ENVIRONMENT AND COMMUNICATIONS LEGISLATION COMMITTEE

QUESTIONS ON NOTICE – BUDGET ESTIMATES 2021-22 – 25 MAY 2021

INDUSTRY, SCIENCE, ENERGY AND RESOURCES PORTFOLIO

QoN No.	Portfolio QoN No.	Department /Agency	Senator	Title	Question	Transcript Page
1	SQ21- 000393	Department of Industry, Science, Energy and Resources	Jenny McAllister	Kurri Kurri - Budget Figures	Senator McALLISTER: Thanks, everybody. I wanted to start by just asking some process questions about the \$600 million that has been recently announced as funding for a new power plant at Kurri Kurri. These are essentially questions, in the first instance, about how this is represented in the budget. Ms Parry: Sorry, I think Mr Hanlon is going to start off. Senator McALLISTER: So Mr Hanlon's our go-to person on the finances of all of this. Thanks, Mr Hanlon. Can you confirm that this \$600 million was in the budget as a decision taken but not yet announced, and, if not, where can I identify this expenditure in the budget? Mr Hanlon: Sorry, I'll just organise my paperwork. If you'll give me a moment, please. Mr Sullivan: We'll have to, basically, get that and get back to you as soon as possible, as to where that is inside the budget papers. Senator McALLISTER: You are kidding me. Mr Fredericks: I think I can confirm that it was a decision taken but not yet announced. Mr Sullivan: Yes.	4
2	SQ21- 000302	Department of Industry, Science, Energy and Resources	Jenny McAllister	Kurri Kurri Cabinet Decisions	Senator McALLISTER: I had asked Mr Sullivan who made the decision and when, in terms of the government decision to take equity in the project. Mr Fredericks: Obviously, that's a decision that has been made in the budget context and made by cabinet. Senator McALLISTER: Is there a date when this matter was considered by cabinet? Mr Fredericks: I'd have to take that on notice.	5
3	SQ21- 000303	Department of Industry, Science, Energy and Resources	Jenny McAllister	Snowy Hydro Decisions Communications	Senator McALLISTER: How has that decision been communicated to Snowy? Mr Sullivan: We have regular shareholder meetings with the Snowy executive. The most recent of those—I think, Ms Parry?—was last week. Ms Parry: Yes, it was. I'll have to take on notice exactly when but, as Mr Sullivan said, we meet with Snowy very regularly. The decision, again, was communicated back to Snowy Hydro. It would have likely gone via letter from the shareholder ministers, but I can take that on notice.	6

4	SQ21-	Department	Larissa	Kurri Kurri	Senator McALLISTER: Can anyone confirm whether or not Snowy has been formally advised that they've been gifted \$600 million by the government? Mr Sullivan: I wouldn't say gifted. There's an equity investment in a particular project. Senator McALLISTER: I'm trying to understand whether Snowy Hydro has been formally advised of the decision by government and the terms on which this money is to be provided. Ms Parry: We'll take that on notice— Senator McALLISTER: Honestly. Ms Parry: as to the nature of the advice and when that advice was given. Senator McALLISTER: So there was a decision to provide \$600 million but you can't tell me, at estimates, whether or not the entity that's in receipt of this money has been advised or how. Mr Fredericks: I think, to be fair, the reason the officers are hedging is of course they've been advised. It was a decision of the board, independently taken, that sought this funding. The announcement has been made. Our officials have already met with Snowy Hydro to start the discussions about how the funding will be provided. I think it was the reference to whether they've been formally advised—I think if your question is, 'Have they been formally advised?' I would like to take on notice the specifics by which they were formally advised, but you should be under no doubt that they have been advised and that work is starting. Senator McALLISTER: May I ask that the correspondence between the shareholder ministers and Snowy Hydro, in relation to this announcement, be tabled? Mr Fredericks: We'll take that on notice. I take it on notice because I did say earlier that this was a decision taken in the context of the budget, so we'll need to understand whether we're able to provide it to you subject to cabinet-in-confidence. Senator McALLISTER: I struggle to see how a letter between a publicly owned entity and government, after a public announcement, could possibly be cabinet-in-confidence. Mr Fredericks: Yes, that's fair, you could be right, and I'd like to take it on notice. Senator W	8
4	000304	of Industry, Science, Energy and Resources	Waters	Probity Process	written-down document that you could provide to the committee? Mr Sullivan: Can I take that on notice? It came from the AGS. I think so, but it's whether it has legal privilege. But I'll take that on notice and see if we can. Senator WATERS: If you could provide that, that would be great. I'd also be interested in whether it's had any updates since its initial usage in the approval phase to now—the	0

					possible market manipulation context. Mr Sullivan: Yes.	
5	SQ21- 000305	Department of Industry, Science, Energy and Resources	Larissa Waters	ARENA Regulations - legal fund	Senator WATERS: Is there an estimate of how much it would cost the department to defend the case if it did go to court? Ms Evans: No, we haven't made an estimate of that because we're very confident that the regulation is quite proper. Senator WATERS: Do you have a legal fund that's a standing item on the department's books? Ms Evans: I can't answer that question. Mr Fredericks: We'll take that on notice for you.	9
6	SQ21- 000306	Department of Industry, Science, Energy and Resources	Larissa Waters	Security Rule Change	Senator WATERS: You just mentioned that a security system rule change is currently under consideration. Is that what you said there? Ms Parry: The AEMC is progressing reforms and I can go through them, through its rule-change process in parallel. They are looking at fast frequency response and primary frequency response. They are looking at rule-change request for operating reserves, network service providers, structured procurement provision of system strength—that's a TransGrid rule request—and developing operational scheduling mechanisms for system strength and inertia, including the progression of the unit commitment for security and consideration of the synchronous service markets. Again, they are quite technical rule requests that are being progressed in parallel around system security. Mr Sullivan: In parallel but also being informed by the ESB's consultation processes. Senator WATERS: They are not being consulted on themselves; they'll piggyback off— Ms Parry: The rule-change requests do have to go through a consultation period as well. Senator WATERS: Have this lot done that yet? Ms Parry: I would have to check on the status of each one of those, but it depends on where in the process each one of them is. I'm happy to come back to you and check on the status of each of those. Senator WATERS: If you could tell me as much as possible about that series of possible changes that would be great.	10
7	SQ21- 000307	Department of Industry, Science, Energy and Resources	Jenny McAllister	Liddell Taskforce Report - 1000 Megawatt Target	Senator McALLISTER: They certainly can. We've talked here before about the 1,000 megawatt figure that's been used by the minister. Just recently Mr Taylor was asked by a journalist: you've repeatedly said 1,000 megawatts is what's needed. Can you tease out for me exactly how you come to that figure? And Mr Taylor said: We've made it very clear. We did work with the New South Wales Government with modelling that showed this.	12 & 17

