

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

Supplementary Budget Estimates 2011-12, 17 October 2011

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	74
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Home Insulation Program Compliance		
Hansard Page EC:	ECA49		

Senator BIRMINGHAM: Between 1,500 and 1,800 companies are still owing \$15 million.

Mr Bowles: To put some context around that, those 1,800 deal with about 12,000 noncompliant claims out of the 1.2 million. We are not talking a significant number in the overall context but, at the end of the day, a lot of these companies did very small numbers. They are not all companies and I should not classify them all that way. Some of them are sole practitioners who get out there and do this sort of stuff.

Senator BIRMINGHAM: Do you expect to receive most of the \$15 million?

Mr Bowles: I think it is a bit early to tell but I would have to say we probably will not receive all of it. As you can see we have already dealt with a range of players who have been able to provide sufficient information to enable us to cancel. I would imagine we would get a bit more of that. I do not imagine we will get to all of those.

Senator BIRMINGHAM: You have written off some as well?

Mr Bowles: Yes, only a small number at this stage, three.

Senator BIRMINGHAM: On what basis have they been written off?

Mr Bowles: I would have to take that on notice; I cannot remember off the top of my head.

Answer:

In all cases where debts have been written off, the debts were considered uneconomical to pursue.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	75
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Home Insulation Program Compliance		
Hansard Page EC:	ECA49		

Senator BIRMINGHAM: Are there grounds for writing off a debt. Obviously I understand you would have cancellation to resolve the issues, and you are basically saying there is no debt and it was an Home Insulation Program Compliance innocent mistake or whatever.

Mr Bowles: In the cases of writing off we would have made an assessment that it was not worth pursuing for one reason or another. I cannot really speculate on what those reasons might be but I am happy to take that on notice. It is a normal process that we go through.

Answer:

The Department manages debt in accordance with the *Financial Management and Accountability Act 1997* (FMA Act). In accordance with the FMA Act, the Department may write off a debt where it would not be economical to pursue the recovery of the debt or where the debt is not legally enforceable.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	76
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Home Insulation Program Compliance – AFP Referrals		
Hansard Page EC:	ECA50		

Mr Bowles: There are some that are with state and territory police. If you recall, earlier in the year the AFP executed 35 warrants. We are still pursuing a range of those. Some of those we will just be dealing with in a compliance sense. There are a number of those that we are doing continuing investigations on, including one with the Commonwealth Director of Public Prosecutions.

Senator BIRMINGHAM: Have any further warrants been executed by the AFP since those 35?

Mr Bowles: Not at this stage.

Senator BIRMINGHAM: Has the department, since that process was undertaken, made any further referrals to the AFP?

Mr Bowles: I am pretty sure we have, but I am prepared to take that on notice.

Answer:

1. Following the strategic action in March 2011, there have been no other search warrants executed by the Australian Federal Police (AFP) on private residences or company premises associated with Operation TAIGA.

Since March 2011, the AFP has executed seven warrants, on behalf of the Department, on banking institutions to obtain financial related information.

2. No, the Department has not made any further referrals to the AFP. Under the terms of the Memorandum of Understanding and Joint Agency Agreement between the Department and the AFP, investigations relating to the Home Insulation Program can be included under Operation TAIGA without the matter being referred to the AFP, as would normally occur.

Several internal referrals have been accepted as cases for investigation since the Operation TAIGA strategic action in March 2011. The AFP is continuing to support these cases, predominantly through their out-posted Federal Agent.

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Outcome:	1	Question No:	77
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Home Insulation Program Compliance – State Authorities		
Hansard Page EC:	ECA50-51		

Senator BIRMINGHAM: The Australian Crime Commission: is that because they have suspicions that there may have been some systematic rorting or some of the individuals involved may have coordinated fraudulent or criminal activities?

Mr Bowles: Between the AFP and the Australian Crime Commission, yes, they would be looking and that has not necessarily proven anything. They would look at it as to: are there any systematic links? Generally speaking, it is relationships between sole installers and things like that that they would find.

Senator BIRMINGHAM: And the reference to state authorities?

Mr Bowles: I would have to take on notice what they are. I do not have it in front of me and I just cannot think of what we have done there. We have close contact with state and territory police when and if required. A lot of our issues, as you would imagine, are with the AFP and the broader Commonwealth agencies.

Answer:

The Department of Climate Change and Energy Efficiency works with various state and territory agencies to address instances of non-compliance and suspected fraud under the Home Insulation Program (HIP) and potential non-compliance with state and territory regulatory requirements by HIP installers. Matters that fall within the domain of the states or territories may be referred to state and territory police, state and territory fair trading organisations, and other regulatory bodies as appropriate where the matter relates to those agencies' responsibilities.

The Department has participated in the exchange of information relating to installations under the HIP, including complaint data and details of installations that do not comply with state and territory regulations and licensing requirements; with the Offices of Fair Trade and the Fair Work Ombudsman in various jurisdictions; with state and territory public housing authorities; and with the Electrical Safety Office in Queensland.

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Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	78
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Home Insulation Safety Program – Travel Costs		
Hansard Page EC:	ECA51		

Senator BIRMINGHAM: You can see the uncertainty in looking at this. What are then described there are categories of travel costs. There are those that are in area, those that are the super the region and those that are regional or remote. Firstly, taking the 68 occasions, do you know whether they relate to 'super region's or regional/remote? Do any of them relate to in area?

Mr Bowles: I would not imagine they would be in area. They would be generally done in a car travelling around. They would be more in the super region or the regional/remote. I can take that on notice if you want a bit of a breakdown on where they sit.

Answer:

The information previously provided in response to Question on Notice No. 36 from the May 2011 Budget Estimates hearing (68 occasions of travel at a cost of \$840,250 including GST to undertake 3,690 safety inspections) is broken down as follows:

In area:	\$Nil	(0 occasions)
Super region:	\$832,011	(64 occasions)
Regional/remote:	\$8,239	(4 occasions)

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	79
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Charities Maritime and Aviation Support Program		
Hansard Page EC:	ECA55		

Senator BIRMINGHAM: Do you have an estimate as to how many organisations may actually be applicants within the Charities Maritime and Aviation Support Program? Most of those who meet the DGR qualification do not run planes or ships.

Mr Bowles: Not at this stage. We are still in the early phases of developing this.

Mr Comley: As you said, it is not a large number, without trying to say what a large number is because of exactly the point that you make.

Senator BIRMINGHAM: In terms of coming to the \$29 million figure, surely you looked at that list and drew off the number of eligible entities.

Mr Comley: There was, but we would have to take on notice the precise number of eligible entities.

Answer:

Of the 20,000 organisations listed as Deductable Gift Recipients (DGRs), it is expected that up to 200 will have material exposure to aviation fuel costs or fuels used for maritime purposes and would have an incentive to apply for this rebate.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	80
Program:	1.2		
Division/Agency:	ESPD		
Topic:	National Solar Schools Program		
Hansard Page EC:	ECA58		

Senator BIRMINGHAM: Are the funds tied to a system of a particular size? Given the changes in price, if a school has not actually put the system in, are they able to use the funds they have got to put in a bigger system if they are able to negotiate that?

Mr Bowles: I would have to take that on notice. I cannot recall the specifics of that. They put in a proposal around what they want to do, and it is not always solar. In 90 per cent of the cases it is solar, because there are things like water tanks in some of the schools as well. I can take it on notice.

Senator BIRMINGHAM: If you could take that on notice. Given the lag time between approval and funding, if they are waiting for the funding to undertake the work, then the pricing could have varied quite significantly in that time.

Mr Bowles: In some cases, with the technology in that space, it could also come down and they might be able to do more.

Senator BIRMINGHAM: That is what I mean. I would fully expect that they would be able to do more, given the impact of the dollar, the change of the technology, solar PV is a lot cheaper now than it was this time last year.

Mr Bowles: Absolutely. We will take that on notice.

Answer:

1. Yes, schools are approved for a specific project scope. For example, a school is approved to install a 7 kilowatt (KW) solar power system.
2. Yes, a school is able to combine National Solar Schools Program funds with other funds to install a larger system if they have additional funds to do so.
3. Yes, where projects have not yet commenced, updated quotations can be submitted for agreement. States manage delivery arrangements with government schools, as defined under the National Partnership Agreement for the Program. The states have the flexibility to vary the project details, including installing a larger system. Schools are expected to install at a minimum the approved project scope.

States are required to make recommendations on project variations to the Commonwealth where it is proposed that outcomes be reduced. For example, where a school was approved to install a 7kW solar power system, but subsequently proposes to install a 5kW system. This control maintains the integrity of the competitive grants process whilst allowing for exceptional circumstances to be appropriately managed.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	81
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Solar Cities Program		
Hansard Page EC:	ECA62		

Senator McKENZIE: I want to ask a couple of questions about the Solar Cities program, particularly around the Bendigo and Ballarat community solar parks. I am wondering if you could outline how much the total is for those parks?

