

**Senate Standing Committee on Environment, Communications and the Arts**

Answers to questions on notice

**Environment, Water, Heritage and the Arts portfolio**

Additional Estimates, February 2009

<b>Outcome:</b>	1	<b>Question No:</b>	217
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Green Loans Assessments		
<b>Hansard Page ECITA:</b>	41 (24/2/09)		

**Senator Birmingham asked:**

**Senator BIRMINGHAM**—How many assessments do you expect to be undertaken this financial year? Have you revised any of your estimates at this stage?

**Mr Keefe**—We anticipated 9,000 green loans to be issued this year. That would be based on a number of assessments larger than that, but I have to take on notice the exact number of assessments that would lead to that.

**Answer:**

The Department is anticipating up to 16,200 home sustainability assessments in the 2008/09 financial year.

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<b>Outcome:</b>	1	<b>Question No:</b>	218
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Green Loans – Energy Efficiency Homes Package – ref QoN 55 SBE		
<b>Hansard Page ECITA:</b>	43 (24/2/09)		

### Senator Birmingham asked:

**Senator BIRMINGHAM**—In regard to the estimates of the environmental benefits as well as, indeed, the take-up of this program—and I think we asked some questions about statements on your website last time about the potential savings of 600,000 tonnes of CO<sub>2</sub> equivalent per annum as a result of the program, and you kindly provided some breakdowns to that in Question on Notice No. 55 from our last time together—and that the range of actions considered in your abatement calculations are some 120,000 homes for ceiling insulation, some 40,000 homes for wall insulation and some 100,000 homes for solar and other high-performance hotwater systems, given the sudden surge of money for nothing for insulation and hot-water service installation and so on, do we still expect people to be taking out green loans to undertake those actions?

**Mr Carter**—Clearly, for the actions that are now covered in the Energy Efficient Homes package we would expect them not to be taken up via the loan mechanism, and we would need to recast some of the estimates around green loans on what may be taken up in them.

**Senator BIRMINGHAM**—... You have not made any re-estimates either as to the take-up rate of the Green Loans program or the environmental benefits it is likely to deliver?

**Mr Carter**—We have not recast those calculations yet. We are happy to take that on notice and to undertake that work.

### Answer/s:

After taking into account changes in subsidies for insulation, hot water and photovoltaic systems, the Australian Government is estimating the additional greenhouse gas emission abatement impact of the program to be 500,000 tonnes per year by the conclusion of the five year program, with an impact of over 11.6 million tonnes over the effective life of the expected actions taken by the households.

The range of actions taken by households under the Green Loans Program will vary according to the individual household and house circumstance. Abatement calculations are based on a conservative impact estimate for each action expected to be undertaken by the many thousands of households engaged by the assessment process and availability of subsidised loans during the life of the program.

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<b>Outcome:</b>	1	<b>Question No:</b>	219
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Green Loans – Assessors Remuneration		
<b>Hansard Page ECITA:</b>	45 (24/2/09)		

### Senator Birmingham asked:

**Senator BIRMINGHAM**—How much do assessors get paid? It is per assessment, I assume.

**Mr Keeffe**—I will have to take that on notice, I am sorry, Senator.

**Senator BIRMINGHAM**—I would appreciate it if you could do that and if you could, perhaps, also take on notice this question: in terms of the breakdown of the costs that are budgeted for this program, how much is spent in administration, how much is spent on the assessors and what sorts of fees in addition to the subsidisation of interest are paid to the financial institutions? Those types of details—not all of which, obviously, are currently available—would be appreciated. Thank you.

### Answers:

Assessors are paid per assessment according to the complexity of the task and the distance travelled to conduct the assessment. The full fee structure is published on the Department's website at <http://www.environment.gov.au/greenloans/assessors/fee-schedule.html>.

The basic fee is \$150 (not including GST) for an assessment, with additional fees applicable if the assessment is more complex and the assessor is required to travel unusually long distances (ie to rural locations).

A summary of expected program costs are:

<i>Activity</i>	<i>Expected cost \$m</i>
Staff	5.2
Program development and administration	6.4
Audience research, engagement and booking service	6.9
Assessor training and development	2.1
Assessment services and systems	87.0
Loan support	190.0
Monitoring and audit	2.4

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<b>Outcome:</b>	1	<b>Question No:</b>	220
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Solar Hot Water – trained installers		
<b>Hansard Page ECA:</b>	45 (24/2/09)		

### Senator Milne asked:

**Senator MILNE**—I just wanted to follow up on the issue of capacity. Of course, I welcome the retrofit of homes across Australia with ceiling insulation and solar hot water. However, my concern goes particularly to solar hot water and the capacity in certain parts of Australia for trained people—plumbers—with the skills to install...So I just wondered what analysis you had done or what you are doing to make sure that there is the capacity to have this program delivered in as timely a manner as possible.

...

**Senator Wong**—Actually, it is quite a valid point, Senator. I do not know where Mr Keefe and Mr Carter have got to with the Deputy Prime Minister's department, but certainly that aspect of trying to ensure that some of the skills programs support the programs which have been announced in other aspects of government in this space has been something that has been discussed. I do not have details, obviously. That department is not here today. However, we will see if we can provide any further information on that.