					What is he referring to? Mr Sullivan: The Liddell Taskforce is the work he's referring to, done jointly between New South Wales officials and ourselves. That provided advice to both governments with respect to the impact of the closure of Liddell. There was modelling undertaken for that with respect to not only the gap in the reliability and the interim reliability standards but also the price implications of that. The modelling that the minister is referring to was modelling that underpinned the advice to both governments with respect to the Liddell Taskforce. Senator McALLISTER: Does the Liddell Taskforce report speak of a 1,000 megawatt target? Mr Sullivan: I don't think the Liddell Taskforce report provided that range, but— Senator McALLISTER: So when Mr Taylor—this is my very specific question. Mr Sullivan: Sorry, let me finish that. Let me take that on notice to see whether there was any range provided with respect to the modelling. From memory there was a range, but I'll take on notice what the detail was in that report versus the decision that was then taken by the Commonwealth with respect to what the target would be for dispatchable generation by the end of April. [p.17] Senator McALLISTER: I am looking forward to you pointing me to this thousand-megawatt figure in the Liddell Taskforce report. I think you took that on notice. Mr Sullivan: It's in the public domain, but I'm happy to take it on notice as to where the modelling is in the public domain. That was released six months ago. Senator McALLISTER: Yes, and it doesn't talk about a thousand-megawatt target. Mr Sullivan: As I said, it presented the two lowest-price scenarios that were modelled— 840 megawatts and 1,200 megawatts. A thousand megawatts was a mid-point taken as a target for the private sector to step up with respect to dispatchable generation in New South Wales that hadn't come to FID since 2009.	
8	SQ21- 000308	Department of Industry, Science, Energy and Resources	Benjamin Small	ACCC Pricing Behaviours of Providers	Senator SMALL: Brilliant. We touched earlier with some previous questions on the role of regulators in this space. Has the ACCC expressed concerns about the pricing behaviour of private providers in the NEM in recent years? Ms Parry: Not that I'm aware of. I might have to take that question on notice because I'm not always familiar when the ACCC expresses a concern about something. You will recall that that's exactly why the government introduced the 'big stick' legislation. That is to ensure that providers, particularly gentailers and retailers, are passing through significant cost savings to their customers, and to make sure that any type of market manipulation or price manipulation can't happen. The government introduced its 'big stick' legislation to address exactly that issue.	15

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9	SQ21- 000309	Department of Industry,	Jenny McAllister	Ministerial and Departmental	Senator McALLISTER: I'm asking for the minister's view and the department's view. There's a decision to take a \$600 million equity position in a project. There's an assertion	17
		Science,	ivies unseel	View of \$600	that it is a commercially sensible project that will produce affordability and reliability	
		Energy and		Million Equity	outcomes. Will the business case that underpins this be made public?	
		Resources		Position	Senator Seselja: I will have to take that on notice.	
					Senator McALLISTER: You don't know?	
					Senator Seselja: I don't personally know, so I will take it on notice.	
.0	SQ21-	Department	Jenny	Kurri Kurri	Senator McALLISTER: I know Senator Waters asked some questions about this. Has the	18
	000310	of Industry,	McAllister	Modelling of	government done any modelling to quantify how much of the peaking market will be	
		Science,		Peaking Market	controlled by Snowy if Kurri Kurri goes ahead?	
		Energy and			Ms Parry: I will take that question on notice, whether or not we modelled it or analysed	
		Resources			that. I can't, hand on heart, say we did, so I will take that on notice. I can come back this	
					afternoon with that.	
					Senator McALLISTER: Does government have a view, whether or not it is informed by	
					independent or internal modelling, about the same question?	
					Ms Parry: Do you mean Snowy's role in the cap contract market or just Snowy's position in	
					the peaking market?	
					Senator McALLISTER: In the peaking market.	
					Ms Parry: That is a big role that Snowy currently plays in the peaking market, and in	
					particular in the cap contract market, and we will likely continue to do so from Kurri Kurri.	
					But having said that, those questions are better directed towards Snowy and how they	
					intend to operate the plant and how they intend to operate their contracting strategy. But in essence it is a—	
					Senator McALLISTER: I don't really accept that these matters can all be pushed off to	
					Snowy. The government has taken a budget position that it's going to allocate \$600	
					million to an extraordinary intervention in the energy market. You must have formed a	
					view about the impacts or the consequences of that decision on concentration in the	
					market. How much of the peaking market will be controlled by Snowy Hydro if Kurri Kurri	
					goes ahead?	
					Ms Parry: Again, I can take that question on notice. I don't have the exact statistics with	
					me around the cap contract market with Kurri Kurri. I'm very happy to take that on notice,	
					but again, it would depend on whether or not—and that's why I'm suggesting that we talk	
					to Snowy about that, because they're the operational experts in terms of how they're	
					operating their plants in the market. I'm not trying to avoid your question, but what I	
					would say is that they do primarily play in the caps market, and that it in essence does	
					provide an insurance policy against significant price hikes. Those prices provide, in	
					essence, a cap, so that those significant price spikes that we can see in the market, that go	
					up to \$14,500 per megawatt hour, are not passed through to customers. So they provide,	

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					in essence, an insurance product for retailers to take out cap contracts. That's the market they have been very successful in. But, again, I would defer your question to Snowy to talk more specifically about how they intend to operate Kurri Kurri	
11	SQ21- 000363	Department of Industry, Science, Energy and Resources	Nita Green	Ministerial advice on Kaban	Senator GREEN: I'm asking you about the minister for energy. I'm not asking you about Minister Pitt. I'm asking about the relationship with Minister Taylor and the advice that was given to him about this project. The chair has rightly drawn me back to a more general question about any advice that might have been given about this project. You're suggesting to me that you can't answer that question until next week, that for some convoluted reason—that it's got some relationship to Minister Pitt—you can't answer that question right now. Mr Fredericks: To be fair, it's not a convoluted reason; it's Senate practice. You yourself just said it's about advice to Minister Taylor about the decision by Minister Pitt. So it's necessarily about a decision which is in outcome 1.4, which I would think is properly answered in outcome 1.4. Senator GREEN: Did Minister Taylor get any advice about this project? Mr Fredericks: I'll take that on notice and we'll answer it in outcome 1.4. Senator GREEN: The minister's reasons will be discussed at length in later estimates, but I just want to understand this. The minister has provided the reasoning that the project is inconsistent with the government's policy in regard to energy and supporting projects that increase affordability and reliability. What parts of energy policy did this department give advice to Minister Taylor about that led Minister Pitt to make a decision like that? Mr Fredericks: I'll take that on notice and we'll answer those questions in outcome 1.4. I should put one thing on the record now—and I stand to be corrected if this isn't right: the statement of reasons in relation to this decision has not yet been tabled in parliament. So I can only assume that your reference to the statement of reasons is a reference to a media article about it. Again, this is an issue will need to explore in outcome 1.4 because	26
12	SQ21- 000364	Department of Industry, Science, Energy and Resources	Nita Green	Kaban decision maker	it is a statement of reasons for a decision made by Minister Pitt under outcome 1.4. Senator GREEN: Would you take something else on notice then? I'm very conscious that I don't want something to not fall into the remit of the later estimates. I'm being very careful about that. So would you also take on notice whether the minister for energy actually instructed Minister Pitt to veto that project, given that it was made on the premise of inconsistency with energy policy? I just want to understand how that happened, given that Minister Pitt isn't actually the minister for energy and this project, which will create 250 jobs in North Queensland, was vetoed by the government based on energy policy. I want to understand if that decision, ultimately, started with the minister for energy? Which way? Is it the chicken or the egg? Who vetoed it first? Mr Fredericks: I will take that question on notice. I'm not sure if, indeed, that power exists. I will take that on notice and I will take the detail, in terms of whether any actions	27

