

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

Budget Estimates 2012-13, 21 May 2012

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	68
Program:	1.1		
Division:	LD		
Topic:	Landfill emissions		
Hansard Page EC:	EC16		

Senator BIRMINGHAM: How many of those 100 to 200 sites already operate gas flaring facilities or capture their gas somehow?

Mr Carter: I do not have those numbers.

Senator BIRMINGHAM: Is there an estimate that was used as a key factor for them to potentially offset their emissions? Does the department have an idea as to how many or what proportion of major facilities with emissions over 25,000 tonnes already have gas flaring operations?

Ms Thompson: My recollection is that we do not have an estimate of that figure, but I can take it on notice.

Senator BIRMINGHAM: Thank you. Is there an estimate of how much it costs to install such gas flaring facilities or operations?

Ms Thompson: I believe we do have an estimate, but I would prefer to take that on notice also because I would not want to give you an imprecise figure.

Answer:

Question 1: Does the department have an idea as to how many or what proportion of major facilities with emissions over 25,000 tonnes already have gas flaring operations?

Based on publicly available information, the Department estimates that around two-thirds of the 32 councils, identified by the Clean Energy Regulator as likely to be liable under the carbon pricing mechanism, have gas capture in place.

Approximately 60 landfill gas projects were registered under Greenhouse Friendly and the New South Wales Greenhouse Gas Abatement Scheme during their operation. Both schemes are now closed and some of these projects may no longer be operational.

Question 2: Is there an estimate of how much it costs to install such gas flaring facilities or operations?

The cost of installing and operating landfill gas capture depends on a range of factors, including the type of technology used and the size of the landfill.

A common approach is the vertical well system. Unit costs for installing a vertical well system include between \$312,000 and \$412,000 in capital costs and annual operating costs of around \$3,500 for the wells and \$4,500 for the flares¹.

Total facility costs will vary greatly, depending on the size of the landfill, the type of waste received and the number of units installed.

¹ Blue Environment, *Landfill gas combustion and the carbon farming initiative* prepared for the Australian Landfill Owners Association, 23 March 2011, Figure 5.

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Outcome:	1	Question No:	69
Program:	1.1		
Division:	CSMD		
Topic:	Landfill emissions		
Hansard Page EC:	EC19		

Mr Comley: Senator, there would be an estimate. I do not have it in front of me. Treasury would have needed to estimate that to form an estimate of the amount of emissions that will be subject to the fixed price during the three-year period for revenue. We also have estimates of waste in general on the national inventory and as part of the projections going forward. I do not have those numbers in front of me, but there must be an estimate.

Senator BIRMINGHAM: I note that the national inventory is something the department might be able to talk about. If we are able to get some estimates either of waste tonnage or emissions projections for the period out to 2020, that would be much appreciated. Ms Thompson or Dr Kennedy, you are looking enthusiastic.

Answer:

In the absence of a carbon price, waste sector emissions are projected to be 14 million tonnes of carbon dioxide equivalent (CO₂-e) in 2020, according to Treasury's *Strong Growth, Low Pollution* modelling. Once the *Clean Energy Future* package has been implemented, Treasury's modelling suggests that waste emissions will be less than 8 million tonnes of CO₂-e in 2020.

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Outcome:	1	Question No:	70
Program:	1.1		
Division:	CSMD		
Topic:	Waste emissions		
Hansard Page EC:	EC20		

Senator BIRMINGHAM: emissions from waste per annum, which, of course, includes legacy waste and so on. So in trying to get a fresh starting point, the household figures are useful because they provide a potential fresh starting point there. Trying to get a fresh starting point for non-household waste, are there some backwards calculations, such as you just suggested there, Mr Comley, that we can do?

Mr Comley: Well, unless there has been a change in the ratio of household to non-household, I would have thought you would say roughly 50 per cent again would be from the commercial side. The difficulty, of course, is if we have substantially changed our practices either at the household or the commercial side compared with the legacy going forward. But we are happy to take on notice where we have a more precise estimate going forward.