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**Senator MILNE**—...Is there any mechanism to transfer skills with training, given we have the financial crisis and a lot of people losing their jobs and also given the urgency because of the delivery of the infrastructure package? Are we capable of delivering to maximise the benefits of energy efficiency in the time frame and what can we do to accelerate that focus on training and getting people losing their jobs into this kind of employment?

**Senator Wong**—...I do not have all the detail of what the Deputy Prime Minister is doing. As I said, to you, I am happy to try to provide further information or to arrange for them to have a discussion with you, if you wish.

### Answers:

The Australian Government is working closely with the solar hot water industry to ensure the program is delivered efficiently and effectively. Most industry members have commenced the expansion of their manufacturing, distribution and installation networks. The Rheem group and Dux, whose combined brands hold around 85% market share, have indicated they are targeting recruitment at unskilled and/or semi-skilled individuals, particularly those who may be displaced with the downturn in the mining and manufacturing industries.

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The Australian Government is funding the Master Plumbers and Mechanical Services Association's "Green Plumbers" initiative to establish a pilot National Technical Training Program, specific to solar hot water systems, that is expected to train over 500 plumbers nationally in installing solar water heaters as well as develop a solar hot water installation handbook. This pilot is intended to guide the development of a larger training program in 2009-10.

The Department has also produced a Plumber's Guide to assist plumbers in understanding the process and requirements of the rebate application process.

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<b>Outcome:</b>	1	<b>Question No:</b>	221
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Energy efficiency - training		
<b>Hansard Page ECA:</b>	46 (24/2/09)		

### Senator Milne asked:

**Senator MILNE**—I would just follow that up by saying that now that we have managed to secure an increased commitment to reaching a six-star rating on residential buildings as soon as possible across the country, and no later than May next year, and also a commitment to energy-efficient design and energy efficient features in the infrastructure package for schools, there is a huge, I would suspect, skills gap there and even a capacity gap in providing that kind of expertise quickly to the design of those schools to state governments and also housing authorities and so on. Is there any discussion going on with DEWHA about making the courses for energy auditors and courses in environmental design and implementation of six-star rating and so on permanent parts of TAFE training across the country rather than just auditor training for this particular package?

**Mr Oxley**—The framework under which training is currently developed and undertaken is quite complex in relation to a broad range of areas of energy efficiency training activities. The National Framework for Energy Efficiency, which is auspiced by the Ministerial Council on Energy, has a particular stream which is all about professional and trades training and accreditation, and under that stream work is being undertaken continuously on a whole range of identified areas where we need to improve the availability of skills in the workforce. I would have to take on notice the sort of activity being undertaken and would be happy to provide you with further information.

### Answers:

The Government, in cooperation with the building design and construction industry produced the *Your Home* suite of publications to provide information about how to improve the environmental performance of Australian housing. The *Your Home* suite includes a website [www.yourhome.gov.au](http://www.yourhome.gov.au), a technical manual and guides for home purchasers and renovators. Material from the *Your Home* Technical Manual has been made freely available for incorporation into trade and professional training courses, in particular the Housing Industry Association's Greensmart training program and the Master Builders Association's Green Living training program.

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The National Framework for Energy Efficiency (NFEE), which is auspiced by the Ministerial Council on Energy includes a trade and professional training and accreditation component. This addresses the needs for key trades and professions to be equipped with the skills to deliver efficiency outcomes to reduce the risks for investors in energy efficiency projects, while assisting trades and professions to recognise and promote the new market opportunities associated with energy efficiency.

Given the increasing interest in energy efficiency in recent years, the NFEE Trade and Professional Training and Accreditation Working Group is pursuing the incorporation of energy efficiency into formal qualification training curriculum and ongoing professional development courses. The Working Group recently commissioned a study by Swinburne University of Technology to:

- identify the Australian trades and professions that have an impact on energy efficiency;
- conduct an audit of current trade and professional training and accreditation programs for energy efficiency in Australia;
- summarise international research into energy efficiency training and accreditation programs for trades and professions, identifying the enablers and barriers related to the uptake and impact on energy efficiency;
- Identify emerging trades and professions to meet new markets, such as the Carbon Pollution Reduction Scheme.

The Built Environment Industry Innovation Council established by the Minister for Innovation, Industry, Science and Research is also developing advice to the Minister on innovation challenges for the industry, including workforce capability and skills needs. It has agreed to undertake as a first priority a review of the workforce capability and skills needs in the residential retrofitting market.

COAG at its February 2009 meeting agreed to examine and resolve at the next COAG meeting a number of measures to further improve the energy efficiency of residential and commercial buildings across Australia, including an increase in the energy efficiency requirements for new residential buildings to six stars, or equivalent, nationally by 2010. It is recognised that sufficient building industry capacity will need to be developed to smooth the transition to the new standards. Once COAG has resolved this proposal, work will commence in partnership with States and Territories on developing appropriate capacity building mechanisms.

COAG also agreed to develop a National Strategy for Energy Efficiency to accelerate energy efficiency efforts across all governments and to help households and businesses prepare for the introduction of the Government's Carbon Pollution Reduction Scheme. The Strategy is due to be considered by COAG in the middle of this year and is expected to consider industry capacity to undertake energy efficiency building works, including skills training.