					were taken by Minister Taylor, on notice. Senator GREEN: Right. Would you also take on notice whether—when Minister Taylor was made aware that the project would be vetoed by Minister Pitt? Mr Fredericks: Yes. Senator GREEN: And whether that happened in correspondence or otherwise, and the date that that occurred. If there is a letter that you can table, that would be helpful.	
13	SQ21- 000365	Department of Industry, Science, Energy and Resources	Nita Green	Kaban jobs and policy	Senator GREEN: I'll be very careful in the question that I ask you. Putting aside the decision that was made by Minister Pitt to veto this NAIF loan, can you explain to me, with your knowledge of the government's energy policy, how the Kaban windfarm is inconsistent with the energy policies of government and how a project that would create 250 jobs in North Queensland would be inconsistent with the current energy policy of this government? Mr Fredericks: I do apologise, but I very firmly believe that is in outcome 1.4. Again, I'll happily take it on notice and be ready to deal with it in outcome 1.4.	27-28
14	SQ21- 000311	Department of Industry, Science, Energy and Resources	Anthony Sheldon	Date Snowy Hydro secured option on Kurri Kurri site	Senator SHELDON: In a previous estimates hearing, Senator Patrick asked Mr Broad when advice was given to the government that Snowy Hydro were considering a gas generator in the Hunter Valley. The answer was: 'Those discussions have been had since the government took over ownership of us.' When did Snowy Hydro first canvass the Kurri Kurri site? Can you give me that date? Ms Parry: As Mr Sullivan said, I think Snowy has always been interested in exploring further gas generation as part of its portfolio. In terms of the specific time line around Kurri Kurri, on 3 September 2020, the Snowy Hydro chair wrote to shareholder ministers providing Snowy's gas plan and notifying that Snowy Hydro had secured an option over the site at Kurri Kurri. That was when the correspondence was written. As to the actual date that Snowy Hydro secured that site, that would be a question for Snowy, or we can take that on notice and come back.	29
15	SQ21- 000312	Department of Industry, Science, Energy and Resources	Jenny McAllister	Departments Knowledge of Kurri Kurri Site	Senator McALLISTER: When did your department—let's stick with your department for a moment, then we can go to the minister's office—first become aware that Snowy Hydro was exploring the Kurri Kurri site, notwithstanding the formal communication in September? Ms Parry: I'll take on notice when, formally, the department became aware that Snowy was pursuing that. Senator McALLISTER: Formally or informally, Ms Parry, I'm trying to understand when you were aware of it. I'm not interested in semantics about 'formal' or 'informal'. Ms Parry: I understand that, Senator, and I'm trying to tell you that I will take that on notice so I can get that date and timing back to you	29

16	SQ21-	Department	Jenny	Government	Senator McALLISTER: Mr Fredericks, did you have any engagement with the minister's	29-30
10	000313	of Industry,	McAllister	Knowledge of	office about the Kurri Kurri site prior to 3 September?	29-30
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		Science,		Kurri Kurri Site	Mr Fredericks: Senator, that's really testing me. I'm happy to take that on notice. That's	
		Energy and Resources			really testing my memory.	
		Resources			Senator McALLISTER: Minister, can you tell us about the government's knowledge about the Kurri Kurri site?	
					Senator Seselja: In terms of that level of detail, I just don't have that here in front of me.	
					I'm very happy to take it on notice though.	
47	6024	B	A . 11	N4 11 1 /	Senator McALLISTER: Thanks, Chair. Thanks, Senator Sheldon.	20
17	SQ21-	Department		Meeting and/or	Senator SHELDON: I understand this was discussed at the estimates spillover hearing	30
	000314	of Industry,	Sheldon	communications	recently. I'd just like to go through the time line that has since come to light, the actual	
		Science,		with Jeff McCloy	time frame. Old transcripts from 2020 reveal the Snowy Hydro board were considering	
		Energy and			the Kurri Kurri site in January 2020. I just want to go to the question of a person by the	
		Resources			name of Jeff McCloy, who has been subject to a series of findings in the New South Wales	
					ICAC and who owned that site and was found to be breaching donation responsibilities	
					under the ICAC rules for prohibited donations. It was found that, on a number of	
					occasions, Liberal Party MPs in that area were donated figures of up to \$10,000 and that	
					Mr McCloy was aware that he had the intention of evading the Electoral Funding Act and	
					the laws relating to the ban on property developers making political donations and the	
					applicable cap on political donations. That occurred on with Mr Owen at the 2011	
					election. In October 2010, there was a cash payment made to Andrew Cornwell. Again the	
					same finding was made. There was a donation made to Garry Edwards, a New South	
					Wales Liberal Party candidate for the seat of Swansea. Mr McCloy has made a series of	
					political donations as a property developer, which was prohibited under the act. The ICAC	
					report in August 2016 went to a series of interviews from those MPs that illegally	
					obtained and received that funding, even to the point where Andrew Cornwell was	
					approached to come out and meet at the front of his veterinary practice—Andrew, of	
					course, being the Liberal Party candidate. He went on to describe in transcript that he left	
					an animal on his operating table to go out and get into Mr McCloy's car. There, Mr McCloy	
					passed him a sealed envelope and said, 'I should be giving this to the Salvation Army,' but	
					subsequently handed over money to Mr Cornwell. So I want to just go to this question.	
					Jeff McCloy has made numerous illegal donations to the Liberal Party, some of which I've	
					outlined, and has become part owner of the site in March 2020, two months after the	
					board identified it and six months before it was known to the public. Did any minister,	
					ministerial staff or government official meet with or communicate with Jeff McCloy	
					between late 2019 and the announcement of the plant in September 2020?	
					Senator Seselja: Not to my knowledge.	
					Mr Fredericks: We'll take this on notice, but right now I can say not to our knowledge.	

					Senator SHELDON: Is that correct, Ms Parry? Ms Parry: That is correct. Not to my knowledge, but given that you've outlined some specific dates, and it does go back a couple of years, we'll take that on notice.	
18	SQ21- 000315	Department of Industry, Science, Energy and Resources	Jenny McAllister; Anthony Sheldon	Ministerial and departmental contact with Jeff McCloy	Senator McALLISTER: In taking that question on notice, Ms Parry, I observe that Senator Sheldon was asking about departmental contact with Mr McCloy, but also ministerial and ministerial staff contact. Are you taking that on notice also? Mr Fredericks: We'll certainly take on notice the departmental contact. Senator McALLISTER: Minister? Senator Seselja: I'm happy to take ministerial contact on notice. Senator McALLISTER: Staff and ministers themselves? Senator Seselja: As requested by Senator Sheldon. Senator SHELDON: If you can also include the details, substance, dates and people that were involved in that contact? Senator Seselja: Yes. Mr Fredericks: Yes.	30
19	SQ21- 000316	Department of Industry, Science, Energy and Resources	Anthony Sheldon	Kurri Kurri potential conflict of interest	Senator SHELDON: Isn't there a concern about, in this particular site—and I appreciate there are questions to be asked of Snowy Hydro, so I'm just going to explore this and by all means you'll answer it appropriately. This goes to an issue of accountability on a \$600 million investment by the Australian taxpayer, and about whether there were any dodgy deals done around this project. The fact is, there's a person who owned that and was heavily involved with the Liberal Party. There has been substantial evidence given this morning that there are serious questions about the business case and I'm very mindful that the business case has not been made available by the government, and we went through that this morning. This is a really an issue of transparency and accountability. Has the minister notified you of a potential conflict of interest with Mr McCloy? Mr Fredericks: Can I just say one thing, and then I'll answer the question you asked about the minister—but at the end of the day, the accountability for this decision as you described it in what you just said ultimately is a matter for Snowy Hydro, because they're independent of government and they're a government business enterprise. They have their obligations that they need to meet in terms of the sort of accountability conflict issues that you're discussing. Senator SHELDON: Minister? Senator SHELDON: I've asked, have you notified the department of a potential conflict of interest? Senator Seselja: Again, not to my knowledge, but I'll take it on notice	31