Senator BIRMINGHAM: So 1 million tonnes per annum of waste with lifetime CO₂ equivalent emissions of about 1 million tonnes from households, and potentially 1½ million once non-household waste is included in that scenario, based on rough historical averages. But you will take on notice to provide something more specific. That would be obviously, then, sort of around 15 million tonnes in the period up to 2020 or slightly less than that, I guess, now. It would be more like 17 million tonnes or thereabouts?

Answer:

Waste sector emissions – including solid waste, wastewater and waste incineration – were estimated to be 14 million tonnes of carbon dioxide equivalent (CO₂-e) in 2010.

The majority of waste emissions in 2010 were from solid waste deposited in landfills. Approximately 50 per cent of solid waste emissions are from residential and municipal waste, 40 per cent from commercial and industrial and less than 10 per cent from construction and demolition.

In the absence of a carbon price, Treasury's *Strong Growth, Low Pollution* modelling suggests that total waste emissions are projected to be around 14 million tonnes of CO₂-e in 2020. Once the *Clean Energy Future* package has been implemented, Treasury's modelling suggests that waste emissions will be less than 8 million tonnes of CO₂-e in 2020.

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Outcome:	1	Question No:	71
Program:	1.1		
Division:	CSMD		
Topic:	Waste emissions		
Hansard Page EC:	Written		

Mr Comley: With the hope of being helpful, I think what the senator might be getting at is what proportion of waste in 2020 would be considered non-legacy waste for the purposes of the scheme. Is that the question you are actually trying to get at, Senator?

Senator BIRMINGHAM: I am trying to get at what proportion is indeed covered by the scheme for paying the carbon price in 2020.

Mr Comley: I think we will take that on notice. The person who would probably know the answer to that off the top of their head is not here. Why don't we see if we can track that down for you. When you look at the formula that determines the time profile of emissions, it is not that complicated. I just do not have the number in my head.

Answer:

Any solid waste deposited in landfills prior to 1 July 2012 is known as legacy waste and carbon dioxide equivalent (CO₂-e) emissions arising from it are not subject to liability under the carbon price.

Legacy waste releases emissions over a long period of time, usually forty years or more, depending on the climate. Wastewater does not produce legacy waste.

Once the *Clean Energy Future* package is implemented, Treasury modelling suggests that approximately half of total waste emissions will be from legacy waste in 2020. This proportion will continue to decline over time.

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Outcome:	1	Question No:	72
Program:	1.1		
Division:	LD		
Topic:	Carbon emissions and landfill		
Hansard Page EC:	Written		

Senator Macdonald asked:

We draw your attention to the issue of Carbon Tax implications for local council waste management raised at page 21 Senate Estimates Environment and Communication Proof Hansard 21.05.2012.

1. How many cubic metres of organic waste are there in one tonne?
2. How many tonnes of organic waste are there in one tonne of carbon?
3. Who will be in charge of conducting carbon emission assessments? Will it be local councils or departmental officials?
4. What plans are in place for an appeals process if a council disputes the assessment figure?
5. In the event that organic and non-organic waste are combined, will the different types of waste be calculated separately? How will the accuracy of these measurements be verified?
6. What specific criteria does the Government rely upon in determining whether two or more landfills are geographically separate? What criteria are relied upon (i.e., distance, population)?
7. Mark Dreyfus has publicly announced (Media Release May 22nd 2012) that the carbon price will only apply to landfill after July 1, 2012. In the case of the Cassowary Coast Council (which has accumulated and stored 100,000 cubic metres of cyclone debris in temporary landfills since early 2011) please clarify the amount of waste the council will be deemed to have deposited. Please also clarify the estimated cost exposure to the council that will result from this?

Answer:

1. The *National Greenhouse and Energy Reporting (Measurement) Determination 2008* specifies factors and methodologies for calculating greenhouse gas emissions, including default volume-to-mass conversion factors for municipal solid waste, commercial and industrial waste and construction and demolition waste. For each of these three classes of waste, **one cubic metre is equivalent to 1.1 tonnes of waste.**

2. The *National Greenhouse and Energy Reporting (Measurement) Determination 2008* defines three waste streams and provides default values for their waste composition and degradable organic carbon content. Using these default values, emissions generated from the three waste streams are as follows:
 - One tonne of **municipal solid waste** will generate **1.19 tonnes** of carbon dioxide equivalent emissions over its lifetime.
 - One tonne of **commercial and industrial waste** will generate **1.08 tonnes** of carbon dioxide equivalent emissions over its lifetime.
 - One tonne of **construction and demolition waste** will generate **0.17 tonnes** of carbon dioxide equivalent emissions over its lifetime.