Mr Cahill: We will have to take that on notice.

Answer:

The total amount allocated for both parks in the Central Victoria Solar City budget is approximately \$4.8 million.

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Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	82
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Community Power Conference		
Hansard Page EC:	ECA62		

Senator McKENZIE: I look forward to those answers. I was just wondering how much money the Community Power Conference in November 2011 was going to cost. How much money had been allocated to that?

Mr Cahill: We will take that on notice.

Answer:

Central Victoria Solar City has allocated \$10,000 of its Solar Cities budget towards the conference.

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Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	83
Program:	1.2		
Division/Agency:	ID		
Topic:	Renewable Energy Program in Spain		
Hansard Page EC:	ECA62		

Senator IAN MACDONALD: I heard you talking about Spain and renewable energy. Is that a continuing program in Spain or have their current financial difficulties caused some hesitation or roll back in that? Are you aware?

Mr Comley: I will have to take that on notice. I was asked in general terms about Spain and I provided a general comment in terms of the general policy settings.

Answer:

Spain has a program to increase renewable energy production and consumption in line with the binding targets of the European Union's Renewable Energy Directive (20 per cent by 2020).

More detailed information on Spain's renewable energy program can be found on the Renovables Made in Spain website at: www.renovablesmadeinspain.es.

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Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	84
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Doomadgee Solar Panel Electricity Project		
Hansard Page EC:	ECA62-63		

Senator IAN MACDONALD: If you could get me any information on that, it would be appreciated. I have two questions broadly and they are vaguely fishing. Does anyone know if the Commonwealth had any involvement in the Doomadgee solar panel electricity project in the north-west of Queensland? Doomadgee is an Aboriginal community just south of Burketown which is just south of the Gulf. The other one is whether anyone can tell me, generally, does the department have a view on the CopperString project, which was taking copper line from Townsville to Mount Isa to connect it to the grid? It depended on Xstrata support and Xstrata has withdrawn its support and gone with the gas fired. The impact of that is that what was planned to be a rather large solar panel and wind estate along the way is now looking as if it were in some danger, according to the proponents of the CopperString.

Mr Comley: We can take the latter one first. I think it is really appropriate to defer that one to the Department of Resources, Energy and Tourism. Whilst we clearly take an interest in renewable energy, the question of the appropriate transmission infrastructure for electricity is one for the Department of Resources, Energy and Tourism. In terms of the former—

Senator IAN MACDONALD: Sorry; could I interrupt you there. It was dependent upon quite large proposed solar panel estates—you would almost call them that—in the Charters Towers region, as I understand it, plus some wind-farming proposals, and it is really those two elements rather than the CopperString where I was wondering if the department had been involved in subsidies, in supporting or in investigating.

Mr Comley: Certainly we were involved in a couple of ways. One way is generally that those facilities would have access to the Renewable Energy Target. So to the extent that they were significant in scale it would have an impact on whether you met the Renewable Energy Target. The second element is that you may be familiar with the fact that there was a program announced, I believe, in the last election campaign, the Connecting Renewables program, which is administered by the Department of Resources, Energy and Tourism, and we were involved in discussions before the announcement of that program as to the merits on a policy basis of that program. It is now the responsibility of the Department of Resources, Energy and Tourism. But we do not go around as much looking at specific areas or projects; we look at trying to set the policy settings for renewable assistance and then saying it is up to private practitioners in the context of the National Electricity Market and other market rules to determine where the best location is, which as you know is often a combination of the renewable resource, solar, wind et cetera, also combined with the cost of the transmission infrastructure to get it to the consumers. So we will tend to operate at what the rules of the game should be and then allow the proponents of particular projects to try to make commercial decisions in the context of those rules of the game.

Mr Bowles: In relation to the first, I am not aware of anything specifically up there, but we did do a fair bit of work in Indigenous communities, so we could take that on notice as far as Doomadgee goes.

Answer:

Ergon Energy is planning a large solar installation for the community of Doomadgee, in the Gulf, as part of their Isolated Systems Renewable Generation and Energy Conservation Plan.

The installation will be self-funded and is currently in final tender preparation stage. It is intended to be completed by the end of 2013 and a closer timeline will become available once the tenders are finalised and called in the next few months.

The project has had no financial contribution from the Department.

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Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	182
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Low Income Energy Efficiency Program		
Hansard Page EC:	ECA53		

Senator BIRMINGHAM: Do you have an estimated number of households who are likely to participate in the five, 10 or 15 trials?

Mr Bowles: We are thinking at the moment it will be about 25,000.

Senator BIRMINGHAM: Is that overall or per project?

Mr Bowles: Overall.

Senator BIRMINGHAM: What are the expected deliverables to those 25,000?

Mr Bowles: Again, it will depend on the trial and the pilot that we undertake, but obviously it will be in delivering energy efficiency approaches. Would you like some examples of some of the things?

Senator BIRMINGHAM: A couple, sure.

Mr Bowles: A lot of the stuff is in the public domain. We have released consultation documents, so you can track that down if you wish.

Mr Comley: We could even provide it to you.

Answer:

As specified in the *Low Income Energy Efficiency Program* consultation paper (attached) some examples of possible trial projects include:

- innovative approaches, service delivery models or communication avenues to engage low income households on energy efficiency;
- provision of energy efficiency retrofit kits (including weather sealing, power boards, efficient lighting and showerheads);
- installation of energy efficient technologies such as appliances to replace older inefficient technologies/appliances;
- use of energy meters and in-home displays that assist the householder to understand the relevant energy and cost information;
- initial and follow-up visits with provision of ongoing energy efficiency advice regarding the household's energy use;
- specific trials to assist low income renters, such as brokering on behalf of tenants to gain permission from landlords for energy efficient upgrades; and
- incorporating the promotion of (or referral to) other existing Commonwealth, state/territory or local government programs, discount vouchers from energy retailers or local businesses for energy efficient appliances.



Australian Government

**Department of Climate Change
and Energy Efficiency**

Low Income Energy Efficiency Program

Design options

Public consultation paper
September 2011

thinkchange



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Information for respondents

About The Low Income Energy Efficiency Program

Tackling the challenge of climate change is one of the Australian Government's highest priorities. The Government has committed to ambitious emissions reduction targets and is implementing a comprehensive nationwide response to climate change by assisting the Australian community to reduce emissions, adapt to unavoidable climate change, as well as helping to shape a global response to climate change.

Improving energy efficiency is one of the fastest and most cost effective ways to reduce emissions. The Australian Government is helping households and business improve their energy efficiency and will expand these efforts to help improve the productivity of our economy and move Australia towards a prosperous clean energy future.

Energy efficiency is a significant issue for households on low, fixed and unreliable incomes. Low income households have been particularly impacted by increases in retail energy prices as a result of poor quality housing stock, limited ability to reduce energy use with better appliances, and the fact that, while these households tend to consume less energy than average households, they spend proportionally more of their income on this essential service.

Low income and disadvantaged households also face a number of barriers to energy efficiency, such as information failure, capital constraints and split incentives, which limit their ability to respond to price signals.

As part of the Australian Government's climate change plan, *Securing a Clean Energy Future*, the \$100 million Low Income Energy Efficiency Program has been established to provide grants to consortia of government, business and community organisations to assist low income and vulnerable households overcome identified barriers to energy efficiency and to better manage their energy use. Other related programs under this plan include the Community Energy Efficiency Program and the Household Energy and Financial Sustainability Scheme.

About this paper

This consultation paper is being provided to inform stakeholders about the Low Income Energy Efficiency Program and seek feedback on the proposed design of the program. It also provides information relevant to potential grant applicants regarding the preliminary planning of project proposals and seeking of project partners.

This paper is intended to elicit comment from stakeholders and does not represent Australian Government policy. Any program design features included in this consultation paper are proposals for discussion only. Organisations and individuals interested in the Low Income Energy Efficiency Program are invited to provide comment on the proposed program design.

The document is divided into three sections:

- Section 1** provides an overview of the Low Income Energy Efficiency Program
- Section 2** details information relating to funding, eligibility and merit criteria, and the assessment process
- Section 3** outlines other requirements relating to the Low Income Energy Efficiency Program.

Key Dates

27 September 2011	Consultation paper available on the Department of Climate Change and Energy Efficiency website.
21 October 2011	Comments due on consultation paper.

To comment on the Consultation Paper

Where possible, comments in Microsoft Word or other text-based formats should be lodged electronically to the email address (below), preferably using the template available on the Department of Climate Change and Energy Efficiency website at <http://www.climatechange.gov.au/lowcarboncommunities>. Alternatively, comments may be sent to the postal address below to arrive by the due date.

Comments will not be treated as confidential and may be made publicly available. If a comment (or extract of a comment) is to be kept confidential, please indicate this in your submission.