20	SQ21- 000317	Department of Industry, Science, Energy and Resources	Jenny McAllister	ARENA Regulations - decision making	Senator McALLISTER: Did the government, at any time, contemplate making these changes by legislation, rather than regulation? Ms Evans: The government was very clear, you might recall, when the Low Emissions Technology Statement was put out last year. They were very clear at the time that they would be looking to change the mandates of both ARENA and the CEFC to be able to support the broad sweep of technologies that are there in that legislation. We had certainly, at that time, contemplated the possibility of doing that through the legislation, but, in the end, it has been possible to do it through regulation instead—for ARENA. Senator McALLISTER: Who made that decision and when?	32
					Ms Evans: Which decision? Senator McALLISTER: I think your evidence is that it was originally intended that this would be dealt with through legislative reform. A decision has been taken, at some point, to do it via regulation. Who made that decision and when? Ms Evans: Ultimately, the decisions on these things are made by the minister. Senator McALLISTER: When? Ms Evans: I'd have to take that on notice	
21	SQ21- 000318	Department of Industry, Science, Energy and Resources	Larissa Waters	Technology Co- investment Facility - Powers to make grants	Senator WATERS: I might start on the two minutes. In relation to the \$1.2 billion for carbon capture and storage and hydrogen, it's \$1.2 billion from 2021-22 to create what's called a technology co-investment facility. What is that? Ms Evans: It's an appropriation which will enable the department to work with developing hydrogen hubs, and a separate program designed to support carbon capture and storage. Senator WATERS: Will it make grants or equity investments or financing? Ms Evans: It's a grant based approach. Senator WATERS: Will it need legislation for its creation? Ms Evans: No. Senator WATERS: What existing powers will be used to make those investments? Ms Evans: I'll have to take that on notice. I don't think there's any issue with making those grants	43
22	SQ21- 000319	Department of Industry, Science, Energy and Resources	Larissa Waters	Technology Co- investment Facility - Rate of return criteria	Senator WATERS: One final question on that. Does that mean it won't be subject to the usual investment rates of return that CEFC and ARENA often apply? Ms Evans: That's right. The guidelines will be set by the minister, and so all of those arrangements will need to be set through that process. They're not subject to the ARENA or CEFC acts. Senator WATERS: Will there be any rate of return criteria applied? Ms Evans: I'll have to take that on notice. Ms Munro: To take a step back: the criteria or the overall objective for the government's investment is looking to leverage private sector funding as well. It is likely to be a criterion	44

					to think about what's the relative overall investment that will be drawn in from government's investment through grants	
23	SQ21- 000320	Department of Industry, Science, Energy and Resources	Anthony Sheldon	US President Biden Climate Leadership Summit - Department's engagement with US counterparts	Senator SHELDON: Did the minister or department engage with any of their US counterparts ahead of the summit? Ms Evans: Yes. That's right. The department certainly engaged, and my recollection—Ms Munro might be able to confirm—is that there were some direct engagements by the minister as well. Senator SHELDON: Did you engage with the US Department of Energy or the US Special Presidential Envoy for Climate, John Kerry? Ms Munro: Yes, there have been conversations directly from Minister Taylor to the special envoy, John Kerry, as well as at officials levels with White House representatives, the US Department of State and the US Department of Energy. Senator SHELDON: What was the nature of those discussions? Who was actually involved in that engagement? Ms Munro: There were a range of discussions. I'll just have to find my notes on that. I might not have all the details. I can sort of answer in general terms. Senator SHELDON: In general, and, if you can give me the details on notice, that will be fine.	46-47
24	SQ21- 000321	Department of Industry, Science, Energy and Resources	Anthony Sheldon	Department's briefings for Prime Minister ahead of G7 summit	Senator SHELDON: I would like to turn to the Prime Minister's attendance at the G7 summit in the UK next month. I understand from public reports that Mr Morrison had a phone call with Prime Minister Johnson on Friday 14 May. Did the department contribute to briefings ahead of that call? Ms Evans: I would have to take that on notice, Senator. That is obviously a question more for the Department of Prime Minister and Cabinet. They would routinely ask us for information to support those kinds of conversations, so I wouldn't be surprised if we did, but I would have to take it on notice to directly confirm. Senator SHELDON: Yes, take that on notice. Was anyone from the department able to listen to the call? Ms Evans: No	48
25	SQ21- 000322	Department of Industry, Science, Energy and Resources	Anthony Sheldon	LULUCF Data tables	Senator SHELDON: I'm sorry, you're not really answering the question I'm asking. I may not have been clear enough. If you exclude emission reductions from LULUCF, are you able to give me information—or can you take it on notice—on how Australia's emissions have changed since 2005? Ms Evans: We publish a report every quarter on Australia's emissions. It has at the back of the document very detailed tables that allow you to look at emissions from all of the different sectors. That would enable you to see any combination of what you're looking for. The point that Mr Sturgiss is making, and I think where you're headed as well, is that, for the purpose of looking at how we're tracking towards our target, the only way we can	49

					look at that is by including the land-use change sector. It's not actually logical to exclude it. Senator SHELDON: I'm not asking for an explanation; I'm just saying— Ms Evans: The data you're asking for is available in the public domain, in data tables. Senator SHELDON: In light of the fact that it's there and that you have it in front of you— Ms Evans: I would have to read you the different sectors. Senator SHELDON: Oh, okay. Are you able to exclude the emission reductions from LULUCF there? Ms Evans: You can go through and look at totals. In fact, there's a column— Senator SHELDON: No, are you able to go through that now or is it something that you need to take on notice? Ms Evans: I might ask Mr Sturgiss to look in the data tables. There's a column there for— Senator SHELDON: I'm not aware of how complicated it is. Ms Evans: totals, excluding LULUCF, so we can go through that, if you like. Mr Sturgiss: Perhaps we could provide a link to that? Ms Evans: In 2004-05 the total, excluding land-use change and forestry—these are quarterly numbers; I'll pick the June quarter—was 133.7 million tonnes. In the following year it was 135.8 and in the following year it was 135.4, so it went down a little bit. In the following year it was 136.2—a small increase. The following year— Senator SHELDON: Sorry, I appreciate that you're answering the question that I asked, but the detail isn't what I want. There's this question about how Australia's emissions for LULUCF have changed since 2005. Ms Evans: That first number I read out was a 2004-05 figure, for total excluding land use— Senator SHELDON: If you calculate that out, does that calculate out to be a seven per cent increase, if you take the LULUCF? Ms Evans: I'd have to take that on notice to check whether that's what it calculates out to. Senator SHELDON: Would you be able to send a message back later today? Ms Evans: We can endeavour to do that. Senator Seselja: We'll formally take it on notice and see how we go	
26	SQ21- 000323	Department of Industry, Science, Energy and Resources	Anthony Sheldon	Emissions reductions modelling excluding LULUCF	Senator SHELDON: Mr Sturgiss said before that the majority came from the LULUCF, and we've just had that evidence again from the department regarding the 2017-19 drought. It seems that there are serious questions about what contributed to climate policies that caused reductions in emissions. If we look at some of the calculations—I am particularly interested in this figure: if you exclude emissions reductions from LULUCF, Australia's emissions since 2005 have increased by seven per cent; is that correct? Ms Evans: I think we have reflected that we need to take that on notice to check. But the relevant point is about our overall emissions and the whole inventory.	50

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27	SQ21-	Department	Nita	Consultations on	Senator SHELDON: Rather than saying they have increased by seven per cent: have they increased if you take out the reductions of the LULUCF? Ms Evans: It's like saying, 'Have they increased if you exclude the waste sector, or the transport sector, or this other sector?' We take a whole-of-economy approach, so it is all included. If you take individual sectors— Senator SHELDON: No, I'm not asking how you calculate it. I appreciate you calculate it; you have given that evidence before, and it's frank, honest and accurate evidence that there are various ways of doing this. But I am asking a very clear question: if you exclude emission reductions from LULUCF, would there be a change in emissions since 2005 that would involve an increase? Ms Evans: We'll take it on notice and come back, but it is a question that you would then characterise as, 'Why would you exclude that sector when you won't exclude other sectors that have got— Senator GREEN: Minister, I ask these questions because there is an interaction, quite	52
	000324	of Industry, Science, Energy and Resources	Green	Special Reef Envoy	clearly, between the energy portfolio and the environment portfolio. The special reef envoy released a report in June last year, in which he quite clearly outlined that the single greatest threat to the long-term health of the Great Barrier Reef is climate change. In making that report to the Minister for the Environment, he also drew the conclusion that it was something that the Minister for Energy and Emissions Reduction would need to be consulted on. Have those consultations between the special reef envoy and the Minister for Energy and Emissions Reductions occurred, and what was the outcome of those consultations? Senator Seselja: I'll have to take that on notice. Senator GREEN: Has the Minister for the Environment raised the issues in the special reef envoy's report with the Minister for Energy and Emissions Reductions? Senator Seselja: Again, I'll take that on notice.	
28	SQ21- 000325	Department of Industry, Science, Energy and Resources	Larissa Waters	Special reef envoy report - Government actions	Senator WATERS: Got it. Finally, this report was given to the Minister for the Environment, not the Minister for Energy, in June 2020. It's a pretty stark warning about the risks to the reef if we don't have a long-term emissions strategy. Minister, this is a public document, even though it was presented to the Minister for the Environment. What action has the government taken to address some of the concerns raised in this document? Senator Seselja: I can take part of that on notice, but the officials might like to add something. Ms Evans: Since that report—and, again, I need to check the specifics of it—there's been a number of things that the government has already done since June of last year. The release of the technology road map, the significant refunding of ARENA, the various programs which we are in the process of pulling together to answer Senator McAllister's	53