These emissions occur over a long period, that is, decades.

3. Entities with possible liabilities under the carbon pricing mechanism need to assess whether or not they are liable. The Clean Energy Regulator is available to provide information that will help individual entities such as councils determine whether they are liable under the carbon pricing mechanism and, if so, how to acquit their reporting obligations. The Clean Energy Regulator has written to many organisations that could be liable entities, offering them assistance in determining whether they have obligations under the *Clean Energy Act 2011* and has held specific technical workshops on waste as part of its program of training and outreach for local governments that may have obligations under the carbon pricing mechanism.
4. A liable entity is required to report the amount of emissions for which it is liable. The Clean Energy Regulator has the power to determine a different emissions liability, where there are reasonable grounds to believe that the amounts specific in emissions reports are incorrect. An entity that is dissatisfied with such a determination may ask the Clean Energy Regulator to undertake an internal review of the decision. Entities can also make an application to the Administrative Appeals Tribunal to review a decision made by the Clean Energy Regulator.
5. The *National Greenhouse and Energy Reporting (Measurement) Determination 2008* provides methods for liable entities to use to calculate emissions from organic and non-organic waste. These methods also provide the basis for monitoring review and audit by the Clean Energy Regulator.
6. The *National Greenhouse and Energy Reporting Regulations 2008* (Division 2.16) outline the basis for determining a facility.
7. The Clean Energy Regulator worked with the Department of Climate Change and Energy Efficiency to assist Cassowary Coast Regional Council in determining whether they are likely to be liable under the carbon pricing mechanism. Cassowary Coast Regional Council has determined, based on their available data on current waste streams, as well as previous cyclone waste from Yasi (2011) and Larry (2006), that they are not currently likely to be liable under the carbon pricing mechanism.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	73
Program:	1.1		
Division:	LD		
Topic:	Carbon Farming Initiative		
Hansard Page EC:	Written		

Senator McKenzie asked:

1. Has the government done a study on the impact on capital value of signing CFI agreements? The social impact of CFI agreements? The economic impact of CFI agreements?
2. What data does the government have on who's been funded and how much?
3. What is involved? Who's been funded? How much? What do they hope to achieve?
4. What consultation occurred with industry on impact on capital value of signing CFI agreements?
5. Across what sectors within the industry has this occurred?

Answer:

1. The Government does not provide funding for Carbon Farming Initiative projects. Proponents will undertake projects in order to generate carbon credits for sale to other businesses wishing to offset their emissions. The financial and other benefits from carbon farming projects will depend on the project and the commercial arrangements entered into by market participants.
- 2.-5. Please refer to the response to Part 1.

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Outcome:	1	Question No:	74
Program:	1.1		
Division:	CSMD		
Topic:	Carbon Tax in the Timor Sea		
Hansard Page EC:	Written		

Senator Madigan asked:

The Timor Sea Treaty states (Annex G, Article 4.3) that neither Australia nor East Timor can impose a tax on petroleum projects in the Joint Development Area of the Timor Sea unless both states agree.

1. Will the Australian government impose the carbon tax in the Timor Sea?
2. Has the East Timor government agreed to Australia's imposition of a carbon tax in the Timor Sea?
3. How much tax revenue is forecast if the carbon tax is applied?

Answer:

1. The Australian Government has put in place regulations that provide that those greenhouse gas emissions in the Joint Petroleum Development Area (JPDA) will not be covered by the carbon pricing mechanism for a period of three years from 1 July 2012. The Government will work with East Timor to ensure appropriate coverage of emissions in the JPDA in the longer term to the extent to which Australia has responsibility for such emissions under international climate change obligations, along with arrangements to ensure that East Timor remains no worse off due to the application of the carbon price in the JPDA.
2. There is currently no carbon price applied in the JPDA.
3. As noted in response to part 1, regulations made in June 2012 mean that emissions in the JPDA will not be covered by the carbon pricing mechanism for a period of three years from 1 July 2012.

