

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

Additional Estimates, 11 February 2013

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	77
Program:	1.2		
Division:	CSD		
Topic:	Green Loans program – outstanding debts		
Hansard Page EC:	EC62		

Senator BIRMINGHAM: Okay. It is quite some time now since the Green Loans Program was shut down. I am surprised that it has taken this long for the department to find another 23 outstanding debts.

Dr Banerjee: The process under which the debts have been assessed were through an administrative area in the department that was looking after these programs. As that activity has ceased the responsibility of that has come to the financial area, which the chief financial officer heads. What we are doing is reporting on the basis of what is currently on the books. What we can take on notice is the process through which those were determined in the administrative area.

Answer:

Dr Banerjee's response related to updating figures provided in Question on Notice No. 109 from the May 2012 Budget Estimates which related to debts outstanding for more than 90 days. Green Loans debts were last raised in August 2012. No new debts have been raised since then. The increase in debts reported by Dr Banerjee reflected the increase in debts outstanding longer than 90 days.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	78
Program:	1.2		
Division:	EMPCD		
Topic:	National Energy Savings Initiative		
Hansard Page EC:	EC64		

Senator MILNE: Presumably the modelling went to different targets; what are the different targets that he modelled?

Mr Archer: The process that we underwent was to look at a range of targets—my recollection is that the range was from four per cent to 10 per cent, but I will take that question on notice to ensure that I do not mislead you.

Answer:

Four targets were considered for a possible national Energy Savings Initiative. The targets were 4.5 per cent, 5 per cent, 5.5 per cent and 7.5 per cent.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	79
Program:	1.2		
Division:	CSD		
Topic:	Home Insulation Program – write offs		
Hansard Page EC:	EC65		

Senator BIRMINGHAM: Is that the total amount written off under the Home Insulation Program to date? Or were there previous write-offs that are not included in this figure? Are these just sums that have been written off since 31 October?

Dr Banerjee: I think that is the total write-off amount. I will check that on notice

Answer:

Four hundred and eighty eight represents the total number of Home Insulation Program debts written off to 31 January 2013.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	80
Program:	1.2		
Division/Agency:	EED		
Topic:	Refrigerator case study		
Hansard Page EC:	EC68		

Mr Divall: In the past we have done a graph or an indication in the refrigerator space. We do a couple of little case studies in terms of a refrigerator space, for example, where they stand in the market at the moment compared to, say, 10 years ago. Even though they might be larger and have more features, refrigerators are 30 per cent more efficient and thus save on the consumption of power. So we have some case studies in relation to that. We encourage people to look at those types of things through our LivingGreener website that encourages people to really consider the way their household is set up.

Senator SINGH: So I can access those case studies on the website?

Mr McGlynn: I will have to take that on notice.

Answer:

Energy rating energy labels were introduced for refrigerators and freezers in 1986 and since then there have been two rounds of minimum efficiency standards in 1999 and 2005.

In a series of reports undertaken by the Equipment Energy Efficiency Committee¹ entitled Greening Whitegoods, five consumer appliances (refrigerators, freezers, dishwashers, clothes washers and dryers) from 1993 to 2009 were subject to longitudinal studies that examines the sales weighted trends in energy consumption and energy efficiency.

[http://www.energyrating.gov.au/wp-content/uploads/Energy_Rating_Documents/Library/Washing_and_Drying/Household Appliances/201008-greening.pdf](http://www.energyrating.gov.au/wp-content/uploads/Energy_Rating_Documents/Library/Washing_and_Drying/Household_Appliances/201008-greening.pdf)

[http://www.energyrating.gov.au/wp-content/uploads/Energy_Rating_Documents/Library/Washing_and_Drying/Whitegoods/gfka pp09.pdf](http://www.energyrating.gov.au/wp-content/uploads/Energy_Rating_Documents/Library/Washing_and_Drying/Whitegoods/gfka_pp09.pdf)

The reports advise that over that period about 1.1 million refrigerators and freezers were sold in Australia each year and that on average these appliances improved their energy efficiency by 3 per cent annually while increasing in size by 1 per cent each year.