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In December 2008, the Government announced an injection of \$500 million into public skills and training infrastructure under the Teaching and Learning Capital Fund for Vocational Education and Training (VET). Under the \$200 million Training Infrastructure Investment for Tomorrow element of the fund, TAFE institutes and consortia can apply for competitive grants of up to \$10 million to adjust to the emerging training needs of the local economies in which they operate, and boost the visibility and capacity of the training system to address industry's emerging green skills requirements such as in the building and construction sectors.

The Government is also working with jurisdictions under the auspices of the Ministerial Council for Vocational and Technical Education to develop a National VET Sector Sustainability Policy and Action Plan which will provide the key measures by which the VET sector can contribute to the Government's climate change agenda. The Plan is scheduled for completion in May 2009.



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<b>Outcome:</b>	1	<b>Question No:</b>	222
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Stimulus Package – Insulation Manufacturers		
<b>Hansard Page ECA:</b>	48 (24/2/09)		

### Senator Troeth asked:

**Senator TROETH**—Was any modelling or research done prior to the announcement of the stimulus package to ensure that Australian manufacturers could meet this need?

**Mr Keeffe**—I am not aware of any information, but I will check for you and get back to you on notice.

**Senator TROETH**—Yes, if you could. It would be helpful if you could advise whether that was done in the department or elsewhere.

### Answers:

The Department of the Prime Minister and Cabinet (PM&C) was the coordinating agency for the Energy Efficient Homes policy and DEWHA provided information to PM&C in the development phase. DEWHA did not undertake any specific modelling on manufacturing capacity. DEWHA did provide advice gathered from industry in consultations conducted across a broad range of industries in August and September 2008 on household energy efficiency. DEWHA also provided key industry contacts information as well as documents that highlight opportunities for energy efficiency through insulation, including information about manufacturing capacity, such as the ‘Submission to the Victorian Energy Efficiency Target Scheme’ by the Insulation Council of Australia and New Zealand.

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<b>Outcome:</b>	1	<b>Question No:</b>	223
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Low Emissions Plan for Renters		
<b>Hansard Page ECA:</b>	50 (24/2/09)		

### Senator Birmingham asked:

**Senator BIRMINGHAM**—How many grants under the original Low Emissions Plan for Renters program were you expecting to hand out this financial year?

**Mr Keeffe**—We will have to take that on notice.

**Senator BIRMINGHAM**—What are the targets now for this financial year under the revised program?

**Mr Carter**—... We can take on notice any estimates that we might have made of uptake of that between now and that launch.

### Answers:

The original Low Emissions Plan for Renters target for rebates in 2008-09 was 21,000 at \$500 per rebate (\$10.5 million). The original program has been overtaken by the Low Emission Assistance Plan for Renters (LEAPR) as part of the new Nation Building and Jobs Plan. LEAPR is open for applications and reimbursement application forms have begun to flow into the Department. The number of rebates targeted for 2008-09 is 10,500 at \$1000, utilising the \$10.5 million funding allocation.

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<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Low Emissions Plan for Renters - Installers		
<b>Hansard Page ECA:</b>	51 (24/2/09)		

**Senator Birmingham asked:**

**Senator BIRMINGHAM**—Do you have an estimate as to how many installers will be required?

**Mr Keefe**—I could take that on notice. That is the sort of thing we are talking to industry about.

**Answers:**

This package is expected to create a large number of jobs in the insulation installation industry in order to reach 2.9 million households in two and a half years. Industry estimates several thousand new jobs will result from this Energy Efficient Homes package, most of which will be community based downstream of manufacture. The Government is working with industry to monitor installer numbers required to deliver the program.

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<b>Outcome:</b>	1	<b>Question No:</b>	225
<b>Output:</b>	1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	National Solar Schools Program		
<b>Hansard Page ECA:</b>	53 (24/2/09)		

**Senator Birmingham asked:**

**Senator BIRMINGHAM**—I am advised that on 23 February the South Australian education department website stated that the department had advised that individual schools should not proceed with individual claims for funding. The New South Wales education department says that it has contacted government schools and encouraged them to defer preparing or submitting any individual claims. If you have state education departments holding up the process there is a concern about schools being able to proceed.

**Mr Young**—We are working very closely with the relevant jurisdictions. I know the minister is taking a keen interest in ensuring that any arrangements that states undertake do not impede the effective rollout of the program.

**Senator BIRMINGHAM**—You are aware of these concerns and representations have been made at a departmental level to try to overcome them?

**Mr Young**—Yes.

**Senator BIRMINGHAM**—Have representations been made at a ministerial level in this regard?

**Mr Young**—I would need to take that on notice. I am not aware of any.

**Answer:**

Yes, in appropriate cases.

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<b>Outcome:</b>	1	<b>Question No:</b>	226
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	National Solar Schools Program - Claims		
<b>Hansard Page ECA:</b>	54 (24/2/09)		

**Senator Birmingham asked:**

**Senator BIRMINGHAM**—Do you have a breakdown, of the approximately 400 claims that you have had to date, between government and non-government schools?