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Outcome:	1	Question No:	75
Program:	1.1		
Division:	CSMD		
Topic:	Renewable Energy Target		
Hansard Page EC:	EC28		

Senator BOSWELL: What I am trying to calculate is the millions of megawatt hours to find out what the final cost would be. Have you got the final costs of the renewable energy by 2020? The Productivity Commission puts it at \$4 billion a year.

Mr Comley: We have previously put in the public domain the estimates from that modelling, and we are happy to provide that again.

Senator BOSWELL: Do your figures fit in with the \$4 billion?

Mr Comley: I would have to take that on notice. My looking at the numbers does not equate with 41 million times the certificate price, unless you add a certificate price that was higher than the current price cap.

Answer:

The Productivity Commission report *Carbon Emission Policies in Key Economies*, published in June 2011, estimates the subsidy equivalent of the Renewable Energy Target to be between \$335 million and \$556 million for the year 2010.

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Outcome:	1	Question No:	76
Program:	1.1		
Division:	CSMD		
Topic:	Treasury modelling		
Hansard Page EC:	EC30		

Senator BOSWELL: But Mr Comley has said that it was 10 per cent—or you said.

Dr Kennedy: Actually, I did. Mr Comley had the same view. So we will go back to Treasury for you on notice and confirm what the broad economy-wide increase is. If you like, the increases sit behind the 0.7 per cent increase in overall prices. In other words, how the increase in electricity prices flows through industry to consumer prices will be consistent with any increase in electricity prices passed through to business. So there is no inconsistency here. What we cannot identify for you is what the percentage increases are for different industries. We can confirm for you for households it is 10 per cent.

Answer:

Treasury modelling shows that each dollar of the carbon price will increase wholesale electricity prices by around 85 cents, on average, over the first five years of the carbon price. This suggests that, for a \$23 carbon price, the average increase in wholesale electricity prices will be around \$20 per MWh. The increase in wholesale prices will flow through to the retail prices paid by businesses and households.

For households that purchase electricity from retailers, the Treasury has estimated that the carbon price will, on average, add around 10 per cent to retail electricity tariffs. It is reasonable to assume that many small businesses, which typically purchase electricity under similar circumstances, will face a similar price impact to that of households.

Larger businesses that have negotiated electricity supply contracts may face different price impacts, depending on the terms and conditions of the individual contract.

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Outcome:	1	Question No:	77
Program:	1.1		
Division:	CSMD		
Topic:	Jobs and Competitiveness		
Hansard Page EC:	EC50		

Senator BIRMINGHAM: I think 137 have been identified as potentially able to access assistance. Do you have a rough estimate as to how that is split between those who are liable entities under the carbon price and those who are not?

Ms Wilkinson: I will have to take that on notice. My suspicion is that most would be liable, but it depends. In some industries, where the main source of their exposure is, if you like, from electricity related emissions, those people will not be liable. We could certainly come up with a rough estimate as to what proportion will be directly liable under the scheme. I should also add that there can be industries where, in a given activity, some people will be liable and others will not, and the policy in the Jobs and Competitiveness Package is quite clear that the baseline for allocation within those industries takes into account whether you have direct liability for some of those emissions or not.

Answer:

As at 2 July 2012, 43 activities have been approved as emissions-intensive trade-exposed (EITE) activities under the Government's Jobs and Competitiveness Program (JCP).

Based on data provided to the Department of Climate Change and Energy Efficiency, around 148 facilities are expected to be eligible to apply for assistance under the JCP for the 2012-13 financial year. Around 90 per cent of these facilities are expected to be liable under the carbon price.

The Clean Energy Regulator maintains the Liable Entity Public Information Database (LEPID) which is a list of entities it has reasonable grounds are likely to be liable entities under the carbon pricing mechanism in each financial year. It is important to note that a liable entity may be liable for more than one facility. The LEPID will be updated as the Clean Energy Regulator receives information about changes in entities' particular circumstances.

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Outcome:	1	Question No:	78
Program:	1.1		
Division:	CSMD		
Topic:	Carbon Price – Impact on Communities		
Hansard Page EC:	Written		

Senator McKenzie asked:

In considering the development of the carbon tax and its impact on communities, have you drawn upon the expertise available under the Regional Sustainability Planning program in relation to the development of regional sustainability plans?