					question from earlier and the funding that's in the current budget are all focused on driving down technology costs so that Australia's got the best ability to reduce its emissions as fast as possible and get to net zero as soon as possible. I think all of that is consistent with understanding. The fact that climate change is one of the most significant threats to the reef has been known for quite some time now. IPCC has pointed to that. Other people in the Australian government have acknowledged that before. So the motivation for doing as much as we can to reduce emissions has always been there, and I think the government is continuing to act on that.	
29	SQ21- 000326	Department of Industry, Science, Energy and Resources	Matthew Canavan	NDC International Compliance	Senator CANAVAN: Under the Paris Agreement, I believe countries make nationally determined contributions or some such. I think there was some requirement or obligation under that agreement to submit new ones last year or late last year, and there's some kind of ratchet agreement. How many countries have complied with that obligation? Ms Evans: While my colleague is finding the numbers on that, I was making the point earlier that it was only those countries that had set targets for 2025 that are actually required to set a new target for 2030. Australia, for example, has already set a target for 2030, so it wasn't obligated to put a new target in. Senator CANAVAN: Maybe I'll ask it a different way. How many countries that were required to do this based on their targets, other commitments or other particulars, did not comply? Mr Higgins: I don't have that figure in front of me— Senator CANAVAN: You could take that on notice. Mr Higgins: but 196 countries have submitted NDCs under the Paris Agreement. Senator CANAVAN: That doesn't go to my question about whether or not they've done the ratchet thing. Mr Higgins: No, that's right. Senator CANAVAN: If you could take it on notice—I specifically want to know how many countries who were expected or obligated to submit a new NDC under those ratchet provisions have not done so. I presume from your answers that we do monitor other countries' compliance with both Kyoto and now the Paris Agreement. Mr Higgins: We do, Senator, that's correct.	54
30	SQ21- 000327	Department of Industry, Science, Energy and Resources	Peter Whish- Wilson	Department meetings with Ronald Finlay	Senator WHISH-WILSON: Thank you. In terms of that engagement, it was also announced in December, around the time of the MOU, that they had appointed a consultant, and I was just wondering if you had had any discussions with their consultant. His name's Ronald Finlay. He apparently has been appointed to provide complex legal advice and to move the project to fruition on behalf of the Tasmanian government. Ms Parry: It was obviously a consultant to the Tasmanian government. Our primary dealings are with the senior officials, through the senior officials meetings and through the state deals that we cooperate with. But, at an officials level, I have, for instance, been	56

31	SQ21- 000328	Department of Industry, Science, Energy and Resources	Peter Whish- Wilson	Job Maker Marinus Link	in meetings where he has been present, but I would say our dealings are primarily with officials from the Tasmanian government and TasNetworks. Senator WHISH-WILSON: Could you take on notice how many meetings he's had with the department. Mr Sullivan: With us? Senator WHISH-WILSON: With you, yes. Ms Parry: I can definitively say we haven't had any unilateral meetings just with him. He would have perhaps been in group meetings, but I will take that on notice. Mr Sullivan: Senator, you're after an understanding of how many meetings he's taken part in? Senator WHISH-WILSON: That's correct. Senator WHISH-WILSON: Thank you for that. I'll put some more questions to you on notice, because I know I'm under the pump for time here. It was reported, when the Prime Minister came to Tasmania in December, that Marinus Link was going to be part of the JobMaker plan to take us out of COVID. Has that changed the priority of this project at all? Have any extra resources been put into bringing this to fruition as part of that JobMaker architecture? Mr Sullivan: My memory is it had already received priority project status. If I'm wrong, I'll correct the record on notice, but, in terms of that acceleration point, it was just recognising the potential jobs that can be created, particularly during the construction phase. In essence, it wasn't a requirement of extra resources on top of what was announced in the MOU, because there were significant new resources attached as part of that MOU announcement, but it was really about how we drive that forward, how we make sure the SPV is in place if those early works are happening with TasNetworks, which continued to occur during caretaker period. That didn't slow them down. Does that answer your question? Senator WHISH-WILSON: Yes.	57
32	SQ21- 000329	Department of Industry, Science, Energy and Resources	Helen Polley	Department meetings with Tasmanian Government about Marinus Link	Senator POLLEY: Excellent. Has the department had meetings with the state to develop and implement the appropriate governance structure to support the finalisation and implementation of the memorandum of understanding? Mr Sullivan: Yes. There have been governance structures in place prior to the finalisation of the MOU. Those have been around development of Marinus and also discussions with respect to Battery of the Nation. That committee process involves myself and my counterpart in Tasmania chairing that. We bring in TasNetworks and other parties as required—for example, IPFA played a part in that committee at times. It's really on an asneeds basis. The two jurisdictions are at the basis of it, and that's similar to the bilateral deals that are underway or which have been completed with other state governments. Senator POLLEY: How many meetings have you had?	58

					Mr Sullivan: I'd have to take that on notice. We met reasonably regularly over the last 12 months, but I'll take the exact number on notice. Senator POLLEY: Did I hear correctly when you said you were expecting another meeting shortly? Mr Sullivan: I think there's a meeting scheduled for next week	
33	SQ21- 000330	Department of Industry, Science, Energy and Resources	Helen Polley	Battery of the nation upgrading capacity	Senator POLLEY: Has the department done any work in relation to fair cost allocation and analysis of the project? Ms Parry: We are doing some work on fair cost allocation. This is something we are doing. It came out of a decision, at the last ministers meeting, for the Commonwealth to lead a body of work on fair cost allocation, jointly with the Tasmanian government. New South Wales is also involved, as well as the Australian Energy Market Commission, which is currently doing some modelling for us to look at the issue of fair cost allocation. Senator POLLEY: Is the project still expected to be commissioned for 2027-28? Ms Parry: Which project? Sorry. Senator POLLEY: Marinus. Ms Parry: For Marinus, we are, as I say, in the DNA phase, and we'll reach final investment decision time frames in 2023-24. Senator POLLEY: Are you aware of whether or not there's consideration of upgrading the capacity of Tarraleah Power Station? Ms Parry: I'll have to take that question on notice, unless anyone in the room can help me out on that one. I can take that one on notice. Senator POLLEY: If you could.	59
34	SQ21- 000331	Department of Industry, Science, Energy and Resources	Helen Polley	Battery of the nation breakdown of expenditure	Senator POLLEY: Have ARENA and the state considered a more detailed Battery of the Nation schedule? Ms Parry: I can't answer that on behalf of ARENA, I'm afraid. That would be a question better directed towards ARENA. Senator POLLEY: So you're not aware of it. I'll put that on notice. The government provided the \$56 million to the state in 2019 through the project agreement for Marinus Link. Does the department have a breakdown of how these funds have been spent thus far, and will the government provide the remaining funds to the state government? If so, when? Ms Parry: I will take on notice the breakdown of the \$56 million, in terms of the grant that was provided. As I've indicated, the further \$93.9 million was committed as part of the MOU in December. Again, we can look to provide, on notice, the breakdown of the expenditure of those funds.	59
35	SQ21- 000332	Department of Industry, Science,	Helen Polley	Battery of the nation job numbers	Senator POLLEY: What economic analysis was conducted to determine the energy market benefits and economic contributions, and what modelling was done to determine the number of jobs which will be generated by this project in total?	59-60