**Mr Young**—No, I do not, I am afraid. I would have to take that on notice.

**Answer:**

As at 11 March 2009, a total of 584 claims have been made under the Program. 328 claims or 56% are from Government schools and 256 claims or 44% are from non-government schools.

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<b>Outcome:</b>	1	<b>Question No:</b>	227
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	National Solar Schools – Renewable Energy Certificates		
<b>Hansard Page ECA:</b>	54 (24/2/09)		

**Senator Birmingham asked:**

**Senator BIRMINGHAM**—Again, it has been put to me that the New South Wales government has indicated that if schools purchase under the government’s program the department will keep the Renewable Energy Certificates—which, obviously, is a nice little income earner for state education departments in that sense.

**Mr Young**—That is one of the issues that we are addressing as we negotiate with the New South Wales government.

**Senator BIRMINGHAM**—Is that an issue with other state governments as well?

**Mr Young**—I will take that one on notice if I may.

**Answer:**

No, funding to schools under the program is conditional such that the value of Renewable Energy Certificates is used for energy efficiency benefits within schools.

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<b>Outcome:</b>	1	<b>Question No:</b>	228
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	National Solar Schools Program		
<b>Hansard Page ECA:</b>	54 (24/2/09)		

### Senator Birmingham asked:

**Senator BIRMINGHAM**—Mr Carter, of the 100 schools that you did analyse, did you have any breakdown between government and non-government?

**Mr Carter**—No, I do not have that number. We would have to take that on notice.

**Senator BIRMINGHAM**—Can you give us any indication today as to whether there is an endemic problem in take-up in the government school sector that seems to be being held up by state education departments?

**Mr Carter**—We will take on notice what that split is.

### Answer/s:

As at 11 March 2009, a total of 584 claims have been made under the Program. 328 claims or 56% are from Government schools and 256 claims or 44% are from non-government schools. Claims for 109 government and non-government schools were analysed. The breakdown of approved measures between these schools is presented in the table below.

Approved Measures	Proportion of schools installing		Proportion of all schools selecting measure
	Government	Non-Government	
Solar Power	40.00%	51.67%	91.67%
Other Renewable Power	1.33%	0.83%	2.16%
Solar Hot Water	2.67%	9.17%	11.84%
Rainwater Tanks	11.43%	15.83%	27.26%
Other Energy Efficiency	9.33%	22.50%	31.83%

The Department is working with state and territory government education agencies to deliver the program in a cooperative and phased manner over its seven year span. The uptake by some schools in some jurisdictions may not be as immediate pending completion of these arrangements. However, schools overall will benefit by obtaining better value for money, maximising education outcomes and streamlining administration.

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<b>Outcome:</b>	1	<b>Question No:</b>	229
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Impact of native vegetation clearance and climate change action		
<b>Hansard Page ECA:</b>	55 (24/2/09)		

**Senator Bob Brown asked:**

**Senator BOB BROWN**—Can you tell me, on behalf of Minister Garrett, why the minister for the environment does not know what the impact of native vegetation clearance is on climate change in Australia?

**Senator Wong**—I am not sure that I would agree with your assertion that he does not know.

...

**Senator BOB BROWN**—Chair, the question is to do with climate change action and the minister for the environment's ability to act on the basis of information. I will not pursue it.

**Senator Wong**—I can take it on notice. That is reasonable.

**Answer:**

Minister Garrett utilises information on climate change as required when considering the most appropriate action in the form of Government policies and programs within his responsibilities. The role of native vegetation clearance in Australia's carbon emissions is considered within the National Carbon Accounting System administered by the Department of Climate Change.



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<b>Outcome:</b>	1	<b>Question No:</b>	230
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Renewable Energy Certificates		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senator Birmingham/Johnston asked:

1. Did the Clean Energy Council write to Mr Garrett prior to the announcement of the new rebate scheme for solar panels, urging him not to use the Renewable Energy Certificates (RECs) as a basis for the rebate? If so, can the Department please elaborate on his concerns? Why was his advice ignored? Please provide a copy of the letter.
2. Solar installers expressed concern that they will have to pay the home owner the thousands of dollars up front for the RECs. Is that true? What happens if the value of the RECs falls before they sell them?

### Answer/s:

1. The policy issue is a matter for the Department of Climate Change. It is not appropriate for the Minister to provide copies of letters from third parties on policy matters.
2. The design of the Solar Credits scheme under the Renewable Energy Target will not require solar installers to pay homeowners up front for the RECs. In line with the current procedures for creating and claiming RECs, the consumer may claim RECs themselves or installers can provide discounts off the total system cost if the consumer assigns their rights to the RECs.

As with any market transaction, supply and demand will determine the final price of RECs. The risk of the RECs price increasing or decreasing between assignment and selling is a business factor for consideration by the installer, similar to other economic decisions that they face with supply and demand of components.