¹ The Equipment Energy Efficiency Committee provides recommendations under the *Greenhouse and Energy Minimum Standards Act 2012* on the implementation of the Act in relation to minimum product energy efficiency standards and on related equipment labeling for electrical and gas equipment and appliances. It is made up of officials from the Commonwealth, state and territory government agencies as well as representatives of the New Zealand Government.

United States Government information (figure 1 below) shows that since 1980 energy use and real prices for refrigerators has declined by more than 60 per cent while average size has increased by 30 per cent (noting that the analysis was limited to only large refrigerator-freezers).

Figure 1: Long term trends in Refrigerator Characteristics in USA

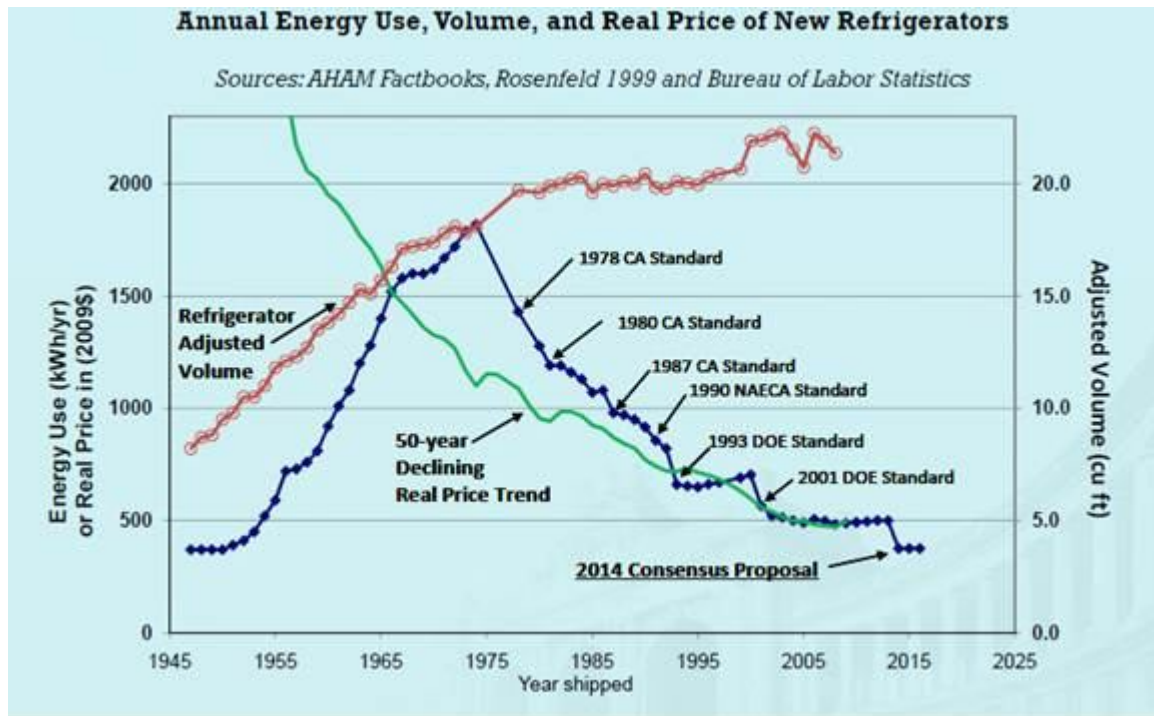
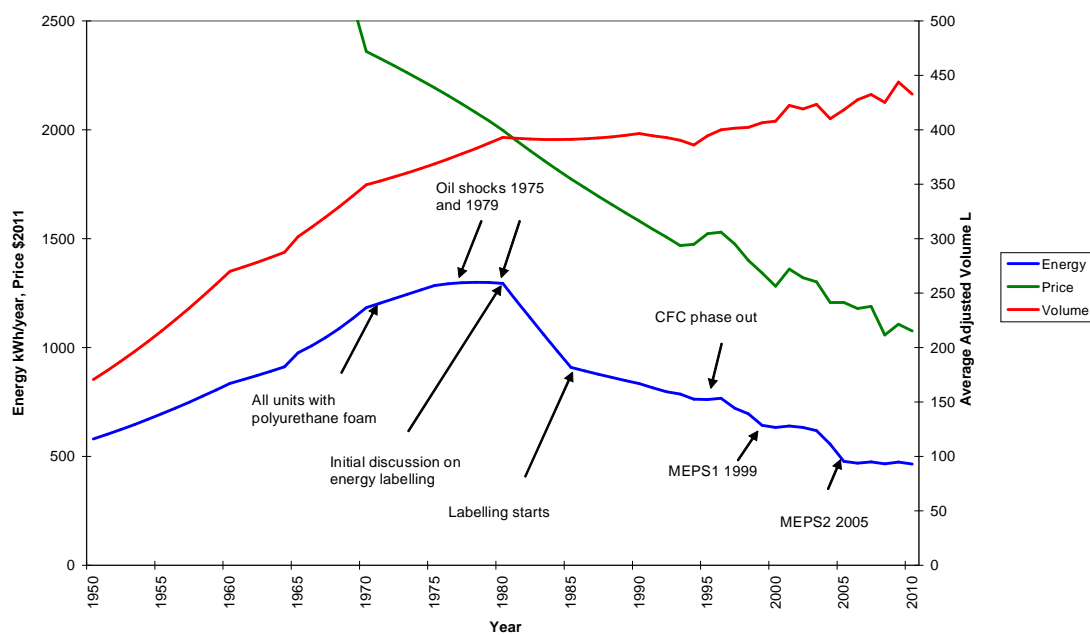