		Energy and Resources			Ms Parry: That I will take on notice, in terms of the specific modelling and the source of those jobs numbers. I want to be very sure. Mr Sullivan: If I could help, I am reasonably sure that the job numbers came from the Marinus Link business case assessment, which was undertaken by TasNetworks. There's also a supplementary forecast of 485 jobs, from memory. Up until FID, it would be supporting that number of jobs, and those will be largely in specialist advice roles in getting to FID. But in terms where your question was going, on apprenticeships, as has been the case with Snowy 2.0, it's really once you enter into the construction phase that you look to those employment benefits being driven. That would also include apprenticeships and local businesses and what the local supply arrangements are.	
36	SQ21- 000333	Department of Industry, Science, Energy and Resources	Jenny McAllister	Analysis of NSW energy market	Senator McALLISTER: I have a follow-up question. Senator Polley asked you whether or not you'd done any analysis of whether the government's decision to intervene in the market in New South Wales would impact on other significant projects scheduled within the NEM, including the Marinus Link. What was the answer to that question? Ms Parry: I am going to take that on notice. I acknowledge that I didn't directly answer that question. I would like to go back and see whether the interactions in terms of the business case and our analysis of the project went so far as to look at the Marinus Link and the transmission projects. We are looking at Kurri Kurri in the context of the New South Wales market, HumeLink, VNI and Snowy, and the exit, primarily, of dispatchable capacity within New South Wales. Senator McALLISTER: So you can't tell me whether or not the department did the analysis prior to intervening in the market to assess whether or not it would affect the commercial viability of other projects? Ms Parry: No. I said I would take that on notice, because I want to be very clear and very specific around the modelling in the analysis that was undertaken. I will take that one on notice.	60
37	SQ21- 000334	Department of Industry, Science, Energy and Resources	Matthew Canavan	QLD Power outage modelling	Senator CANAVAN: Obviously you won't have the intel about this particular event at hand, but in the modelling that you do or see is our National Electricity Market vulnerable to the outage of one power station? Would it potentially cause widespread blackouts, in theory, given the state of our market? Would you expect that to occur? Mr Sullivan: I think it is pretty early to— Senator CANAVAN: I'm asking about any modelling or analysis you have done, not this particular event. Mr Sullivan: We will take that on notice— Senator CANAVAN: Can we just ask the witness to answer. CHAIR: They will take that on notice.	61

38	SQ21-	Department		Australian Local	Senator PATRICK: My understanding is the NEM rules require an N-minus-1 situation to	62-63
	000335	of Industry,	Patrick	Power Agency	not cause a	
		Science,		Bill briefing	problem. You indicated this might be N-minus-2 or more; is that your evidence?	
		Energy and			Ms Parry: Sorry, you've lost me on your question.	
		Resources			Senator PATRICK: The NEM rules require the system to be able to cope with a state called N-minus-1,	
					meaning one thing goes down; N-minus-2 sometimes in the city. Is that not the case?	
					Ms Parry: It's the lack of reserve—is that what you're referring to? The LoRs?	
					Senator PATRICK: It's been referred to. I just know through the event that took place in South Australia,	
					that it was referred to as N-minus-1. The system should be able to cope—just generally	
					anywhere, not just	
					Queensland—with a failure of one element of the system. That's a requirement. In fact, I think a facility in Port	
					Lincoln just received a fairly hefty fine for not being able to come online or provide power	
					in those sorts of	
					circumstances.	
					Ms Parry: I'm just going through my briefing on energy security. AEMO would be best placed to address	
					some of these questions, so can I take some of them on notice? In essence, as you'd be	
					aware, AEMO has various	
					levers it can start to pull in the event of a significant event like this, depending on the	
					nature of the event. It does	
			look to either call on off-market supply, demand response; or it can various elevation points, depending on the nature of the event.		look to either call on off-market supply, demand response; or it can call in RERT. There are various elevation	
					Senator PATRICK: This is not a case where you're predicting a shortfall; something has	
					gone wrong—	
					Ms Parry: Yes, something has gone wrong.	
					Senator PATRICK: —and that is when that N-minus-1 normally comes into play. I might ask the Secretary	
					as a starting point; you may refer it somewhere else. In relation to the member for Indi's	
					bill in the House in	
				relation to the local power fund, the underwriting of new community investments and so		
					forth—the Australian	
				Local Power Agency Bill—has the Minister been briefed in relation to that?		
			Mr Fredericks: I will defer to my colleagues on that one.			
					Ms Parry: I will have to take that question on notice. I can't recall whether or not the	

					minister has been briefed on that bill. I can check with my colleagues back in the Department and, hopefully, come back to you by today Senator PATRICK: It's The Australian Local Power Agency Bill. I believe it has been referred to and dealt with by the House Energy and Environment Committee. I'd like to understand—and I understand you're going to have to take these on notice—what interaction there has been with the Department and the Minister in relation to discussing that bill. What interaction or considerations would there be to consultation outside of the Department in relation to that bill, looking for perhaps expert advice or to places like AEMO or the regulator? What consultation might have taken place outside the Minister's office? I'm also wondering, in the circumstances where—I don't know the government's position on the bill—good ideas are put up in the context of a private Member's bill. Does that spur discussion or consideration of perhaps a government bill, whether or not that's being contemplated? Some elements of the bill may be acceptable to the government, and some may not. Senator Seselja: I can answer in relation to the minister. The minister, I think, has met with Dr Haines in relation to that bill. I don't have any further information for you on that, but I can take that on notice and see if there's anything more we can get you. Senator PATRICK: Obviously, she may have met the minister. I am interested in whether or not the department had provided support. Mr Fredericks: We will take that on notice and we will give it a broad scope because I know that's what you're after. But yes: as a general rule, we as a department keep an eye on ideas. If it's a members bill that we think has merit then of course it starts to influence our thinking and the advice that we're going to start to provide. I'd like to think we're positive and proactive about that, but on the details I'd better take it on notice. Senator PATRICK: Could you provide a summary of what you've done and particular areas? Have y	
39	SQ21- 000337	Department of Industry,	Larissa Waters	Squadron Energy Meeting dates	Senator WATERS: How was the decision made to grant the money directly to Australian Industrial Power? Was there a tender process?	65
		Science,			Mr Sullivan: No, it was a decision by government, based on the work that we'd been	
		Energy and Resources			tracking in terms of their potential contribution to the 1,000 megawatt target. Senator WATERS: Was the department or perhaps the minister lobbied directly by Mr	
		nesources			Forrest or Tattarang or any member of the company, such as Squadron, which you	
					mentioned before, or Australian Industrial Power, for that grant?	
					Mr Sullivan: We weren't lobbied. As I said, we were monitoring that project and the	
					development of that project, as we were monitoring the development of Energy	