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<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Solar Homes and Communities Plan		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senators Birmingham and Johnston asked:

In relation to the comparative benefits of the old rebate system under the Coalition and the proposed new Government system:

1. How much will a person living in Melbourne who installs a one kilowatt solar system actually receive in the hand as payment by an average solar installer or retailer?
2. Is it technically possible that a person in Melbourne buying a one kW system could be \$4500-\$5000 worse off than under the previous Coalition rebate system which provided an \$8000 rebate to all?
3. How does this compare with the modelling by Colin Gillam, of Melbourne company Solar Sunwerx, who found that consumers could end up with almost \$5000 worth of extra costs than under the current scheme, depending on where they live and the size of the system installed?
  - In a 29 January report in *The Australian* newspaper, Mr Gillam found that people installing solar systems in Melbourne could be up to \$4600 worse off, while those in other state capitals could find themselves out of pocket by up to \$4000.
  - Could these figures be correct? If not, please provide the modelling supporting any dispute of the figures?
4. Please provide modelling which shows exactly what rebate home owners would receive as a rebate under the new scheme, for each capital city, and for solar units of 1.0, 1.5, 2.0, 2.5 and 3kW.

### Answers:

1. A one kilowatt solar system installed in Melbourne will be able to earn in the order of 85 Renewable Energy Certificates (RECs) under the proposed Solar Credits scheme. As applies under the current Mandatory Renewable Energy Target (MRET) scheme, the total benefit of the RECs will vary depending on the commercial arrangements between the consumer and the supplier and the current price of RECs.
- 2-4. The Department of Climate Change has responsibility for these issues and has advised that these questions have been provided to it directly.

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<b>Outcome:</b>	1	<b>Question No:</b>	232
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	National Solar Schools Program		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senators Birmingham and Johnston asked:

On 11 February 2009, *The Age* newspaper reported that not a single solar panel had been installed in any schools around Australia, despite the program having been announced in last year's budget. Despite the article quoting the Department as saying no schools had received solar panels, Departmental officials told Senate Estimates the figure was now 20.

1. Why did this number change?
2. Which figure is right?
3. When were the solar panels identified in Estimates actually fitted on the Schools?
4. Which schools were they? In what federal electorates are these schools located?  
Please provide a table with details.
5. What size solar panel units were they?
6. What was the cost of the individual units? What rebate was paid? When?
7. What is the average processing time for these rebates?
8. Please outline, by month for calendar year 2008, the average value of these rebates and the average size of system installed.

### Answers:

1-2. The figures provided on both occasions reflected the latest advice available to the department regarding confirmed installations.

3. This confirmation is not yet available. Project acquittal details, including the date of installation of solar power systems, is required from each school as part of its final report to the department on its grant funding. No final reports are due, or have been received, from schools at this time.

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<b>School</b>	<b>Electorate</b>	<b>Capacity</b>	<b>Date grant paid</b>	<b>Grant amt. (\$)</b>
Annandale State School	Herbert	2kw	5/1/09	20,000
Charleville State School	Maranoa	2kw	5/1/09	20,000
Coomababah State High	Fadden	2kw	5/1/09	20,000
Dutton Park State School	Griffith	2kw	5/1/09	20,000
Edge Hill State School	Leichhardt	2kw	5/1/09	20,000
Frenchville State School	Capricornia	2kw	5/1/09	20,000
Eimeo Road State School	Dawson	2kw	5/1/09	20,000
Albany Primary School	Dickson	3.96kw	8/12/08	30,120
St Jude's Primary School	Dunkley	4.008kw	27/1/09	22,266
St Macartan's Primary School	Dunkley	5.44kw	8/12/08	34,909
Australian Technical College, Northern Tasmania Ltd	Bass	3.06kw	3/12/08	31,355
Bunyip Primary School	McMillan	5.01kw	8/12/08	44,568
Kimberley Park State School	Rankin	2kw	5/1/09	20,000
Mount Isa Central State School	Kennedy	2kw	5/1/09	20,000
Gumdale State School	Bonner	2kw	5/1/09	20,000
Mudgeeraba Special State School	McPherson	2kw	5/1/09	20,000
Pialba State School	Hinkler	2kw	5/1/09	20,000
Bribie Island State High School	Longman	2kw	5/1/09	20,000
St Dominic Savio School	Barton	3.4kw	27/1/09	39,646
St Francis of Assisi Primary School	Canberra	4.95kw	21/1/09	54,909

7. This information is not available because some of the schools were funded through a single funding agreement and processing time for individual applications depends on the completeness and accuracy of information provided by schools in their funding claim. Assuming a school's claim correctly includes all the necessary information, the assessment period is expected to be no more than six to eight weeks.

8. In 2008 a total of 4 claims were paid. All were in December. The average grant was \$27,708 and the average size of the solar power system was 4.37kW.

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## Environment, Water, Heritage and the Arts portfolio

Additional Estimates, February 2009

<b>Outcome:</b>	1	<b>Question No:</b>	233
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Solar Homes and Communities Plan		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senators Birmingham and Johnston asked:

1. Some solar suppliers advise that it can take up to half a year for the solar panel rebate to be paid – is this true?
2. How many staff are working on applications for the solar rebate?
3. What, if anything, is being done to alleviate this backlog?
4. How many people are waiting for their solar rebate?
5. How many people have given up and not proceeded with their application out of frustration at the delay?

### Answer/s:

1. Fully and correctly completed applications that are deemed eligible for payment are currently taking up to eight weeks to process.