All comments are due by **Friday 5pm AEST 21 October 2011**. We may not be able to consider late submissions.

Comments should be sent to:

Email:	lieep@climatechange.gov.au
or	
Mail:	Low Carbon Communities Team – LIEEP Department of Climate Change and Energy Efficiency GPO Box 854 CANBERRA ACT 2601

Contacts

Information regarding the Low Income Energy Efficiency Program, including an electronic copy of the consultation paper and a template for submitting comments are available on the Department's website at www.climatechange.gov.au/lowcarboncommunities.

Hard copies are available on request via telephone on (02) 6159 3666 or email at lieep@climatechange.gov.au.

1. Program overview

The Australian Government's Low Income Energy Efficiency Program will be a competitive merit-based grant program. It will provide funding to consortia of local councils, community and welfare organisations, state and territory governments and energy retailers and service companies to trial and evaluate approaches to improve the energy efficiency of low income households.

The program will be administered by the Department of Climate Change and Energy Efficiency (the Department). Funding for projects will commence from 2012 and all successful projects will need to be completed by June 2016.

The program will enable consortia to trial new approaches and utilise energy efficient technologies to assist and support low income households as part of the Australian Government's climate change plan—*Securing a Clean Energy Future*. The trials will be aimed at overcoming barriers to energy efficiency (such as information failure, capital constraints and split incentives) which prevent low income households from adopting more energy efficient practices.

The analysis of data and information collected from these trials will be submitted to the Department on a regular basis and will be used to inform future energy efficiency policy.

1.1 Objectives of the program

The objectives of the **Low Income Energy Efficiency Program** will be to:

- trial and evaluate a number of approaches that assist low income households to be more energy efficient
- assist low income households to implement sustainable energy efficiency practices
- build the capacity of consortia members to encourage long-term energy efficiency among their customers or clients, and
- capture and analyse data and information to inform future energy efficiency policy and program approaches.

1.2 Benefits of the program

In addition to the objectives above, the program will have the following benefits:

- minimise energy consumption and costs for low income households to manage the impacts of the carbon price
- build the knowledge and capacity of the energy services industry in supporting competitive Australian energy efficiency technology and equipment companies, and
- contribute to the national effort to reduce greenhouse gas emissions.

The program will also bring co-benefits to the household and their surrounding community through increased health levels, education attendance and social aspects.

1.3 How the program will be managed

The Low Income Energy Efficiency Program will have defined funding limits. Only the strongest proposals that most successfully meet the program objectives will be funded. Applicants will be encouraged to work with the Department while preparing applications to ensure that a variety of

projects are submitted and that they do not duplicate existing programs. Guidance material and tools will be made available to assist potential applicants.

The Program Manager will be a senior member of staff within the Department who will be responsible for the application of the guidelines and for program administration. The Program Manager will also have overall responsibility for assessing the Expressions of Interest and making recommendations to the Minister for Climate Change and Energy Efficiency (the Minister) through the Parliamentary Secretary for Climate Change and Energy Efficiency (the Parliamentary Secretary).

The Minister will make the final decisions regarding which applications will receive funds under the program, taking into consideration any relevant advice provided by independent experts, recommendations of the Department and the Parliamentary Secretary.

1.4 Applying for funding

At the time of application, a suite of information products will be available to assist applicants, including guidance on how to complete an application form.

1.5 Funding

Successful applicants under the Low Income Energy Efficiency Program will receive funding of up to \$10 million for eligible project costs. Information in relation to eligible project costs are listed at Attachment A.

An applicant may seek full funding for eligible projects, although applicants will be strongly encouraged to leverage funds from sources other than the Australian Government through their partnerships with consortium members.

1.6 How applications will be assessed

The proposed assessment process is illustrated in Figure 1.

Applications will be assessed through a three-stage assessment process following the consideration of a brief outline of the proposal through an Expression of Interest process.

Expression of Interest

Expressions of Interest will be sought to ensure:

- proposals are aligned with the objectives of the program
- a variety of trials in different geographical locations are considered, and
- proposals do not duplicate existing energy efficiency programs.

The Department will assess Expressions of Interest and make recommendations to the Minister through the Parliamentary Secretary on which consortia should be invited to submit full applications.

Stage 1—Eligibility assessment

At the close of applications the Program Manager will verify the eligibility of all applications against the criteria outlined in Section 2.1. During this stage, the Department may contact applicants to request verification of any information contained in their applications.

Stage 2—Viability assessment

The Department will work with independent experts to assess the viability of eligible applications. Project viability will be considered from four perspectives:

- capacity of the proponent to deliver the proposal
- financial viability of the proposal
- technical feasibility of the proposal and
- risk management strategy for the proposal.

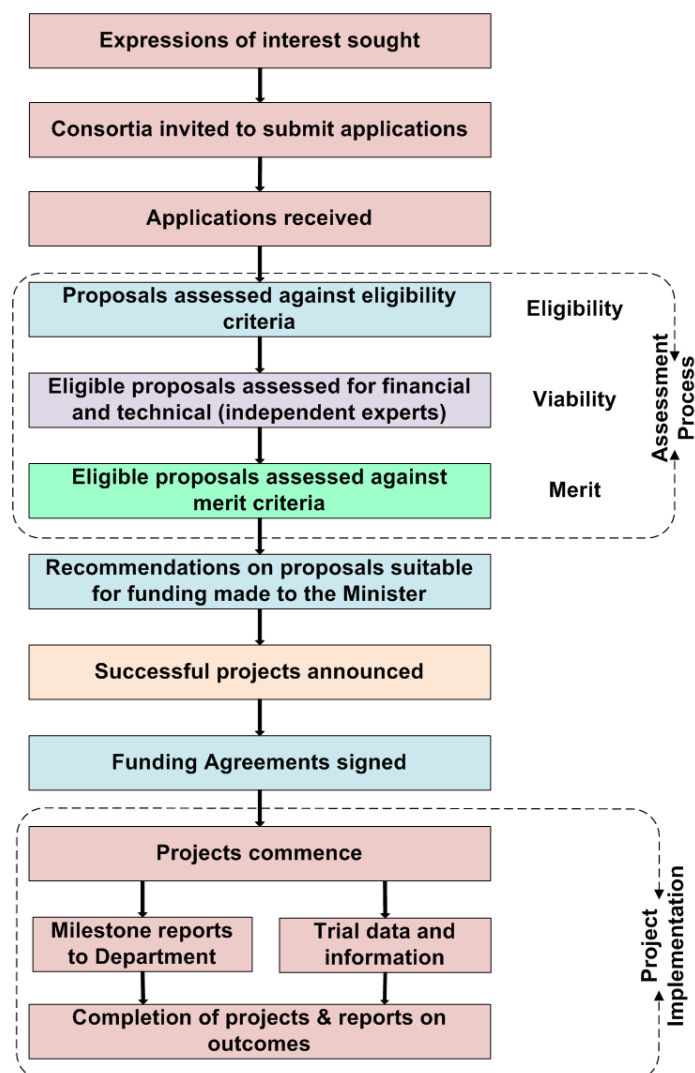
Further information on the viability assessment process is outlined in Section 2.2.

Stage 3—Merit assessment

Eligible and viable applications will be further assessed against the proposed merit criteria as outlined in Section 2.3 with a merit ranking being provided for each application. The Department will provide the ranking order along with any relevant independent advice on all projects that are suitable for funding through the Parliamentary Secretary to the Minister for decision.

The submission of an eligible and viable application for funding under the program will not guarantee that funding will be provided. Applications need to demonstrate a high level of merit against the criteria and be competitive against other applications.

Figure 1—Proposed process for assessment of proposals and project implementation



1.7 Successful applications

The Minister, having considered the advice from independent experts, recommendations of the Department and the Parliamentary Secretary, will make the final decision on which applications will be funded. In making its recommendations, the Department may consider the geographical spread of projects across Australia (e.g. covering various climatic zones and urban /regional locations) and the different types of projects being funded. The Minister will consider the overall availability of funds in determining the level of assistance to be provided. The scope and amount of grant funding offered for any successful project may be less than the amount requested by the applicant.

Successful applicants will be offered a funding agreement and, if accepted, the successful projects may be publicly announced. Public announcements may include the:

- name of the successful consortia and its members
- title and description of the project and its intended outcomes, and
- project value and the amount of Commonwealth funding awarded.

Unsuccessful applicants will be notified in writing by the Department. Unsuccessful applicants will be able to resubmit eligible applications in subsequent funding rounds.

2. Assessment criteria

2.1 Proposed eligibility criteria

All proposals under the Low Income Energy Efficiency Program will be assessed against the following proposed *eligibility* criteria. An application will not be accepted for further assessment unless it satisfies **all** of the eligibility criteria.