Figure 2 below indicates a similar trend in Australia across all refrigerators and freezers, but with somewhat different values. Notably, since 1980 the energy and real price of all refrigerators sold in Australia has decreased by more than 50%.

Figure 2: Long term trends in Refrigerator Characteristics in Australia



Source: Source: Energy Efficient Strategies (author of 'Greening Whitegoods')

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	81
Program:	1.2		
Division/Agency:	EED		
Topic:	Energy Efficiency Information Grants Program		
Hansard Page EC:	Written		

Senator Birmingham asked:

1. With regard to the Australian National Audit Office audit into the Design and Implementation of the Energy Efficiency Information Grants Program, can the Department explain the Department's destruction of records made by program advisory committee (PAC) and any other identified deficiencies in the making and retention of records? In respect of all records not retained, why were they not retained?
2. What processes are being followed for Round Two of the Energy Efficiency Information Grants Program and in what respects have procedures been improved?
3. What procedural changes have been implemented or planned as a result of deficiencies identified by the ANAO in relation to this or any other merit-based, competitive grants program?

Answer:

1. After consulting with the Department's independent probity advisor, the records in question were disposed of as draft working notes of the individual program advisor committee (PAC) members, which were superseded by a detailed merit assessment report. The Australian National Audit Office (ANAO) viewed these records as part of a decision process and suggested that they should have been retained.

The ANAO also suggested that there be more thorough recording of the scores for each merit criterion, not only the overall score, in order to provide clearer feedback to unsuccessful applicants and full transparency of decision making.
2. The Energy Efficiency Information Grants Program's standard operating procedures for Round Two have been strengthened in response to the ANAO's findings. These changes include more robust processes for documenting and recording the eligibility and merit assessment of applications.
3. Consistent with its endeavours to continually improve program management, the Department is applying the lessons learnt from the ANAO findings to other programs it administers. As mentioned above, this includes implementing more robust processes for documenting and recording the eligibility and merit assessment of applications.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	82
Program:	1.2		
Division:	EED		
Topic:	Local Government Energy Efficiency Program and the Home Energy Saver Scheme		
Hansard Page EC:	Written		

Senator Birmingham asked:

What funding has so far been spent under each of the Local Government Energy Efficiency Program and the Home Energy Saver Scheme? Please detail outcomes of expenditure to date.

Answer:

The Local Government Energy Efficiency Program (LGEEP) opened for applications on 21 November 2012. As of 18 March 2013, no payments have been made under LGEEP.

The Home Energy Saver Scheme (HESS) is administered the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).

FaHCSIA response:

- 91 per cent of funding for the HESS has been spent and/or legally committed through legally binding agreements for the 2012-13 financial year as at 5 March 2013. Over \$6.9 million has been expended on service provision, training and communications materials.