Applications that are deemed incomplete may take longer to process while the Department follows up with either the applicant or installer to provide outstanding information required to complete the assessment and process any rebate eligible.

2. As at 16 March 2009 38 staff are employed.
3. The Department is working towards alleviating the backlog by employing additional staff, up from 26 in October 2008 to 38 employed in March 2009. Additionally, within the responsible area, additional resources have been allocated to payments.
4. As at 16 March 2009 there are approximately 4700 applications to be assessed and processed for payment.
5. No applicants have indicated this as a reason for withdrawal.

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## Environment, Water, Heritage and the Arts portfolio

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<b>Outcome:</b>	1	<b>Question No:</b>	234
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Insulation Rebates		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senators Birmingham and Johnston asked:

According to analysis carried out by Citigroup, quoted in the *Australian Financial Review* on 6 February, "To implement the Rudd plan, vast imports may have to be ordered." Citigroup's Julian Bu also warned that CSR, one of the major insulation manufacturers in Australia, would see its insulation market "permanently depleted within three years because imports would crowd out potential longer term sales."

1. What modelling/research was done prior to the announcement of the stimulus package to ensure that Australian manufacturers could meet the need for this sudden market rush? Please provide details.
2. Doesn't flooding the Australian market with imported insulation only help the jobs of overseas insulation manufacturers and not Australian jobs?
3. Did Australian insulation manufacturers warn that they would not be able to provide 100 per cent of the insulation product for this program?

### Answers:

1. The Department of the Prime Minister and Cabinet was the coordinating agency for the Energy Efficient Homes policy and DEWHA provided information to PM&C in the development phase. DEWHA did not undertake any specific modelling on manufacturing capacity.
2. No, the majority of the jobs stimulus in the Energy Efficient Homes package will occur in installation and other jobs downstream of manufacture such as call centre and distribution staff. DEWHA has conducted consultations with the full range of domestic manufacturing stakeholders since the package announcement in which they have indicated that the domestic industry is in a position to scale up to meet product demands.
3. Industry has indicated their ability to scale up to meet product demand. This demand will be determined based on the level of household response and this will need to be monitored closely to assess supply requirements. Ongoing consultation with the industry on these issues will occur.

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## Environment, Water, Heritage and the Arts portfolio

Additional Estimates, February 2009

<b>Outcome:</b>	1	<b>Question No:</b>	235
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Insulation Rebates		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senators Birmingham and Johnston asked:

1. What arrangements have been put in place to assist the insulation industry to cope with the sudden and unnatural spike in demand for insulation?
2. How will the Department avoid raising expectations that people will be able to have insulation installed in a timely manner, only for them to have to wait for possibly months and months because of a backlog?

### Answers:

1. The launch of the early installation guidelines has assisted the industry to gear up to meet expected demand. These guidelines enable households to self organise insulation installation until 30 June 2009 and have the costs reimbursed via a government rebate capped at \$1,600. This interim arrangement is allowing industry to experience immediate demand stimulation and facilitate a smoother transition to meeting the demand requirements under the full program commencing on 1 July. Data provided to DEWHA from one of the largest manufacturers demonstrates a significant jump in installations since the package and early installation guideline launch in February and as a result they have indicated that they hired an additional 100 staff.

Industry also advises that due to the economic downturn there is capacity that is available due to reduced demand for insulation from other key applications, in particular commercial and automotive applications. This capacity is available to transfer to meet the program demands.

2. Levels of demand are driven by uptake of households and the Government will be engaging households in a targeted strategy including reaching the most vulnerable groups in society. The early installation guidelines are also focused on smoothing out household demand over a longer time period and enabling households who do not want to wait for the full program commencement to receive insulation assistance.

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## Environment, Water, Heritage and the Arts portfolio

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<b>Outcome:</b>	1	<b>Question No:</b>	236
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Insulation Rebates		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senators Birmingham and Johnston asked:

1. Why are only houses without insulation covered?
2. Has consideration been given to older houses with minimal, relatively ineffective insulation?
3. What measures are in place to police people removing old insulation and then claiming they've never had it?
4. Are there any measures to prevent insulation installers from taking part in the removal of old insulation and simply filling out forms declaring there never was insulation there in the first place?
5. What penalties, if any, are being proposed for such cases?
6. What discussions were held with the insulation industry prior to the announcement of the stimulus package?
7. Did the industry advise that it could meet the entire demand for insulation?
8. What figure did it suggest it could provide?
9. If imports were forecast, from what countries would the product be sourced?
10. Did the industry express any concern about cheap imports flooding the Australian insulation market?
11. Were any other concerns identified?

### Answers:

1. Houses without insulation, or insulation with an R-value of 0.5 or less, are covered under the Homeowner Insulation Program and the Low Emission Assistance Plan for Renters. DEWHA advice is that the most significant gains in energy efficiency from insulation are made when moving uninsulated properties to some insulation against moving households with some insulation to optimal insulation. Available data indicates that there are a large number of households within Australia that are either uninsulated or where the owner did not know the insulation status. This number represents a large proportion of total Australian households.
2. Households with insulation deemed of negligible effectiveness (less than 0.5 R-value) are eligible.