The Applicant

For the purposes of the Low Income Energy Efficiency Program, a consortium is a temporary joint venture by two or more parties, which is created for the purpose of submitting an application and completing the proposed project. A consortium could include organisations, such as local councils, not-for-profit organisations (e.g. community and welfare), state /territory governments, energy retailers, energy service companies, financial institutions and private businesses.

The *lead organisation* should submit the application on behalf of the consortium. The lead organisation will also take on the responsibility of complying with the funding agreement including all reporting and analysis of data and information requirements.

State and territory governments or agencies, entities or their subsidiaries, and individuals will not be eligible to lead consortia.

Consortia need to be supported by appropriate legal arrangements. Such arrangements need to be in place prior to a funding agreement with the Department being signed.

The Project

An eligible project for the Low Income Energy Efficiency Program will be one that:

- a) is located in Australia

- b) aims to achieve clear measurable gains in energy efficiency and/or reduction in energy costs for low income households
- c) provides an integrated program to empower low income households to improve their energy efficiency and to encourage them to adopt long term energy efficient behaviours
- d) is planned to be completed within 36 months of project commencement, and
- e) provides a specific methodology and incorporates processes for collecting, analysing and reporting relevant data and information from the trial.

Organisations could build on or supplement current projects that align to the objectives of the Low Income Energy Efficiency Program.

Examples of possible measures for inclusion in Low Income Energy Efficiency Program projects

Organisations receiving funding under the Low Income Energy Efficiency Program could deliver energy efficiency measures for low income households that include:

- innovative approaches, service delivery models or communication avenues to engage low income households on energy efficiency
- provision of energy efficiency retrofit kits (including weather sealing, power boards, efficient lighting and showerheads)
- installation of energy efficient technologies such as appliances to replace older inefficient technologies/appliances
- use of energy meters and in-home displays that assist the householder to understand the relevant energy and cost information
- initial and follow-up visits with provision of ongoing energy efficiency advice regarding the household's energy use
- specific trials to assist low income renters, such as brokering on behalf of tenants to gain permission from landlords for energy efficient upgrades, and
- incorporating the promotion of (or referral to) other existing Commonwealth, state/territory or local government programs, discount vouchers from energy retailers or local businesses for energy efficient appliances.

2.2 Proposed viability criteria

The Department will work with independent experts to assess the viability of eligible applications. Project viability will be considered from four perspectives:

- Capacity of the proponent to deliver the project, including the assignment of roles and responsibilities within the consortia, resources, past record in delivering projects of a similar nature, experience in project management and ability to complete the project within agreed timeframes.
- Financial viability of the proposal, including budget, project costings and co-funding arrangements.
- Technical feasibility of the proposal, including estimated energy efficiency improvements /energy cost savings.
- Ability to manage risks and comprehensiveness of the risk management strategy and its controls in relation to the proposal.

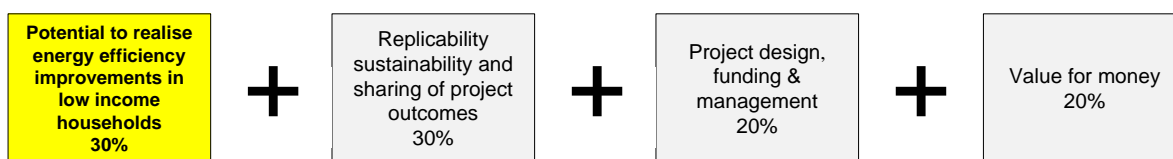
Further guidance on the viability assessment process will be provided as part of the application package.

2.3 Proposed merit criteria

Applications assessed as eligible by the Department under as outlined in Section 2.1 will undergo a viability assessment. Those applications found to be viable as outlined in Section 2.2 will be further assessed against the following proposed merit criteria.

1. Potential to realise energy efficient improvements in low income households

(Criterion weighting = 30%)



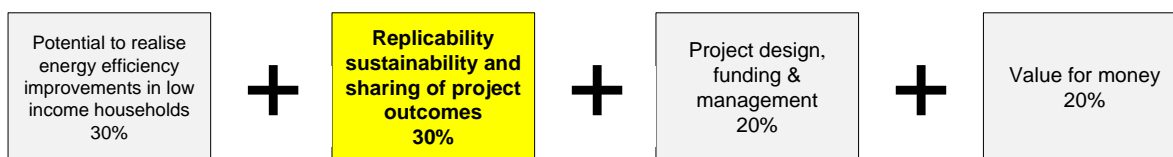
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Applicants should indicate merit by:

- demonstrating the potential of the project to overcome the barriers to energy efficiency which prevent low income households from adopting energy efficient practices
- identifying the specific barrier(s) being addressed and how the proposed approach would be effective in delivering energy efficiency measures to the target low income households
- indicating in detail how they propose to measure the success of the project in overcoming the identified barrier(s) (e.g. number of households serviced, energy saved per household), and
- providing details of similar successful projects previously undertaken or information relating to similar projects undertaken in other regions in Australia or overseas.

2. Replicability, sustainability and sharing of project outcomes

(Criterion weighting = 30%)



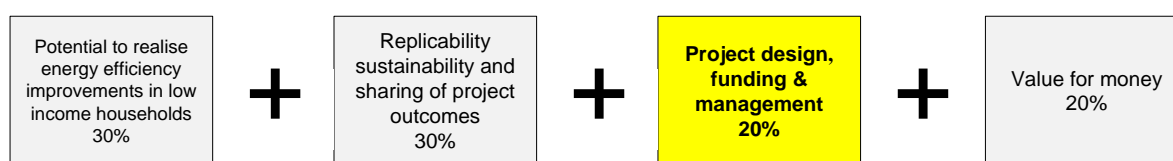
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Applicants should indicate merit by demonstrating:

- how the approach adopted in the proposed project could be more widely replicated in other areas/regions
- how the outcomes of the project (such as the energy savings and behaviour change in target households) would be sustainable in the long term
- providing details of the proposed methodology for collecting, analysing and reporting data and information from the project
- how the outcomes and lessons learned would be shared, and
- support for the trial project from a broad cross section of the community including the relevant local council.

3. Project design, funding and management

(Criterion weighting = 20%)



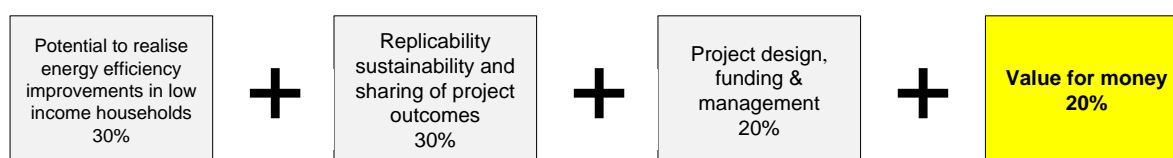
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Applicants should indicate merit by demonstrating:

- that they have a project plan which clearly sets out the objectives, achievable outcomes, a realistic and fully justified budget and project management processes
- that they have completed a detailed risk assessment and have a risk management plan with appropriate controls and treatments for the project (information on appropriate risk assessment and management frameworks will be provided to applicants)
- that they have outlined and agreed with all consortia members their roles and responsibilities in relation to the project
- that their project plan addresses issues relating to the management of sub-contractors, compliance with state and territory laws including relevant occupational health and safety issues
- that they have the capacity to undertake the project to agreed timelines and within the allocated budget, including appropriately skilled staff and/or access to appropriately qualified or accredited contractors, and
- that they have the capacity and resources to implement necessary data collection and analysis practices in line with reporting requirements.

4. Value for money

(Criterion weighting = 20%)



Va

Value for money, a key principle underpinning Australian Government grant administration, requires a comparative analysis of *all* relevant costs and benefits of each proposal throughout the whole procurement cycle (whole-of-life costing).

Applicants should indicate merit by demonstrating:

- how they will effectively and efficiently use grant funds to achieve project objectives through the application of best practice project management methods, including effective risk management
- the ability for the proposal to leverage a proportion of the total project funding, along with identifying any other type of co-funding available for the project
- the need for program funding in order for the project to proceed
- any ongoing measurable benefits (other than energy efficiency) to the local community from the project that may go beyond the funding period, and
- any ongoing maintenance or management arrangements including ownership, leasing and equipment arrangements to ensure sustainability into the future (if applicable).

Applicants requesting project funding greater than \$1 million should also address the following in their application:

- how the proposal would provide reasonable opportunity for Australian companies to participate in all stages of the project
- how the proposal would increase collaboration between the consortium members and Australian companies, and
- how the proposal would provide longer-term opportunities for Australian companies on a commercial basis (e.g. maintenance or support activities).

3. Additional information

This section provides additional information relating to the Low Income Energy Efficiency Program that potential applicants will need to be aware of prior to submitting an application.