					Australia's Tallawarra project. We did meet with senior people in Squadron Energy numerous times, during that 1,000 megawatt process. Since the announcement we've also had a follow-up meeting with Squadron. Senator WATERS: Could you please table the dates of those meetings and any correspondence or notes of those meetings? Mr Sullivan: We'll take it on notice. Definitely we will have a list of those dates.	
40	SQ21- 000664	Department of Industry, Science, Energy and Resources	Larissa Waters	Tallawarra Power Station grant criteria	Senator WATERS: I'm probably out of time. On notice, are you able to provide me with a bit more detail about the criteria to grant that \$5 million and what parameters were applied? Mr Sullivan: There were discussions with New South Wales under the bilateral agreement between the Commonwealth and New South Wales on energy and emissions as part of the 1,000-megawatts target set for new dispatchable generation by the end of April. A lot of that negotiation with respect to Tallawarra was undertaken by the New South Wales government under the auspices of that MOU. But, with respect to the discrete hydrogen components, I'd have to take that on notice, because there are a range of issues that we worked through with New South Wales on that case in particular, which will also help and inform us— Senator WATERS: Indeed. Hence my question on it.	66
41	SQ21- 000338	Department of Industry, Science, Energy and Resources	Anne Urquhart	Status of offshore renewables regulatory frameworks	Senator URQUHART: Let me go through them and let's see how we go. Ms Evans, we know that between January and March 2020 there was some consultation that government held in relation to the offshore clean energy infrastructure bill. There was an allocation of \$4.8 million in the 2020 budget to develop the offshore renewables regulatory framework. I think that should be in place by July 2021. Is that correct? Ms Evans: We're certainly aiming to have it in place as soon as we can. We're working towards that. Senator URQUHART: Is that likely to happen by 2021? Ms Evans: I might have to take the time line on notice. We're making really good progress. We've got the framework well drafted and most of the drafting is complete, but I'd need to check in with my team about the current status of when we're likely to be ready—Senator URQUHART: If you could check and come back, that would be great. In the 2021 budget there was funding for an offshore electricity registrar. Ms Evans: That's right. Senator URQUHART: Have the policy settings for the offshore renewables framework been finalised? Ms Evans: Again, we're getting very close. Senator URQUHART: That's the July 2021 date that we should be heading towards? Ms Evans: That's right. There's a lot of detail to work through to make sure we've got the framework right, because it is a brand-new framework, and to deal with that. So, yes,	67

					we're working through it with that time frame in mind. Senator URQUHART: Are you able to come back during the course of today with that detail around the time frame? Ms Evans: All of the officials who deal with that one have already left, so I'll take it on notice. Senator URQUHART: Is someone able to make a phone call? Ms Evans: I can try.	
42	SQ21- 000339	Department of Industry, Science, Energy and Resources	Anne Urquhart	Competitive bidding for offshore renewable licenses	Senator URQUHART: Will competitive bidding for offshore renewable licences be used? Ms Evans: I will have to take that one on notice, just because it's at a level of detail that I don't have here. Senator URQUHART: Will the criteria for decision-making be based on a cash bidding process or on public interest criteria such as, say, local procurement and employment? Ms Evans: I apologise—I will take that on notice again. The officials who are working on that sort of detail aren't here. Senator URQUHART: I would appreciate if you could come back during the course of this estimates. That would be useful. Mr Sullivan: We'll see about that and see how we go.	68
43	SQ21- 000340	Department of Industry, Science, Energy and Resources	Janet Rice	Fuel Security Service Payment Costings	Senator RICE: I want to go to the fuel security service payment. I presume that the department worked with the Department of Finance and other central agencies, as needed, to prepare a finalised costing for that payment? Mr Gaddes: We're in a slightly tricky spot with this one because the fuel security service payment was published in the budget as not for publication. Senator RICE: I certainly know that, yes. Mr Gaddes: The headline statement around the \$2.04 billion has been published. A decision's not yet been taken by government to publish the underlying figures of that. I can tell you how we got to the \$2.04 billion— Senator RICE: That would be useful. Mr Gaddes: and then I'll have to take the remainder on notice. The \$2.04 billion is 1.8c per litre for the forecast production for each of the two refineries to 30 June 2030. That assumes the worst-case scenario for each refinery: that their margins are below the threshold for the full period. They're not likely to be the circumstances that we'll operate in, but that's the worst-case scenario.	68
44	SQ21- 000341	Department of Industry, Science, Energy and Resources	Janet Rice	Fuel security service payment - publishing figures	Senator RICE: What can be published at a future date? Mr Gaddes: The figures that sit underneath. There are a number of figures that sit underneath. We will need to work through the publication of those figures because it has market based information about what the future of those refineries looks like and how much they intend to produce in each year. Senator RICE: But you do intend to publish those?	68-69

45	SQ21- 000342	Department of Industry, Science, Energy and Resources	Janet Rice	FSSP Costing Range	Mr Gaddes: That's a decision for government. Senator RICE: When's the time frame, then, that you would be in a position to publish those? You just said that some of the issues have been resolved— Mr Gaddes: Some have. Senator RICE: but it sounds like some haven't? Mr Gaddes: There were a number of line items in the budget package. There were grants for capital upgrades, and they can be published. But there is still some market-sensitive information around how much each refinery will produce in each year and their forecast about what their margins might be in those years, which we use to create what's in the forward estimates. So there's still market-sensitive information in there that we may or may not be able to publish. We had to work through that. Senator RICE: Once all these things have been resolved and you have got a finalised estimate, which presumably is lower than that \$2.047 billion— Mr Gaddes: Substantially lower. Senator RICE: when will those figures over the forward estimates and beyond, or, in fact, all of the figures to 2030, be able to be published—those top-level figures? Mr Gaddes: I'll take that on notice. My understanding is that the likely next opportunity to do that would be in MYEFO Senator RICE: So what would be the cost then? Mr Gaddes: I can't tell you that because I don't know how much support they would get at any given time. Senator RICE: Can you take that on notice, then, with that assumption, so that it gives us a bit of a ballpark figure. You're saying it's going to be substantially less than the 2.047 figure. Do you have a minimum that you think it would be? Mr Gaddes: That would be speculation. If I were very good at that, I'd have a better job. I'd make a lot more money speculating— Mr Sullivan: Is we take that on notice, what we'll try and do— Senator RICE: Give us a range. Mr Sullivan: is be helpful. It may involve doing some hypotheticals: if this circumstance arose, here's what—	69-70
					Senator RICE: If you could do that, that would be very helpful, not just for us but for the broader community.	
46	SQ21-	Department	Janet Rice	Interim National	Senator RICE: In all of these various niche statements, who has been consulted?	73
	000343	of Industry,		Gas	Mr McIntyre: That depends on the nature of them. For example, the cyber process that	
		Science,		Infrastructure	I've outlined is market participants. Relevant parties would be consulted.	
		Energy and		Plan	Senator RICE: My question really goes to how much is civil society being engaged with and	
		Resources		consultations	consulted other than just industry?	
					Mr McIntyre: That varies depending on the nature of a security assessment and who the	

					relevant players are.	
					Senator RICE: Can you take on notice who you are expecting to consult with or have	
					consulted with on all of these various niche statements?	
					Mr McIntyre: Certainly	
47	SQ21-	Department	Janet Rice	Oil Storage Costs	Senator RICE: My final guestions were basically on the \$94 million spent on crude oil to be	73
	000344	of Industry,			stored in the US. Prior to making that decision, did you estimate how much it would cost	
		Science,			to store oil reserves domestically instead of in the US?	
		Energy and			Mr Gaddes: The answer to that would be yes, we did. As I spoke about earlier, we had	
		Resources			been doing a lot of work on our return to IA compliance all the way back to 2015. We had	
					developed a capability around oil stock ticketing, all those sorts of things—	
					Senator RICE: I've got about three minutes. I have the chair looking at me. Yes, you did do	
					that. How much would it have cost to store the oil in Australia?	
					Mr Gaddes: I don't have that figure before me. I'd have to take that on notice.	
48	SQ21-	Department	Janet Rice	Oil refinery	Senator RICE: My final question, which I'm happy for you to take on notice, is whether	74
	000345	of Industry,		modelling	you've modelled how the oil would be refined once it got to Australia into useable fuels,	
		Science,			such as petrol, diesel and aviation fuels. Who would refine it, how long would that take	
		Energy and			and how much would that cost?	
		Resources			Mr Gaddes: We have worked through all that and we're happy to take that on notice.	
49	SQ21-	Department	Jenny	Colongra	Senator McALLISTER: Ms Parry, you've spoken a lot this morning about the challenges	75
	000346	of Industry,	McAllister	response to price	faced by industrial operations having to close down to avoid price spikes. Can you take on	
		Science,		spikes	notice whether or not it would have assisted those operators had Colongra chosen to turn	
		Energy and			its capacity on at the time they were facing those price spikes?	
		Resources			Ms Parry: I can take that on notice.	
50	SQ21-	Department		Grants programs	1. For all grants programs or funds administered by the department, please provide:	Written
	000390	of Industry,	Urquhart	or funds	a. Name of the program or fund	
		Science,		administered by	b. Total budgeted funding	
		Energy and		the department	c. Total funding paid out to grant recipients	
		Resources			d. Final decision-maker	
					2. Were there any new grants programs or funds to be administered by the department	
					introduced in the 2021-22 Budget?	
					a. If so, please provide:	
					i. Name of the program or fund	
					ii. Total budgeted funding	
					iii. Final decision-maker (or intended final decision-maker)	
					3. Were there any grants programs or funds to be administered by the department	
					provided with additional funding in the 2021-22 Budget?	
					a. If so, please provide:	