- 3- 4. A compliance and quality assurance program forms part of the package to check households, installers and their work. Through the application form both the householder and the installer confirm the insulation status. A significant program of site audits will be conducted to check issues such as evidence of prior insulation.
5. Penalties for dubious work and compliance breaches may include proceeding to retrieve payments made to households or installers, make good provisions and the removal of the installer from the accredited Installer Register.
- 6-11. The Department of the Prime Minister and Cabinet (PM&C) was the coordinating agency for the Energy Efficient Homes policy and DEWHA provided information to PM&C in the development phase. DEWHA provided advice gathered from industry in consultations conducted across a broad range of industries in August and September 2008 on household energy efficiency.

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## Environment, Water, Heritage and the Arts portfolio

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<b>Outcome:</b>	1	<b>Question No:</b>	237
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Insulation Rebates		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senators Birmingham and Johnston asked:

Is it possible that installing insulation in some Australian homes might simply help to keep them hotter, rather than reduce power use? If so, why are Australians being encouraged to believe there is a one size fits all approach?

### Answers:

Ceiling insulation can provide benefits for homes in extreme climates, including hotter areas of Australia, as it helps keep a home warm in winter and cool in summer, saving on heating and cooling costs, and reducing greenhouse gas emissions in the process. Information on maximising these benefits will be provided to households through the program as part of a dedicated communications campaign. The minimum requirements under the program are guided by the climate zone approach in the Building Code of Australia which is underpinned by robust modelling, and has been agreed by all states and territories. Insulation installed under the program must be in accordance with the climate zone requirements that indicate a variable approach to installation based on different climatic and house characteristics. Eligible households are able to consider solar hot water as an alternative to insulation if they have electric storage systems.

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## Environment, Water, Heritage and the Arts portfolio

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<b>Outcome:</b>	1	<b>Question No:</b>	238
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Insulation Rebates		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senators Birmingham and Johnston asked:

1. Has the Department been contacted by Members of Parliament representing hotter areas of Australia asking for a better deal for their constituents?
2. What contact has there been with the paint industry or manufacturers of 'heat reflective coatings' in formulating this policy measure?
3. Were 'heat reflective coatings' considered as part of the Government's insulation package? If so, why have they been excluded?
4. Has the Department investigated these 'heat reflective coatings' products for the substantial role they can play in reducing energy use?

### Answers:

1. Ongoing consultations are being conducted with the broad range of key stakeholders in rolling out the programs, including via Ministerial roundtables and the Department's stakeholder engagement process. Members of the community and Members of Parliament have also provided their views by written correspondence to government Ministers. A range of views have been put forward by the broader insulation industry including on minimum thermal performance requirements for insulation under the programs. The Department's expert technical advisors and the Australian Building Codes Board have also provided input on these matters. Ceiling insulation can provide benefits for homes in extreme climates, including hotter areas of Australia, as it helps keep a home warm in winter and cool in summer. The minimum requirements under the program are guided by the climate zone approach in the Building Code of Australia which is underpinned by robust modelling and has been agreed by all states and territories. In hotter climate areas different requirements apply including a minimum downward heat flow consistent with the Building Code of Australia.
- 2-3. The Department of the Prime Minister and Cabinet (PM&C) was the coordinating agency for the Energy Efficient Homes policy and DEWHA provided information to PM&C in the development phase.

4. Installing ceiling insulation is proven to be a relatively inexpensive and cost effective way to provide year-round comfort, cutting cooling and heating bills. The Australian Government recognises that there are also many other products and strategies that can help households to improve their energy efficiency, depending on their individual circumstances and the characteristics of their home. To help guide households on additional measures they can take to improve sustainability at home, the Australian Government has developed information for households in the “Your Home Technical Manual” available via the Department’s website.

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Answers to questions on notice

**Environment, Water, Heritage and the Arts portfolio**

Additional Estimates, February 2009

<b>Outcome:</b>	1	<b>Question No:</b>	239
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Insulation Rebates		
<b>Hansard Page ECA:</b>	Written Question on Notice		

**Senators Birmingham and Johnston asked:**

1. What assurance can be given to ALL homeowners that if they install insulation as part of the package they will receive lower power bills?
2. Has the Department prepared briefings for the Minister or Minister's office on the potential benefits of 'heat reflective coatings' on buildings? If so, what advice has been given?

**Answers:**

1. A well insulated and well designed home can provide year-round comfort, cutting cooling and heating bills. Homeowners that install ceiling insulation can reduce their power bills, however, the level of energy savings are dependent on other energy uses and energy behaviours in the home.
2. No

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<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Insulation Rebates		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senators Birmingham and Johnston asked:

1. Have representations been received from the foil batt industry, such as the Aluminium Foil Insulation Association (AFIA), expressing concerns as to why their product does not qualify for the rebate under the stimulus package?
2. Why do foil batts not qualify? What were the concerns of the industry, such as AFIA? Did they express concerns about representatives of the organisation that sets the 'R' ratings for insulation? What were they told? What was the response?

### Answers:

1. Representations have been received from the foil insulation industry. Foil insulation does qualify for the insulation assistance under the Energy Efficient Homes package.
2. Households can choose from the broad variety of insulation products and installers depending on the individual needs and preferences of consumers. This includes reflective foil insulation, as long as the minimum material or system R-value, is met in accordance with the performance and safety requirements outlined in the early installation guidelines.