3.1 Roles and responsibilities

Successful applicants will be required to enter into a funding agreement with the Australian Government before they receive grant funding under the Low Income Energy Efficiency Program. All successful applicants will receive a written offer of grant funding and a draft funding agreement. Successful applicants will have ninety (90) days from the date the offer is made to execute the funding agreement with the Australian Government. Failure to execute the funding agreement within this time may result in the funding offer being withdrawn. Exceptions may apply to projects that are requested to be re-scoped.

The date of execution of the funding agreement will be the date of commencement for the project. The funding agreement will specify clearly the roles and responsibilities of the parties. The grant recipient will be required to maintain public liability insurance at the levels specified in the funding agreement. The grant recipient will also be required to provide an indemnity to the Australian Government against any claims arising out of the delivery of the project.

Funding agreements for significant projects (those seeking more than \$1 million in grant funding) will also include requirements relating to how the project will support the participation of Australian energy efficiency equipment and technology manufacturers. Under this requirement grant recipients will be required to develop and implement a plan, similar to Australian Industry Participation Plans, to provide reasonable opportunity for Australian companies to participate in all stages of the project. Further guidance regarding these plans will be provided as part of the application package.

3.2 Milestones, reporting, payments and auditing

Successful applicants will need to collect and analyse relevant data, as set out in the funding agreement, relating to the outcomes of the project along with specific data and information on the trial. The applicant will be required to report on and provide this analysis to the Department on a regular basis. Further details on reporting requirements will be provided as part of the application package. In addition, successful applicants who have received a grant in excess of \$1 million will be required to include in their milestone reports how the project has provided reasonable opportunities for competitive participation of Australian companies.

The funding agreement will include a budget and schedule of reporting and payments linked to agreed milestones, outcomes and timeframes. Payments against milestones will be calculated on milestones achieved and the eligible expenditure incurred. These payments will be subject to satisfactory completion of milestone reports, data and analysis submission requirements, substantiation of expenditure (e.g. receipts) and compliance with the funding agreement. An initial payment may be made following the execution of the funding agreement, depending on the particular circumstances of the project and proponent.

Grant recipients will be required to provide independent audit reports of project expenditure at the end of each financial year and at the completion of the project. The format this report must take and the minimum professional qualifications for the auditor will be set out in the funding agreement. The Department may also request an independent audit report of project expenditure at any time during the life of the project.

3.3 Branding and Communication

The grant recipient will be required to acknowledge the source of the funding for the project and to follow the Department's requirements relating to government branding in all communications relating to the project. Guidelines will be provided to all grant recipients regarding branding and communication.

3.4 Document retention

It will be a condition of receiving a grant under the Low Income Energy Efficiency Program that successful applicants retain all documents and records in relation to the application and the funding agreement for a period of seven years after the termination or expiry of the agreement. While such records do not need to be submitted, the Department may require such records to verify any or all eligible expenditure. Failure to provide such records when required may result in an expenditure item being disallowed and in certain circumstances, the repayment of grant funding.

3.5 How will industry participate?

The Low Income Energy Efficiency Program will provide opportunities for the energy services sector to assist local government bodies and community organisations to focus specific assistance to low income households to improve their energy efficiency through improved energy management practices.

Energy service companies can participate in the program by becoming part of the consortium for Low Income Energy Efficiency Program projects, providing expert advice during project design and providing services at the implementation and/or monitoring and verification phases of projects. The energy services companies will also be able to provide approved and accredited contractors and to supply any equipment or materials required in the projects. This will build the knowledge and capacity of the Australian energy efficiency technology and equipment manufacturers. The program will also provide opportunities for local manufactures of energy efficient technologies and equipment.

Attachment a—eligible expenditure draft guidance

Specific activities and items that cannot be included in the project budget

The following items of expenditure cannot be included in the project budget:

- Cost associated with the preparation of the original grant application or any project variations.
- Day-to-day operating costs of the organisation not related to the project, including insurance, office accommodation, telephone and internet costs, general communications, accommodation, office computing facilities, printing and stationery, postage, legal and accounting fees, bank charges and overheads (that is, expenses that are incurred whether or not you do the project).
- Travel expenditure (exceptions may apply for regional or remote organisations).
- Installation of renewable energy generation systems, such as solar photovoltaic, micro-hydro, wind turbine and biomass generation systems (solar hot water is eligible as it is not classed as a generation system).
- Activities that are inconsistent with key national and state or territory strategies and frameworks.
- Purchase, lease or acquisition of land.
- Purchase, lease or acquisition of motor vehicles, watercraft, aircraft or fuel, unless you can demonstrate that this is essential to the success of your project, such as your project location is in a remote area.

This list is not exhaustive. Other activities or specific expenditure may be ineligible because the Program Manager decides it does not directly support the achievement of the planned outcomes of the project or to be contrary to the spirit and intention of Low Income Energy Efficiency Program.

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

Supplementary Budget Estimates 2011-12, 17 October 2011

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	183
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Solar Cities Program		
Hansard Page EC:	ECA62		

Senator McKENZIE: Thank you. I am wondering how we measure the outcomes or how successful those programs were. They have been contributing back into the grid, I think, since 2009. I wonder what sort of criteria you have set up around measuring how successful those programs are.

Mr Cahill: We have a data collection strategy for the Solar Cities program. We use a range of methods—surveys, energy audits and trials, and even energy usage data from smart meters. That is feeding into a Solar Cities database. Over the coming 18 months or so we will be producing a range of papers reporting the outcomes of the individual Solar Cities and the program as a whole.

Senator McKENZIE: As part of that ongoing monitoring I am assuming it is culminating in the reports over the next 18 months. Have we seen any change in local behaviour in terms of an increased number of solar units being set up in those communities or other sorts of indicators that suggest that the local communities have seen a real benefit from those parks?

Mr Cahill: I understand anecdotally but I do not have the evidence with me.

Senator McKENZIE: Are we collecting the evidence?

Mr Bowles: We are collecting quite a bit of evidence from each of the cities. I do not have it to hand but we could provide that.

Answer:

Many of the solar cities are trialling the use of solar photo-voltaic systems as part of a broader behavioural change strategy. Only one solar city, Central Victoria, has an element that is focussing on community solar parks.

The data results from the program will be disseminated more broadly over the coming 18 months. However, early data indications suggest that, while the provision of solar photo-voltaic systems in homes does assist with reduced energy usage, the bigger gains are made through concerted efforts on behavioural change. The best example so far is the deferment of the third power cable to Magnetic Island where many residents have installed solar photo-voltaic systems. Many more residents have changed their energy usage patterns and adopted measures such as painting their house roofs white.

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

Supplementary Budget Estimates 2011-12, 17 October 2011

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	revised 204
Program:	1.2		
Division/Agency:	ESPD		
Topic:	HIP and FISP – Travel Costs		
Hansard Page EC:	Written		

Senator Birmingham asked:

For inspectors operating under the Home Insulation Safety Program and Foil Insulation Safety Program, please detail total travel costs paid including vehicle cost reimbursements (and details of the circumstances in which those vehicle costs were reimbursed) and car transport.

Please detail every instance where inspectors took approved flights funded under the program, including the total cost for each trip, the number of days travelling involved, dates of travel, numbers of people travelling, number of inspections undertaken whilst in each destination. For each destination, what was the level of urgency of each inspection undertaken and were there trained or accredited inspectors located at or near the inspection locations?

Answer [REVISED]:

Note

The dates, number of days and the number of estimated households attended have been corrected to accurately reflect the time and number of jobs undertaken against the travel cost. Changes have been highlighted in yellow in Attachment A.

The Department has contracted with service delivery providers to deliver the safety inspection programs. As a result, it does not engage on the day to day business planning for the safety inspection contractors. It is not possible to provide details of every individual case, however, summary details are provided below.

Generally, inspectors would not travel to an area where accredited inspectors were already present except to complement those teams where additional work was required.

There have been 74 occasions, totalling approximately 2,005 inspections where the Department has pre-approved travel for inspectors. This travel occurred during the period October 2010 to 1 June 2011, see detailed summary in Attachment A.

The total pre-approved travel costs for inspections is approximately \$562,866 inclusive of GST. Of this, approximately \$56,749, inclusive of GST, has been for flights.

: As at 30 November 2011, there have been no inspector travel costs paid under the Department's contract with Transfield Services.

Note: The travel costs and details previously provided have now changed, this is due to the fact the Department is now able to report total actual costs for the whole of the Phase 1 Contract rather than approved cost estimates.

Additionally, approximately 14,764 completed inspections also had a travel component with an approximate cost of \$2,870,216 inclusive of GST. This travel was paid in accordance with the Taxation Determination (TD 2010/19), with no pre-approval required.

In regards to the Foil Insulation Safety Program (FISP), travel costs were a component of the total safety inspection fee because the total number and location of these households was known in advance.

