

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

Resources, Energy and Tourism Portfolio

Supplementary Budget Estimates

18 October 2012

**Question:** SR6

**Topic:** Contract for Closure - contingency reserves

**Proof Hansard Page:** 11

**Senator Milne asked:**

**Senator MILNE:** I want to ask a question in relation to contracts for closure. In previous committees it was explained that that was to be funded by a contingency reserve and that provisions had been made to fund contracts for closure. I understand why the size of that reserve was not revealed when the negotiations were taking place but, now that has collapsed, can you tell the committee how much was set aside for contracts for closure in the contingency reserve?

**Mr Clarke:** No, I feel I am not in a position to do that without consultation with Treasury and Finance for responsibility in that area. The matter is of course a matter that was part of cabinet consideration. I understand the point of the question quite clearly, but I do not feel able to respond off the bat to that without further advice. So I would need to take that on notice, I am sorry.

**Senator MILNE:** So you are not saying that you do not know; it is just that you are not in a position to say whether you are in a position to reveal it?

**Mr Clarke:** Correct. I do know the answer, of course, but I-

**Senator MILNE:** Take it on notice, please, and we will come back to that.

**Answer:**

Although negotiations for the Contract for Closure program have ceased, the amount set aside in the Contingency Reserve will not be made public. The Government undertook commercially sensitive negotiations with companies and respects the confidential nature of this process. While no agreed position was found, release of the amount set aside could be commercially sensitive for the generators involved as third parties could infer the valuations of those generators.