham asked:

1. What changes, if any, are being made in response to the Auditor-General's Audit Report on Administration of the National Greenhouse and Energy Reporting Scheme? Please outline any deadlines for such changes to be implemented.
2. What changes, if any, are being made to the National Greenhouse and Energy Reporting Scheme in preparation for the 1 July 2012 carbon tax start? Please outline any deadlines for such changes to be implemented.

Answer:

1. The Department of Climate Change and Energy Efficiency worked closely with the Australian National Audit Office during the Audit Report into the Administration of the National Greenhouse and Energy Reporting Scheme (NGERS).

During and after the Audit Report, the Department has worked to introduce and improve a range of mechanisms to ensure the quality of NGERS data. This includes the ongoing implementation of a Data Quality Improvement Strategy which seeks to ensure continuous data quality improvement, an enhanced compliance framework, and a NGERS audit program to contribute to data improvement and promote voluntary compliance. The 2011-12 NGER audit program is due for completion by 30 June 2012.

2. In preparation for the commencement of the carbon pricing mechanism on 1 July 2012, consequential amendments to the *National Greenhouse and Energy Reporting Act 2007* and associated Regulations will introduce new requirements for liable entities from 1 July 2012 (under the *Clean Energy Act 2011*) to report information relating to their liable emissions. Regulations will specify liable entities which will be required to undertake mandatory pre-submission audits of their data when reporting from 2012-13.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Additional Estimates 2011-12, 13 February 2012

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	83
Program:	1.1		
Division/Agency:	CSMD		
Topic:	Renewable Energy Atlas		
Hansard Page EC:	Written		

Senator Fisher asked:

1. Please provide copies of correspondence between the Department of Climate Change and Energy Efficiency and either the Department of Sustainability, Environment, Water, Population and Communities or the Department of the Environment, Water, Heritage and the Arts regarding the Renewable Energy atlas.
2. How many complaints has the department received about the removal of the Atlas?

Answer:

1. While there has been no formal correspondence between the Department of Climate Change and Energy Efficiency (DCCEE) and the Department of Sustainability, Environment, Water, Population and Communities or the Department of the Environment, Water, Heritage and the Arts, six emails were exchanged concerning the operation of the Renewable Energy Atlas.

Copies of the identified correspondence are attached.

2. A search of DCCEE records indicates it has not received any formal complaints regarding the removal of the Renewable Energy Atlas.

RE Renewable Energy Atlas - future 2 SECUNCLASSIFIED.txt
Sent: Tuesday, 7 December 2010 3:57 PM
To: [REDACTED]
Subject: RE: Renewable Energy Atlas - future [SEC=UNCLASSIFIED]

Hello [REDACTED]
It is very likely that the Renewable Energy Atlas web application will fail this afternoon or tonight. This is due to circumstances beyond our control. Two quite old and surplus database and web servers are being decommissioned by our ICT provider. Major components of the REA are housed on these computers. In addition, the software and services that make up the REA have been unsupported legacy items for a year or two. SEWPAC have no business plan or requirement to continue to support or redevelop them.

Please check your links to the REA tomorrow. If it does fail, you'll probably want to remove the intro pages or add a note advising that the REA is no longer available.
<http://www.climatechange.gov.au/what-you-need-to-know/renewable-energy/atlas.asp>

X
Sorry for the inconvenience unfortunately these products have reached the end of their life cycle.
Thanks,
[REDACTED]

[REDACTED]
A/g Director ERIN Wildlife, Heritage, Industry and Marine Section
Environment Research & Information Branch
Australian Government Department of Sustainability, Environment, Water,
Population and Communities
John Gorton Building King Edward Terrace Parkes ACT 2600
GPO Box 787 Canberra ACT 2601.
P: (02) 6274 [REDACTED]
F: (02) 6274 [REDACTED]

From: [REDACTED] [mailto:[REDACTED]@climatechange.gov.au]
Sent: Wednesday, 29 September 2010 2:49 PM
To: [REDACTED]
Subject: Renewable Energy Atlas - future [SEC=UNCLASSIFIED]

Good afternoon [REDACTED]

Thank you for your email about the future of the Renewable Energy Atlas. I've discussed this with my Director, [REDACTED] and he said that while we would like the Atlas to remain in existence we have no resources to contribute towards it as the program that established it is now closed. Our FAS has undertaken to consult with the Australian Centre for Renewable Energy in DRET to see if they have an interest. Failing that we would support option 2.