Answer:

Funding for the Sustainable Regional Development Program was announced in May 2011 by the Minister for Sustainability, Environment, Water, Population and Communities, the Hon Tony Burke MP. The program was in the development stage during the 2011-12 financial year, while the carbon price was being finalised. Staff from the Department of Sustainability, Environment, Water, Population and Communities were involved in a whole of government process in developing carbon pricing policy along with officers from the Department of Regional Australia, Local Government, Arts and Sport, providing input and advice on the treatment of regional communities under carbon pricing policy.

Under the *Sustainable Australia – Sustainable Communities: A Population Strategy for Australia*, the Australian Government will invest \$29.2 million over four years (2011-15) to promote sustainable development in up to seven high growth regions across Australia. The Sustainable Regional Development Program will fund research to address key gaps in economic, social and environmental data (including matters of national environmental significance) to help develop and deliver effective regional sustainability planning and to inform strategic assessments. Communication between Australian Government departments will continue throughout the program to ensure key information and learning is shared where appropriate to inform relevant initiatives and programs.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	79
Program:	1.1		
Division:	CSMD		
Topic:	Energy Security Fund		
Hansard Page EC:	Written		

Senator McKenzie asked:

1. Are you aware of any organisations that are in receipt of the Energy Security Fund that are also concerned that they may close without further assistance? What is the department's response to this? Is there a process in place?
2. Can you confirm how many Victorian organisations applied for funding? For what amounts?
3. How much of the Energy Security Fund is being used to assist businesses in regional areas?
4. What proportion in dollar terms is for Victoria in terms of spend?
5. How does this fund intersect with the Regional Structural Adjustment Package?

Answer:

1. The Department is not aware of any organisations that are in receipt of Energy Security Fund (ESF) payments that may close without further assistance. However, the Government announced on 29 June 2012 that it will provide Energy Brix Australia Corporation a two year restructuring package to aid regional businesses reliant on briquettes to transition to a cleaner fuel source.
2. Six Victorian generation complexes applied for ESF cash payments. Applications were for a proportion of the total \$1 billion allocation based on a generator's emissions and electricity generation rather than for a specific amount. Generators were aware that the amount of funding they would receive was dependent on the generation and emissions of all other eligible generators, as well as their own.

The final allocations of assistance to all generators including the generation complex and the recipient(s) of assistance are outlined in the table below (a subtotal is provided for Victorian generators).

Generation complex name	Applicant	Recipient (s)	\$ Cash payment amount
Alcoa Anglesea Power Station	Alcoa of Australia Limited	Alcoa of Australia Limited	14,901,959.75
Energy Brix Australia Corporation Pty Ltd	Energy Brix Australia Corporation Pty Ltd	Energy Brix Australia Corporation Pty Ltd	27,721,819.72
Hazelwood Power Station	National Power Australia Investments Limited	National Power Australia Investments Limited	265,887,649.47
Loy Yang A Power Station	Great Energy Alliance Corporation Pty Ltd	Great Energy Alliance Corporation Pty Ltd	240,116,761.67
Loy Yang B Power Station	IPM Australia Limited	IPM Australia Ltd Gippsland Power Pty Ltd TOTAL	59,621,264.21 57,283,175.42 116,904,439.63
Yallourn W Power Station	TRUenergy Yallourn Pty Ltd	TRUenergy Yallourn Pty Ltd	257,498,933.37
<i><u>Subtotal</u></i>			<i><u>923,031,563.61</u></i>
Augusta Power Stations	Flinders Power Holdings GmbH	Flinders Operating Services Pty Ltd	59,482,064.73
Collinsville Power Station	RATCH-Australia Corporation Limited	RATCH-Australia Corporation Limited	8,719,952.91
Redbank Power Station	Redbank Energy Limited	Redbank Project Pty Ltd	8,766,418.74

All six Victorian generators listed above have also been determined to be eligible for ESF free carbon units by the Clean Energy Regulator.

Three Victorian generation complexes have been invited to proceed to the negotiation phase of the Contract for Closure Program under the ESF. The Department of Resources, Energy and Tourism is responsible for the Contract for Closure Program.