Ongoing consultations are being conducted with the broad range of key stakeholders in rolling out the programs, including via Ministerial roundtables and the Department's stakeholder engagement process. The Aluminium Foil Insulation Association (AFIA) has participated in these consultations. A range of views have been put forward by the broader insulation industry including AFIA, on topics such as minimum thermal performance requirements for insulation under the programs. The Department's expert technical advisors and the Australian Building Codes Board have also provided input on these matters. The minimum requirements under the program are guided by the climate zone approach in the Building Code of Australia, which is underpinned by robust modelling and has been agreed by all states and territories.

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## Environment, Water, Heritage and the Arts portfolio

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<b>Outcome:</b>	1	<b>Question No:</b>	241
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Insulation Rebates		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senators Birmingham and Johnston asked:

1. Is consideration being given to the approval of foil batts qualifying under the stimulus guidelines?
2. Has the Minister met with representatives of the foil industry sector to discuss their concerns?
3. Is it correct that foil batts qualify under the renters insulation rebate scheme? Is it correct that the renter's rebate can be used on floor and wall insulation? If so, why does the household insulation rebate scheme not provide a similar benefit?

### Answers:

1. Foil batts are eligible under the programs. Households can choose from a wide variety of insulation, including reflective foil insulation, as long as the relevant material or system R-value is met in accordance with the requirements outlined in the early installation guidelines.
2. Yes.
3. Foil batts are eligible under the programs. Both the Homeowner Insulation Program and the Low Emission Assistance Plan for Renters only include assistance for the installation of ceiling insulation.

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<b>Outcome:</b>	1	<b>Question No:</b>	242
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Solar panels		
<b>Hansard Page ECA:</b>	Written Question on Notice		

**Senators Birmingham and Johnston asked:**

Did the Department recommend that more support be provided for the uptake of solar panels in homes as part of the proposed stimulus package? If so, why were these rejected?

What other environmental measures were considered as part of the package?

**Answer:**

The Department has considered a wide range of options with regard to energy efficiency and provided advice to Government over a significant period on these options. In this particular package, the Government made the choices which are in the stimulus package.



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## Environment, Water, Heritage and the Arts portfolio

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<b>Outcome:</b>	1	<b>Question No:</b>	243
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	National Solar Schools Program		
<b>Hansard Page ECA:</b>	Written Question on Notice		

### Senator Johnston asked:

1. For the record, please confirm how many schools in Australia have received solar panels since the program was provided funding in the Budget in May 2008.
2. What has caused the delay?
3. If you can't deliver on a straightforward program like this, how do you think you'll go delivering on the similar insulation program announced as part of the stimulus package?
4. The Prime Minister said he'd be "knocking skulls together" to get such programs off the ground – but doesn't this long delay in the Solar Schools program undermine this claim?

### Answers:

1. Twenty up to 18 March 2009.
- 2-4. The Government is working with state and territory government and non-government education agencies to identify opportunities to deliver the program in a cooperative and phased manner over the seven years of the program. Due to the high demand for solar installations and the timeframes required, it was always the Government's expectation that the installation of measures funded under National Solar Schools, including solar power systems, would commence from early 2009. As indicated at the Estimates hearing, the program is on track to provide funding at the required level in 2008-09.

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**Environment, Water, Heritage and the Arts portfolio**

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<b>Outcome:</b>	1	<b>Question No:</b>	244
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	DEWHA – Stimulus Package		
<b>Hansard Page ECA:</b>	Written Question on Notice		

**Senator Birmingham asked:**

1. Does the Department have any involvement in measures announced as part of the \$42 billion budget stimulus package?
2. If so, was (and when was) the Department asked for input before the stimulus package was announced?
3. When did the Department know details about the stimulus package affecting its portfolio?

**Answers:**

1. Yes.
2. The Department was first contacted about this package on the 8 January 2009.
3. The Department was made aware that it was going forward on 28 January 2008.

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**Environment, Water, Heritage and the Arts portfolio**

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<b>Outcome:</b>	1	<b>Question No:</b>	245
<b>Output:</b>	1.1		
<b>Division/Agency:</b>	Renewables and Energy Efficiency Division		
<b>Topic:</b>	Green Loans		
<b>Hansard Page ECITA:</b>	Written Question on Notice		

**Senator Birmingham asked:**

Please detail how the estimated reductions in greenhouse gas emissions from the Green Loans program will vary as a result of increased government support for household insulation and household solar hot water systems.

**Answers:**

After taking into account changes in subsidies for insulation, hot water and photovoltaic systems, the Australian Government is estimating the additional greenhouse gas emission abatement impact of the program to be 500,000 tonnes per year by the conclusion of the five year program, with an impact of over 11.6 million tonnes over the effective life of the expected actions taken by the households.

The range of actions taken by households under the Green Loans Program will vary according to the individual household and house circumstance. Abatement calculations are based on a conservative impact estimate for each action expected to be undertaken by the many thousands of households engaged by the assessment process and availability of subsidised loans during the life of the program.