If you need any more information please don't hesitate to contact me.

Regards

[REDACTED]
Remote Renewable Energy Policy & Partnerships
Community & Industry Partnerships Branch
Department of Climate Change and Energy Efficiency

(02) 6159 [REDACTED]

From: [REDACTED] [mailto:[REDACTED]@environment.gov.au]
Sent: Thursday, 9 December 2010 1:09 PM
To: [REDACTED]
Subject: RE: Renewable Energy Atlas - future [SEC=UNCLASSIFIED]

Hi [REDACTED]
It appears that the server hasn't yet been decommissioned as planned, but it will be. The REA site will fail.
Regards,
[REDACTED]

A/g Director ERIN Wildlife, Heritage, Industry and Marine Section
Environment Research & Information Branch
Australian Government Department of Sustainability, Environment, Water,
Population and Communities
John Gorton Building King Edward Terrace Parkes ACT 2600
GPO Box 787 Canberra ACT 2601
P: (02) 6274 [REDACTED]
F: (02) 6274 [REDACTED]

From: [REDACTED] [mailto:[REDACTED]@climatechange.gov.au]
Sent: Thursday, 9 December 2010 12:11 PM
To: [REDACTED]
Subject: RE: Renewable Energy Atlas - future [SEC=UNCLASSIFIED]

Hello [REDACTED]

I just got back into the office and checked the links, they seem to still be working! So that's unexpected good news. I'm assuming these pages won't be updated, though?

Regards
[REDACTED]

From: [REDACTED] [mailto:[REDACTED]@environment.gov.au]
Page 1

RE Renewable Energy Atlas - future 2 SECUNCLASSIFIED.txt
From: [redacted] [mailto:[redacted]@environment.gov.au]
Sent: Tuesday, 28 September 2010 4:52 PM
To: [redacted]; [redacted]@climatechange.gov.au;
[redacted]@climatechange.gov.au; [redacted]@climatechange.gov.au
Subject: Renewable Energy Atlas - future [SEC=UNCLASSIFIED].

Hello,
I'm writing to you to discuss the future of the Renewable Energy Atlas web application currently hosted by DSEWPAC.
The links to the REA are:
<http://www.climatechange.gov.au/en/what-you-need-to-know/renewable-energy/atlas.aspx>
Or direct link to REA application:
<http://www.environment.gov.au/apps/boobook/mapservlet?app=rea>

In May 2010 we discussed three options for the REA. Unfortunately we have had no further communication on the REA. The options are below and discussed in more detail in the attached document.

1. Decommission REA remove it from the DSEWPAC and DCCEE websites
2. DSEWPAC redevelop REA and implement it on the new WebGIS environment
3. DSEWPAC transfer the REA to another party (DCCEE or another department or external provider)

As part of our WebGIS framework upgrade, some legacy map services will be switched off on 12th October 2010. It is not yet known how or if this will affect the REA. There may be loss of the "Find an address or place" function or there may be complete failure of the REA application.

I have also attached a copy of answers we provided to DCCEE regarding the REA in May 2010.

Please can you decide if the REA is important to your business needs and contact me to discuss.
Please let me know if there is an MoU or other arrangement covering the REA that I'm not aware of.
Regards,
[redacted]

[redacted]
A/g. Director ERIN Wildlife, Heritage, Industry and Marine Section
Environment Research & Information Branch
Australian Government Department of Sustainability, Environment, Water,
Population and Communities
John Gorton Building King Edward Terrace Parkes ACT 2600
GPO Box 787 Canberra ACT 2601
P: (02) 6274 [redacted]
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~~SECRET~~

From: [REDACTED]
Sent: Thursday, 20 May 2010 12:07 PM
To: [REDACTED]
Subject: Questions about the Renewable Energy Atlas [SEC=UNCLASSIFIED]

Categories: UNCLASSIFIED
Attachments: REPP business Process model for IT systems.doc

Good morning [REDACTED]

Are you able to please answer some questions about the Renewable Energy Atlas? Just a bit of background - I am in REED, and we are in the process of becoming part of the new Department of Climate Change and Energy Efficiency. The Machinery of Government IT group dealing with the integration of our IT has asked me some questions. I haven't had any prior involvement with the Renewable Energy Atlas, but those involved are unfortunately not available or have left, so I've been nominated!