3. All of the generators that received ESF cash payments are in regional areas (the Latrobe Valley and Anglesea in Victoria, Port Augusta in South Australia, the Hunter Valley in New South Wales and Collinsville in Queensland). Similarly, all generators eligible for free carbon units and all generators that are involved in the Contract for Closure Program are in one of those regional areas.
4. Victorian generation complexes received around 92 per cent of the total ESF cash payments funding. The same proportion of ESF free carbon units is expected to go to Victorian generation complexes. What, if any, funding will be provided to Victorian generators under the Contract for Closure Program will depend on the outcome of negotiations.
5. The cash payments and free carbon units elements of the ESF do not intersect with the Regional Structural Adjustment Assistance Package (RSAA). There may be some connection between the RSAA funding and the Contract for Closure Program depending on the region in which a Contract for Closure is negotiated (if any) and the requirements of the region for structural adjustment assistance.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	80
Program:	1.1		
Division:	CSMD		
Topic:	Industry Assistance		
Hansard Page EC:	Written		

Senator McKenzie asked:

Mr Comley said at Estimates:

“There are probably three categories of businesses. The first category are those that are emissions intensive and trade exposed. Broadly speaking, at the starting carbon price, you only qualify for emissions intensive trade exposed treatment if the cost impact on you overall for both direct emissions and electricity emissions will be above 2.3 per cent. If you are below 2.3 per cent, then you are not considered emissions intensive trade exposed. If you are at that emissions intensity threshold that is equivalent to a 2.3 per cent cost impact, you are entitled to a 66 per cent rate of assistance. So the net cost to you is less than one per cent of your cost base. If you are particularly emissions intensive—and that cuts in when the impact would be around 4.6 per cent without assistance—then you get an assistance rate that is based on 94½ per cent, which means that your effective liability is less than about 0.3 per cent of your operating costs if you are at that threshold. So that is one category of businesses, if you are particularly emissions intensive.

If you are less than the 2.3 per cent impact, which is the businesses not emissions intensive and trade exposed, many businesses will have opportunities to pass on costs if they are not in the trade exposed sector. On top of that, there are a number of programs the government has set up—the clean technology investment program and energy efficiency grants. The key ones are about \$1.2 billion worth of assistance for those sectors. The third category of businesses which are not trade exposed but are certainly emissions intensive are the electricity generators. For the particularly emissions intensive electricity generators, there is a transitional adjustment package through the energy security fund. They are really the three categories. But it is worth just bearing in mind those orders of magnitude, which is the really emissions intensive ones are the ones with an impact above a little over two per cent and all other businesses are below that impact, taking both electricity and direct emissions into account.”

1. How many businesses are in each of these three categories and where are they located?
2. How is the government communicating with workers in carbon intensive industries to retrain or reassure them about their future?

Answer:

1. As at 10 September 2012, the Department estimates that there are around 170 businesses or entities that will qualify for emissions-intensive trade-exposed (EITE) assistance in Australia. The distribution of the relevant facilities by state is as follows:

ACT	0
NSW	25%
NT	3%
QLD	19%
SA	11%
TAS	6%
VIC	19%
WA	18%

The second category covers other manufacturing businesses in Australia that are not emissions-intensive and trade-exposed. Information sourced from the Australian Bureau of Statistics indicates that, as at 30 June 2011, there were 90,228 manufacturing businesses in Australia. The Department does not have information on the number of manufacturing businesses in Australia by state. Manufacturing businesses that are not emissions-intensive and trade-exposed account for less than 20 per cent of emissions within the manufacturing sector. These businesses are eligible to receive assistance through the \$1.2 billion Clean Technology Program, to help directly improve energy efficiency in manufacturing industries and support research and development in low pollution technologies.

There are 160 fossil fuel electricity generators in Australia, corresponding to the third category. The location of these facilities by state is as follows:

ACT	0
NSW	22
NT	11
QLD	38
SA	16
TAS	4
Vic	18
WA	51

2. The Government consulted widely during the formulation of the Clean Energy Future (CEF) package, engaging with business, unions and the community during the development of the CEF policy, drafting of the legislation, and at the early stages of program delivery. Comprehensive information on the CEF is freely available at the CEF, Department of Climate Change and Energy Efficiency and Clean Energy Regulator websites.