The Department has pre-approved all travel costs, as per contract arrangements, where inspection teams have been required to establish and travel to a Super Region to conduct a safety inspection.

Although there were costs relating to inspector travel, which were not pre-approved, the Department scrutinises all invoices/claims prior to payment, to ensure costs are legitimate, in line with contractual arrangements and reflect the Taxation Determination (TD 2010/19).

Householder safety is the priority of the Government with all householder requests actioned by the service provider within 48 hours of receipt of the request. Locations are not a factor used by the service provider when measuring the level of urgency or when prioritising requests.

The amount of work in any area is determined by the number of targeted inspections as well as householder requests. It is not economical to train and accredit inspectors in areas of low inspection numbers. Further, given the rigorous qualification and training requirements for inspectors under the Safety Programs, the companies contracted to undertake inspections generally found it to be more cost effective to redeploy a small team rather than recruit and train a new team of suitably qualified personnel in all locations.

ATTACHMENT A

Travel Departure	Travel Destination	How Many (Two Person) Teams	Date From	Date To	Days	Estimate HH attended	Flights Amount (Return)	Car Mileage \$	Other: hr rate, accom, equipment etc \$	Total Cost \$
Sydney	Broken Hill	1	27/02/11	5/03/11	6	13	\$1,197.26	N/A	\$3,349.18	\$4,546.44
Gold Coast	Melbourne	1	7/02/11	7/02/11	1	2	\$327.00	N/A	\$693.21	
Melbourne	Mildura	1	8/02/11	8/02/11	1	3	\$484.00	N/A	\$599.46	
Mildura	Broken Hill	1	8/02/11	8/02/11	1	2	N/A	\$217.00	\$849.46	
Broken Hill	Mildura	1	11/02/11	11/02/11	1	2	N/A	\$217.00	\$849.46	
Mildura	Melbourne	1	11/02/11	11/02/11	1	2	\$334.83	N/A	\$599.46	
Melbourne	Gold Coast	1	11/02/11	11/02/11	1	2	\$360.00	N/A	\$693.23	\$6,224.11
Brisbane	Cairns	1	21/02/11	26/02/11	5	27	\$819.00	N/A	\$3,783.65	\$4,602.65
Perth	Lane Cove West	1	20/03/11	25/03/11	5	24	\$630.48	N/A	\$3,049.92	\$3,680.40
Adelaide	Perth via Kalgoorlie	1	27/02/11	17/03/11	20	39	\$959.00	N/A		
Perth	Adelaide	1	17/03/11	17/03/11	1	40	\$1,618.00	N/A	\$12,157.11	\$14,734.11
Adelaide	Perth	1	27/02/11	5/03/11	6	27	\$993.00	N/A	\$2,281.64	
Perth	Adelaide	1	5/03/11	5/03/11	1	2	\$424.00	N/A	\$2,219.13	\$5,917.77
Brisbane	Cairns	1	30/01/11	30/01/11	1	1	\$367.00	N/A	\$2,238.90	
Cairns	Brisbane	1	5/02/11	5/02/11	1	1	\$270.00	N/A	\$2,238.90	
Cairns	Brisbane	1	12/02/11	12/02/11	1	13	\$165.00	N/A	\$1,801.40	\$7,081.20
Brisbane	Cairns	1	30/01/11	30/01/11	1	5	\$387.00	N/A	\$2,127.52	
Cairns	Brisbane	1	2/02/11	2/02/11	1	5	\$365.00	N/A	\$2,127.52	
Cairns	Brisbane	1	12/02/11	12/02/11	1	5	\$270.00	N/A	\$1,690.01	\$6,967.05
Brisbane	Townsville	1	31/01/11	19/02/11	20	36	\$577.00	N/A	\$9,484.16	\$10,061.16
Sydney	Melbourne		27/03/11	29/03/11	3	1	\$357.00	N/A	\$766.72	
Brisbane	Melbourne		27/03/11	27/03/11	1		\$151.00	N/A	\$891.72	
Melbourne	King Island	1	27/03/11	29/03/11	3	1	\$782.38	N/A	\$954.21	\$3,903.03
Brisbane	Rockhampton	1	7/04/11	7/04/11	1	2	\$812.00	N/A	\$1,669.59	\$2,481.59

Brisbane	Cairns	1	14/02/11	19/02/11	6	19	\$747.00	N/A	\$4,191.55	\$4,938.55
Brisbane	Mackay	1	13/02/11	19/02/11	7	31	N/A	N/A	\$5,652.59	
Brisbane	Mackay	1	13/02/11	25/02/11	13	31	\$2,411.80	N/A	\$5,569.26	\$13,633.65
Brisbane	Mackay	2	13/02/11	20/02/11	8	48	\$2,632.00	N/A	\$8,958.40	\$11,590.40
Brisbane	Townsville return	1	28/02/11	9/03/11	10	10	\$1,364.00	\$1,719.20	\$9,901.08	\$12,984.28
Brisbane	Cairns	1	28/02/11	12/03/11	13	60	\$827.40	\$172.90	\$7,879.75	\$8,880.05
Brisbane	Melbourne	4	13/02/11	4/03/11	19	249	\$3,441.75	N/A		
Brisbane	Melbourne	4	6/03/11	26/03/11	20	250	\$1,846.75	N/A	\$74,194.63	\$79,483.13
Brisbane	Melbourne	3	13/02/11	5/03/11	20	216	\$3,588.00	N/A	\$43,831.47	\$47,419.47
Sydney	Albury	2	20/12/10	23/12/10	4	29	\$991.18	N/A	\$3,543.20	\$4,534.38
Brisbane	Mackay	1	23/12/10	23/12/10	1	1	\$2,063.00	N/A	\$341.01	\$2,404.01
Adelaide	Alice Springs	1	30/01/11	5/02/11	6	14	\$800.00	N/A	\$4,127.85	\$4,927.85
Adelaide	Darwin	1	30/01/11	13/02/11	14	28	\$720.00	N/A	\$8,535.75	\$9,255.75
Adelaide	Port Lincoln	1	31/01/11	4/02/11	5	19	\$460.00	N/A	\$2,915.90	\$3,375.90
Brisbane	Proserpine	1	13/02/11	18/02/11	6	15	\$512.00	N/A	\$2,329.00	\$2,841.00
Brisbane	Melbourne	3	14/02/11	5/03/11	19	211	\$3,820.20	N/A	\$26,923.09	\$30,743.29
Brisbane	Mackay	1	27/02/11	6/03/11	8	25	\$1,032.94	\$509.11	\$4,877.25	\$6,419.30
Brisbane	Perth	1	13/03/11	19/03/11	7	22	\$1,314.94	N/A	\$5,098.29	\$6,413.23
Adelaide	Port Lincoln	1	7/03/11	9/03/11	3	6	\$590.00	N/A	\$1,754.24	\$2,344.24
Brisbane	Perth	1	13/03/11	19/03/11	7	19	\$1,104.00	N/A	\$5,136.99	\$6,240.99
Brisbane	Perth	1	13/03/11	19/03/11	7	20	\$1,104.00	N/A	\$4,210.99	\$5,314.99
Brisbane	Perth	1	12/03/11	26/03/11	15	43	\$1,002.00	N/A	\$10,228.11	\$11,230.11
Brisbane	Townsville	1	31/01/11	12/02/11	13	10	\$654.00	N/A	\$6,798.39	\$7,452.39
Tinbeerwah	Liverpool	3	11/02/11	29/03/11	41	394	N/A	\$6,636.00	\$76,092.00	\$82,728.00
Brisbane	Melbourne	2	6/03/11	25/03/11	31	71	N/A	N/A	\$21,259.68	\$21,259.68
Brisbane	Cairns	1	25/10/10	29/10/10	5	12	\$1,037.41	N/A	\$4,099.80	\$5,137.21
Brisbane	Cairns	1	2/11/10	5/11/10	4	9	\$833.90	N/A	\$4,016.58	\$4,850.48
Brisbane	Cairns	1	8/11/10	12/11/10	5	12	\$873.90	N/A	\$4,009.38	\$4,883.28
Brisbane	Cairns	1	15/11/10	19/11/10	5	12	\$693.90	N/A	\$3,995.12	\$4,689.02
Brisbane	Cairns	1	22/11/10	26/11/10	4	12	\$733.90	N/A	\$3,953.30	\$4,687.20