If you could please help, that would be great, otherwise could you let me know the most appropriate ERIN person to direct this too.

Here are the questions:

- Who is responsible for the website?
- How is the information delivered to your team from the Bureau of Meteorology and Geoscience Australia?
- Who is responsible for the database/
- What information is input into your database and how is this done?
- What sort of access do states and territories have? Do they access this via a web page? Do they require passwords to access? Is there any email automation?
- Where and by whom is the database hosted?

Also, the MoGIT group attached a preliminary model of the IT system (below) and would like to know if there are any errors or omissions.



REPP business
Process model fo,

If you want to speak to the MoG IT area directly, and cc me in, that would be fine. The original email came from [REDACTED] If you'd prefer to go via me, that's fine as well.

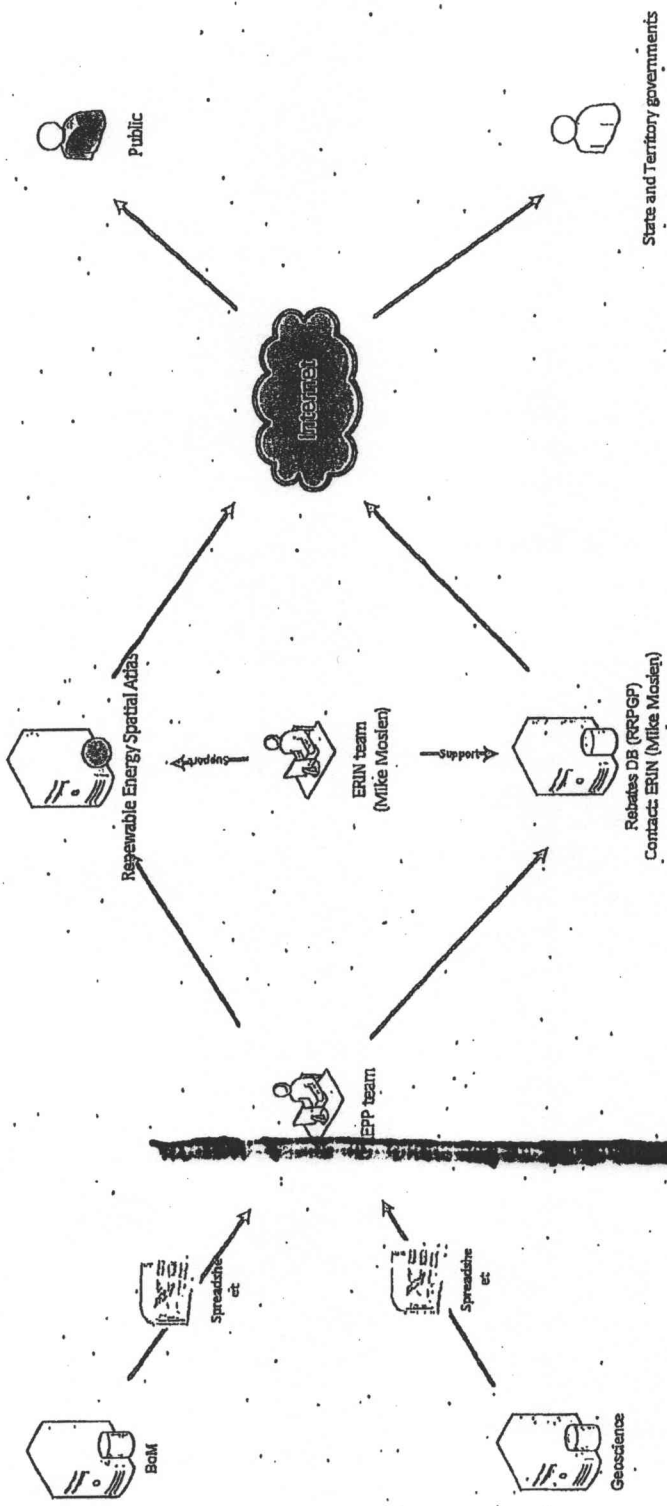
Thanks for your help!

[REDACTED]
Renewable Energy Policy & Partnerships
REED

Department of Climate Change & Energy Efficiency

02 6274 [REDACTED]

REPP - Process model of business Functions



Document Control
 Version : 0.1 (draft)
 Date : 22/04/2010
 Author : DCCEE MOGIT Team [Richard Nolan]
 Purpose : Provides logical representation of the As-Is REPP processing business system landscape.