On 17 July 2011, the Government launched its Clean Energy Future national advertising campaign to inform Australians about the context and objectives of its climate policies and how these policies will affect them.

The Jobs and Competitiveness Program (JCP) provides assistance to workers in EITE by providing free carbon units to these industries. During implementation of the JCP the Department has engaged with numerous industry stakeholders, including through extensive formal and informal consultation, industry workshops, and public information forums.

Further information on the JCP is available at:

www.climatechange.gov.au/government/initiatives/jobs-competitiveness-program.aspx

Under the Regional Structural Adjustment Assistance package, the Government has set aside \$200 million to provide structural adjustment assistance to support workers, regions and communities in the event that any are strongly affected by carbon pricing after other forms of assistance have been provided. Components of any assistance package may include support for affected workers and their families; support for affected businesses; community development programs; and economic diversification programs. The program will include a detailed communications strategy used to inform affected regions of the impacts of the carbon price, as well as assistance provided under the program.

The Government has continued to engage with electricity generators and associated communities around the impact of carbon pricing and associated Government programs. This has largely been undertaken through the Department of Regional Australia, Local Government, Arts and Sports (DRALGAS) with involvement by the Department of Resources, Energy and Tourism, DCCEE and engagement with Regional Development Australia Committees in affected regions. Community engagement has been particularly strong in the Latrobe Valley with a DRALGAS officer placed in the region on a temporary basis to engage directly with the local Latrobe Valley Transition Committee as well as the RDA Committee. Departmental officers have visited Collinville and the Latrobe Valley, listening to the questions and concerns of local community members and the Government will continue to monitor the impact of carbon pricing on electricity generators and the associated communities as well as other communities around Australia as part of the Regional Structural Adjustment Assistance package.

The Energy Sector Transition Committee (ESTC) has been established by the Government to help ensure the effective and coordinated implementation of the energy security measures within the Clean Energy Future package. The committee includes representatives from the Commonwealth, state and territory governments, energy market agencies, and industry. Communication and consultation on the energy security measures is taking place through the ESTC. The ESTC met three times in 2011-12.

The Government will also provide \$800 million under CTIP. CTIP will assist manufacturers to invest in energy efficient capital equipment and low emissions technologies, processors and products. As part of the implementation of CTIP, AusIndustry held a series of public information sessions across Australia. These sessions provided attendees with the opportunity to gain a better understanding of the program and assistance measures available.

Further information on CTIP is available at:

www.ausindustry.gov.au/programs/CleanTechnology/CleanTechnologyInvestment/Pages/default.aspx

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Outcome:	1	Question No:	81
Program:	1.1		
Division:	ASCD		
Topic:	Hall & Partners		
Hansard Page EC:	EC53		

Senator BIRMINGHAM: What did Hall & Partners say about the creatives for phase 2? Did they not test well?

Ms Sidhu: I do not have that in front of me, so I could take that on notice. Hall & Partners have been a bit cautious about releasing some of their material, as you may be aware.

Answer:

Market research indicated that managing increases to the cost of living and understanding the assistance available were the key issues of concern for Australian households.

These issues do not fall within the remit of the Department of Climate Change and Energy Efficiency.

The Household Assistance Package campaign was delivered by the Department of Families, Housing, Community Services and Indigenous Affairs (FAHCSIA). The Department was not provided with details of FAHCSIA's creative testing.

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

Budget Estimates 2012-13, 21 May 2012

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	82
Program:	1.1		
Division:	ASCD		
Topic:	Clean Energy Future campaign		
Hansard Page EC:	EC53-54		

Senator BIRMINGHAM: It is not unusual to find out whether something went to cabinet and, if so, when it went to cabinet. Obviously, exactly what is given to cabinet is something that is not shared, and the discussions of cabinet are not shared. I am asking if a topic or briefing went to cabinet, so perhaps I will structure the question in a different way. In regards to the public information campaign, when was the last time your department provided a briefing to either your minister or to cabinet on phase 2 of the public information campaign?

Ms Sidhu: I do not have the precise date. The last time we would have briefed cabinet would have been about the time that cabinet took a decision on the advertising campaign in the first place, and the only reference would have been to a prospect that there might be a second phase, but there was nothing specific. I cannot recall offhand whether we—

Senator Wong: We will take the question on notice.