Brisbane	Cairns	1	29/11/10	3/12/10	4	12	\$693.90	N/A	\$3,803.63	\$4,497.53
Brisbane	Maryborough/ Hervey Bay	1	2/11/10	5/11/10	3	9	N/A	\$403.20	\$3,068.00	\$3,471.20
Brisbane	Maryborough/ Hervey Bay	1	8/11/10	12/11/10	4	12	N/A	\$403.20	\$3,238.00	\$3,641.20
Brisbane	Maryborough/ Hervey Bay	1	15/11/10	19/11/10	4	12	N/A	\$403.20	\$3,224.00	\$3,627.20
Brisbane	Maryborough/ Hervey Bay	1	22/11/10	26/11/10	4	12	N/A	\$403.20	\$3,224.00	\$3,627.20
Brisbane	Maryborough/ Hervey Bay	1	29/11/10	3/12/10	4	12	N/A	\$403.20	\$3,227.50	\$3,630.70
Brisbane	Bundaberg	1	25/10/10	29/10/10	4	12	N/A	\$508.20	\$3,196.00	\$3,704.20
Brisbane	Bundaberg	1	2/11/10	5/11/10	3	9	N/A	\$508.20	\$3,196.00	\$3,704.20
Brisbane	Bundaberg	1	8/11/10	13/11/10	5	15	N/A	\$508.20	\$3,526.00	\$4,034.20
Brisbane	Bundaberg	1	15/11/10	20/11/10	5	15	N/A	\$508.20	\$3,525.00	\$4,033.20
Brisbane	Bundaberg	1	22/11/10	27/11/10	5	15	N/A	\$508.20	\$3,565.00	\$4,073.20
Brisbane	Bundaberg	1	29/11/10	3/12/10	5	12	N/A	\$508.20	\$3,196.00	\$3,704.20
Brisbane	Mackay	1	22/11/10	26/11/10	5	12	\$1,013.90	N/A	\$4,003.14	\$5,017.04
Brisbane	Mackay	1	29/11/10	3/12/10	5	12	\$783.90	N/A	\$4,082.14	\$4,866.04
Brisbane	Nanango	1	22/11/10	26/11/10	5	12	N/A	\$283.00	\$3,280.00	\$3,563.00
Brisbane	Nanango	1	29/11/10	3/12/10	5	12	N/A	\$283.00	\$3,280.00	\$3,563.00
Brisbane	Townsville	1	22/11/10	26/11/10	5	12	\$1,153.40	N/A	\$4,094.17	\$5,247.57
Brisbane	Townsville	1	29/11/10	29/11/10	1	3	\$950.80	N/A	\$1,827.83	\$2,778.63
Brisbane	Rockhampton	1	22/11/10	26/11/10	5	12	\$1,249.40	N/A	\$4,458.84	\$5,708.24
Brisbane	Rockhampton	1	29/11/10	3/12/10	5	12	\$1,053.40	N/A	\$4,459.78	\$5,513.18
TOTALS		87			459	2,005	\$56,748.62	\$15,102.41	\$491,015.24	\$562,866.27

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

Supplementary Budget Estimates 2011-12, 17 October 2011

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	204
Program:	1.2		
Division/Agency:	ESPD		
Topic:	HIP and FISP – Travel Costs		
Hansard Page EC:	Written		

Senator Birmingham asked:

For inspectors operating under the Home Insulation Safety Program and Foil Insulation Safety Program, please detail total travel costs paid including vehicle cost reimbursements (and details of the circumstances in which those vehicle costs were reimbursed) and car transport.

Please detail every instance where inspectors took approved flights funded under the program, including the total cost for each trip, the number of days travelling involved, dates of travel, numbers of people travelling, number of inspections undertaken whilst in each destination. For each destination, what was the level of urgency of each inspection undertaken and were there trained or accredited inspectors located at or near the inspection locations?

Answer:

The Department has contracted with service delivery providers to deliver the safety inspection programs. As a result, it does not engage on the day to day business planning for the safety inspection contractors. It is not possible to provide details of every individual case, however, summary details are provided below.

Generally, inspectors would not travel to an area where accredited inspectors were already present except to complement those teams where additional work was required.

There have been 74 occasions, totalling approximately 2,005 inspections where the Department has pre-approved travel for inspectors. This travel occurred during the period October 2010 to 1 June 2011, see detailed summary at [Attachment A](#).

The total pre-approved travel costs for inspections is approximately \$562,866 inclusive of GST. Of this, approximately \$56,749, inclusive of GST, has been for flights.

- As at 30 November 2011, there have been no inspector travel costs paid under the Department's contract with Transfield Services.

Note: The travel costs and details previously provided have now changed, this is due to the fact the Department is now able to report total actual costs for the whole of the Phase 1 Contract rather than approved cost estimates.

Additionally, approximately 14,764 completed inspections also had a travel component with an approximate cost of \$2,870,216 inclusive of GST. This travel was paid in accordance with the Taxation Determination (TD 2010/19), with no pre-approval required.

In regards to the Foil Insulation Safety Program (FISP), travel costs were a component of the total safety inspection fee because the total number and location of these households was known in advance.

The Department has pre-approved all travel costs, as per contract arrangements, where inspection teams have been required to establish and travel to a Super Region to conduct a safety inspection.

Although there were costs relating to inspector travel, which were not pre-approved, the Department scrutinises all invoices/claims prior to payment, to ensure costs are legitimate, in line with contractual arrangements and reflect the Taxation Determination (TD 2010/19).

Householder safety is the priority of the Government with all householder requests actioned by the service provider within 48 hours of receipt of the request. Locations are not a factor used by the service provider when measuring the level of urgency or when prioritising requests.

The amount of work in any area is determined by the number of targeted inspections as well as householder requests. It is not economical to train and accredit inspectors in areas of low inspection numbers. Further, given the rigorous qualification and training requirements for inspectors under the Safety Programs, the companies contracted to undertake inspections generally found it to be more cost effective to redeploy a small team rather than recruit and train a new team of suitably qualified personnel in all locations.

Travel Departure	Travel Destination	How Many (Two Person) Teams	Date From	Date To	Days	Estimate HH attended	Flights Amount (Return)	Car Mileage \$	Other: hr rate, accom, equipment etc \$	Total Cost \$
Sydney	Broken Hill	1	27/02/11	5/03/11	6	13	\$1,197.26	N/A	\$3,349.18	\$4,546.44
Gold Coast	Melbourne	1	7/02/11	7/02/11	1	2	\$327.00	N/A	\$693.21	
Melbourne	Mildura	1	8/02/11	8/02/11	1	3	\$484.00	N/A	\$599.46	
Mildura	Broken Hill	1	8/02/11	8/02/11	1	2	N/A	\$217.00	\$849.46	
Broken Hill	Mildura	1	11/02/11	11/02/11	1	2	N/A	\$217.00	\$849.46	
Mildura	Melbourne	1	11/02/11	11/02/11	1	2	\$334.83	N/A	\$599.46	
Melbourne	Gold Coast	1	11/02/11	11/02/11	1	2	\$360.00	N/A	\$693.23	\$6,224.11
Brisbane	Cairns	1	21/02/11	26/02/11	5	27	\$819.00	N/A	\$3,783.65	\$4,602.65
Perth	Lane Cove West	1	20/03/11	25/03/11	5	24	\$630.48	N/A	\$3,049.92	\$3,680.40
Adelaide	Perth via Kalgoorlie	1	27/02/11	17/03/11	20	39	\$959.00	N/A		
Perth	Adelaide	1	17/03/11	17/03/11	1	40	\$1,618.00	N/A	\$12,157.11	\$14,734.11
Adelaide	Perth	1	27/02/11	5/03/11	6	27	\$993.00	N/A	\$2,281.64	
Perth	Adelaide	1	5/03/11	5/03/11	1	2	\$424.00	N/A	\$2,219.13	\$5,917.77
Brisbane	Cairns	1	30/01/11	30/01/11	1	1	\$367.00	N/A	\$2,238.90	
Cairns	Brisbane	1	5/02/11	5/02/11	1	1	\$270.00	N/A	\$2,238.90	
Cairns	Brisbane	1	12/02/11	12/02/11	1	13	\$165.00	N/A	\$1,801.40	\$7,081.20
Brisbane	Cairns	1	30/01/11	30/01/11	1	5	\$387.00	N/A	\$2,127.52	
Cairns	Brisbane	1	2/02/11	2/02/11	1	5	\$365.00	N/A	\$2,127.52	
Cairns	Brisbane	1	12/02/11	12/02/11	1	5	\$270.00	N/A	\$1,690.01	\$6,967.05
Brisbane	Townsville	1	31/01/11	19/02/11	20	36	\$577.00	N/A	\$9,484.16	\$10,061.16
Sydney	Melbourne		27/03/11	29/03/11	3	1	\$357.00	N/A	\$766.72	
Brisbane	Melbourne		27/03/11	27/03/11	1		\$151.00	N/A	\$891.72	
Melbourne	King Island	1	27/03/11	29/03/11	3	1	\$782.38	N/A	\$954.21	\$3,903.03
Brisbane	Rockhampton	1	7/04/11	7/04/11	1	2	\$812.00	N/A	\$1,669.59	\$2,481.59

Brisbane	Cairns	1	14/02/11	19/02/11	6	19	\$747.00	N/A	\$4,191.55	\$4,938.55
Brisbane	Mackay	1	13/02/11	19/02/11	7	31	N/A	N/A	\$5,652.59	
Brisbane	Mackay	1	13/02/11	25/02/11	13	31	\$2,411.80	N/A	\$5,569.26	\$13,633.65
Brisbane	Mackay	2	13/02/11	20/02/11	8	48	\$2,632.00	N/A	\$8,958.40	\$11,590.40
Brisbane	Townsville return	1	28/02/11	9/03/11	10	10	\$1,364.00	\$1,719.20	\$9,901.08	\$12,984.28
Brisbane	Cairns	1	28/02/11	12/03/11	13	60	\$827.40	\$172.90	\$7,879.75	\$8,880.05
Brisbane	Melbourne	4	13/02/11	4/03/11	19	249	\$3,441.75	N/A		
Brisbane	Melbourne	4	6/03/11	26/03/11	20	250	\$1,846.75	N/A	\$74,194.63	\$79,483.13
Brisbane	Melbourne	3	13/02/11	5/03/11	20	216	\$3,588.00	N/A	\$43,831.47	\$47,419.47
Sydney	Albury	2	20/12/10	23/12/10	4	29	\$991.18	N/A	\$3,543.20	\$4,534.38
Brisbane	Mackay	1	23/12/10	23/12/10	1	1	\$2,063.00	N/A	\$341.01	\$2,404.01
Adelaide	Alice Springs	1	30/01/11	5/02/11	6	14	\$800.00	N/A	\$4,127.85	\$4,927.85
Adelaide	Darwin	1	30/01/11	13/02/11	14	28	\$720.00	N/A	\$8,535.75	\$9,255.75
Adelaide	Port Lincoln	1	31/01/11	4/02/11	5	19	\$460.00	N/A	\$2,915.90	\$3,375.90
Brisbane	Proserpine	1	13/02/11	18/02/11	6	15	\$512.00	N/A	\$2,329.00	\$2,841.00
Brisbane	Melbourne	3	14/02/11	5/03/11	19	211	\$3,820.20	N/A	\$26,923.09	\$30,743.29
Brisbane	Mackay	1	27/02/11	6/03/11	8	25	\$1,032.94	\$509.11	\$4,877.25	\$6,419.30
Brisbane	Perth	1	13/03/11	19/03/11	7	22	\$1,314.94	N/A	\$5,098.29	\$6,413.23
Adelaide	Port Lincoln	1	7/03/11	9/03/11	3	6	\$590.00	N/A	\$1,754.24	\$2,344.24
Brisbane	Perth	1	13/03/11	19/03/11	7	19	\$1,104.00	N/A	\$5,136.99	\$6,240.99
Brisbane	Perth	1	13/03/11	19/03/11	7	20	\$1,104.00	N/A	\$4,210.99	\$5,314.99
Brisbane	Perth	1	12/03/11	26/03/11	15	43	\$1,002.00	N/A	\$10,228.11	\$11,230.11
Brisbane	Townsville	1	31/01/11	12/02/11	13	10	\$654.00	N/A	\$6,798.39	\$7,452.39
Tinbeerwah	Liverpool	3	11/02/11	14/02/11	4	12	N/A	\$6,636.00	\$76,092.00	\$82,728.00
Brisbane	Melbourne	2	6/03/11	25/03/11	31	71	N/A	N/A	\$21,259.68	\$21,259.68
Brisbane	Cairns	1	25/10/10	29/10/10	5	12	\$1,037.41	N/A	\$4,099.80	\$5,137.21
Brisbane	Cairns	1	2/11/10	5/11/10	4	9	\$833.90	N/A	\$4,016.58	\$4,850.48
Brisbane	Cairns	1	8/11/10	12/11/10	5	12	\$873.90	N/A	\$4,009.38	\$4,883.28
Brisbane	Cairns	1	15/11/10	19/11/10	5	12	\$693.90	N/A	\$3,995.12	\$4,689.02

Brisbane	Cairns	1	22/11/10	26/11/10	4	12	\$733.90	N/A	\$3,953.30	\$4,687.20
Brisbane	Cairns	1	29/11/10	3/12/10	4	12	\$693.90	N/A	\$3,803.63	\$4,497.53
Brisbane	Maryborough/ Hervey Bay	1	2/11/10	5/11/10	3	9	N/A	\$403.20	\$3,068.00	\$3,471.20
Brisbane	Maryborough/ Hervey Bay	1	8/11/10	12/11/10	4	12	N/A	\$403.20	\$3,238.00	\$3,641.20
Brisbane	Maryborough/ Hervey Bay	1	15/11/10	19/11/10	4	12	N/A	\$403.20	\$3,224.00	\$3,627.20
Brisbane	Maryborough/ Hervey Bay	1	22/11/10	26/11/10	4	12	N/A	\$403.20	\$3,224.00	\$3,627.20
Brisbane	Maryborough/ Hervey Bay	1	29/11/10	3/12/10	4	12	N/A	\$403.20	\$3,227.50	\$3,630.70
Brisbane	Bundaberg	1	25/10/10	29/10/10	4	12	N/A	\$508.20	\$3,196.00	\$3,704.20
Brisbane	Bundaberg	1	2/11/10	5/11/10	3	9	N/A	\$508.20	\$3,196.00	\$3,704.20
Brisbane	Bundaberg	1	8/11/10	13/11/10	5	15	N/A	\$508.20	\$3,526.00	\$4,034.20
Brisbane	Bundaberg	1	15/11/10	20/11/10	5	15	N/A	\$508.20	\$3,525.00	\$4,033.20
Brisbane	Bundaberg	1	22/11/10	27/11/10	5	15	N/A	\$508.20	\$3,565.00	\$4,073.20
Brisbane	Bundaberg	1	29/11/10	3/12/10	5	12	N/A	\$508.20	\$3,196.00	\$3,704.20
Brisbane	Mackay	1	22/11/10	26/11/10	5	12	\$1,013.90	N/A	\$4,003.14	\$5,017.04
Brisbane	Mackay	1	29/11/10	3/12/10	5	12	\$783.90	N/A	\$4,082.14	\$4,866.04
Brisbane	Nanango	1	22/11/10	26/11/10	5	12	N/A	\$283.00	\$3,280.00	\$3,563.00
Brisbane	Nanango	1	29/11/10	3/12/10	5	12	N/A	\$283.00	\$3,280.00	\$3,563.00
Brisbane	Townsville	1	22/11/10	26/11/10	5	12	\$1,153.40	N/A	\$4,094.17	\$5,247.57
Brisbane	Townsville	1	29/11/10	29/11/10	1	3	\$950.80	N/A	\$1,827.83	\$2,778.63
Brisbane	Rockhampton	1	22/11/10	26/11/10	5	12	\$1,249.40	N/A	\$4,458.84	\$5,708.24
Brisbane	Rockhampton	1	29/11/10	3/12/10	5	12	\$1,053.40	N/A	\$4,459.78	\$5,513.18
TOTALS		87			459	2005	\$56,748.62	\$15,102.41	\$491,015.24	\$562,866.27

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

Supplementary Budget Estimates 2011-12, 17 October 2011

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	205
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Funds for CDDA Claims		
Hansard Page EC:	Written		

Senator Birmingham asked:

Are funds set aside this financial year for potentially successful claims related to the Home Insulation or Green Loans programs under the Scheme for Compensation for Detriment caused by Defective Administration (CDDA Scheme)?

Answer:

The Department has not set aside any specific amount of funding for payment of successful claims under the CDDA Scheme. Payments for any successful claims are expected to be made from the Department's existing departmental funding allocation.

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

Supplementary Budget Estimates 2011-12, 17 October 2011

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	206
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Green Loans Program – CDDA Claims		
Hansard Page EC:	Written		

Senator Birmingham asked:

Have all CDDA Scheme claims relating to the Green Loans Program been finalised? If yes, when? If no, when are they expected to be finalised?

Answer:

No. The Department finalised one CDDA claim relating to the Green Loans Program in November 2011. There are another 56 CDDA claims relating to the Green Loans Program. It is expected that those remaining 56 claims will be finalised in the coming months. The Department is awaiting information from claimants for those claims. The claims will be put forward for decision once that information is received.

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

Supplementary Budget Estimates 2011-12, 17 October 2011

Answers to Questions on Notice

Climate Change and Energy Efficiency Portfolio

Outcome:	1	Question No:	207
Program:	1.2		
Division/Agency:	ESPD		
Topic:	Outstanding Claims under the Green Loans Program		
Hansard Page EC:	Written		

Senator Birmingham asked:

Have all claims relating to the Green Loans Program been finalised? If yes, when? If no, when are they expected to be finalised?

Answer:

No. A small number of invoices have not been paid pending the outcomes of compliance reviews. The finalisation of compliance action is expected by 30 June 2012.