Ms Sidhu: Yes, we will have to take it on notice.

Answer:

The Department briefed the Minister on possible options for further communications activities in April 2012.

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

Budget Estimates 2012-13, 21 May 2012

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	83
Program:	1.1		
Division:	ASCD		
Topic:	Clean Energy Future campaign		
Hansard Page EC:	EC60		

Senator BIRMINGHAM: Did you receive draft creatives at some stage or anything of that nature?

Ms Sidhu: I do not think we did see draft creatives.

Mr Comley: I think we should take that on notice. The reason is that there are two parts of the department that deal with this issue. One is Ms Sidhu's part, which deals with our communications area. Also within the department we have the Clean Energy Future Program Office, which has an implementation responsibility. It monitors the implementation of the whole Clean Energy Future Plan. I will take it on notice, but my understanding is that they were across the way in which the program was implemented and saw materials as they went forward from that perspective of being the program office that looks at the whole-of-government delivery of the Clean Energy Future package.

Answer:

Departmental representatives attended meetings of the Household Assistance Package campaign working group which was established by the Department of the Prime Minister and Cabinet. Draft advertisements were presented to the group on two occasions for information.

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

Budget Estimates 2012-13, 21 May 2012

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	84
Program:	1.1		
Division:	CSMD		
Topic:	Carbon pricing information on electricity bills		
Hansard Page EC:	EC61		

Senator BIRMINGHAM: When did work on that option commence?

Mr Archer: The option was first considered and proposed last year. With the passage of the carbon pricing mechanism legislation the implementation of the proposal gathered pace towards the end of last year, and we have been continuing to work on it through this year.

Dr Kennedy: I am happy to take on notice the precise timing of when the work started, if that is helpful.

Senator BIRMINGHAM: I do not necessarily need precise timing, but I did try to pursue some of these areas of public communications during the February estimates. I asked what was under consideration and what activities were being undertaken. I did not get any of this information at that stage. It sounds like this was at least an option being advanced at that point in time.

Answer:

The bill insert was not mentioned in response to questions asked by Senator Birmingham relating to advertising in the February estimates because the inserts are not a form of campaign advertising, and it was not clear that the bill insert fell within the scope of the Senator's question.

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

Budget Estimates 2012-13, 21 May 2012

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	85
Program:	1.1		
Division:	CSMD		
Topic:	Carbon pricing information electricity bills		
Hansard Page EC:	EC61		

Senator BIRMINGHAM: Have any retailers at this stage refused to participate?

Mr Archer: I might take that one on notice, if I may, because it is a little bit of a moving feast in terms of communications that are taking place backwards and forwards between ourselves and the retailers.

Dr Kennedy: In a sense, we will not be able to answer your question in full until the process comes to an end. We are in a middle of a process that we are happy to describe to you. The final question has not been put to retailers, but we are happy to take that on notice.

Answer:

Synergy, Horizon Power, Ergon Energy, Aurora Energy and Northern Territory's Power and Water Corporation have declined to provide the bill insert to their customers.

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

Budget Estimates 2012-13, 21 May 2012

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	86
Program:	1.1		
Division:	ASCD		
Topic:	Climate Change Grant Program - ACTU		
Hansard Page EC:	EC63		

Senator BIRMINGHAM: How many are people who have attended the five seminars held to date out of the 10 to be held?

Ms Sidhu: I do not have that information. I could take that on notice.

...

Senator BIRMINGHAM: So, looking at the deliverables I got in that answer, in fairness, progress report 2 appears to be provided after the completion of all the seminars, but have they provided progress report 1?

Ms Sidhu: I do not have that before me, but I could check and get back to you.

Senator BIRMINGHAM: Could you provide us with some details as to the number of attendees at these seminars?

Answer:

1. A total of 73 union officials and delegates attended the seminars in Granville, Perth, Wollongong, Morwell and Geelong and were equipped with knowledge to engage with their colleagues in discussions about the Clean Energy Future package. The Department does not have the details of the cumulative impact of those follow-on conversations.
2. The Department received Progress Report 1 from the ACTU on 28 February 2012.