					i. Name of the program or fund	
					ii. Funding profile for the additional funding over the forward estimates	
51	SQ21- 000528	Department of Industry, Science, Energy and Resources	Anne Urquhart	Decommissioning wind turbines	Is the Government still planning on requiring all offshore renewable energy projects to put up a bond for the full cost of decommissioning wind turbines before construction begins?	Written
52	SQ21- 000529	Department of Industry, Science, Energy and Resources	Kim Carr	Liquid Fuel Security Review	 Questions in relation to the Liquid Fuel Security Review Is it correct that the Interim Report of the Liquid Fuel Security Review was published in April 2019? When will the Final report of the Liquid Fuel Security Review be published? On 25 May 2021 the Environment and Communications 'Estimates' Committee heard of major changes in the fuel market since the release of the Interim Report of the Liquid Fuel Security Review in April 2019. Are those changes reflected in the unpublished Final Report? 	Written
53	SQ21- 000530	Department of Industry, Science, Energy and Resources	Kim Carr	Refinery capacity in Australia	 2. Questions in relation to refinery capacity in Australia. a. How many fully operating refineries does Australia have today? b. How many are expected to be operating in 2027, the year to which two refineries have agreed to continue operating? c. How many are expected to be operating in 2030? d. What is the production capacity of Australia's oil refineries today, and what has been modelled for 2030? e. Please provide a breakdown of the ownership structure of each of the following refineries: Geelong; Lytton; Altona; and Kwinana? 	Written
54	SQ21- 000531	Department of Industry, Science, Energy and Resources	Kim Carr	Fuel Security Service Payment	Questions in relation to the Fuel Security Service Payment a. What are the performance benchmarks (including: production levels; new capital investment; employment numbers; skills training) for the two remaining refineries in Geelong, Victoria, and Lytton, Queensland to be eligible for subsidies of up to one billion dollars each over the next 9 years? b. How did the owners of both Kwinana (BP) and Altona (ExxonMobil) make "it clear that the decision to close was based on commercial factors", as reported in response to Question on Notice #43 (30 March 2021)? c. Did the Morrison Government seek to negotiate to keep open these two refineries? If so, what incentives, including financial, were offered by the Government? d. As of June 2021, what percentage of Australian annual consumption of various fuels – including petrol, diesel, jet fuel – is refined in Australian refineries? e. What are the Government's forecasts for 2030 for the percentage of Australian annual consumption of various fuels – including petrol, diesel, jet fuel – being refined in	Written

SQ21- Department Kim Carr Strategic 4. Questions in relation to the Strategic Petroleum Reserve 4. Questions in relation to the Strategic Petroleum Reserve 5. What is the annual cost of maintaining Australia's holding in the US Strategic Petroleum Reserve 5. What is the annual cost of maintaining Australia's holding in the US Strategic Petroleum Reserve 5. What is the cost calculated, and does the cost vary with the cost of oil? 6. Is the Government confident that sufficient fuel will be available immediately in an emergency? 6. Was the Department correct in Estimates hearings on 25 May 2021 when it said "If you look at the number of days (for which) we have in terms of consumption cover We have 33 days of petrol."? 7. Was the Department correct in Estimates hearings on 25 May 2021 when, in response to a question " how long will it take to transfer that oil to Australia in a crisis?" the department replied " it's in the order of 30 days."? 8. Is it correct that the 30 days estimate relates only to the actual journey from the US to Australia's east coast? 1. If yes, what is the total time the Government has modelled, from request for access to being ready for use in Australia) i. How does that timetable fit with Government calculations of in-country supply of 33 days for petrol? j. In testimony at Estimates on 25 May 2021 there was discussion of possibilities of obtaining emergency fuel from other source including Singapore. What arrangements are in place for such alternative sources? 1. In relation to executive management for the Department and its agencies, can the following be provided for 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1					Australian refineries? f. Noting comments by the CEO of Qenos, in the Australian Financial Review of 20 May 2021, that knock-on job losses in other firms and industries from the closure of Altona could add " up to 2000 jobs", what modelling has the Government conducted to estimate direct and indirect job losses caused by the closure of Altona and Kwinana? g. As Ampol and Viva Energy have, under the Fuel Security Service Payment scheme, " committed to stay open and operating until 2027", what plans have been developed if either or both close before 2027? h. As the Government has budgeted to spend up to \$2.04 billion between now and 2030, what gives you confidence either refinery will still be operating after 2027? i. What contingencies are being developed if either Geelong or/and Lytton close after 2027, or after 2030 when the Fuel Security Service Payment ceases?	
	55	SQ21- 000532	Science, Energy and	Kim Carr	timely access to its holdings in the US Strategic Petroleum Reserve? b. What is the annual cost of maintaining Australia's holding in the US Strategic Petroleum Reserve. c. How is the cost calculated, and does the cost vary with the cost of oil? d. Is the Government confident that sufficient fuel will be available immediately in an emergency? e. Was the Department correct in Estimates hearings on 25 May 2021 when it said "If you look at the number of days [for which] we have in terms of consumption cover We have 33 days of petrol."? f. Was the Department correct in Estimates hearings on 25 May 2021 when, in response to a question " how long will it take to transfer that oil to Australia in a crisis?" the department replied " it's in the order of 30 days."? g. Is it correct that the 30 days estimate relates only to the actual journey from the US to Australia's east coast? h. If yes, what is the total time the Government has modelled, from request for access to being ready for use in Australia (ie allocating from the SPR; finding a suitable ship; loading in the US and unloading in Australia) i. How does that timetable fit with Government calculations of in-country supply of 33 days for petrol? j. In testimony at Estimates on 25 May 2021 there was discussion of possibilities of obtaining emergency fuel from other source including Singapore. What arrangements are	Written
	56				1. In relation to executive management for the Department and its agencies, can the	Written

		Science, Energy and Resources		Energy and Climate Agencies	July 2020-31 December 2020, and 1 January 2021-31 May 2021: a. The total number of executive management positions b. The aggregate total remuneration payable for all executive management positions. c. The change in the number of executive manager positions. d. The change in aggregate total remuneration payable for all executive management positions.	
57	SQ21- 000576	Department of Industry, Science, Energy and Resources	Kristina Keneally	Ministerial Functions - Energy and Climate Agencies	1. In relation to any functions or official receptions hosted by Ministers or Assistant Ministers in the portfolio for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020, and 1 January 2021-31 May 2021, can the following be provided: a. List of functions. b. List of all attendees. c. Function venue. d. Itemised list of costs (GST inclusive). e. Details of any food served. f. Details of any wines or champagnes served including brand and vintage. g. Any available photographs of the function. h. Details of any entertainment provided.	Written
58	SQ21- 000578	Department of Industry, Science, Energy and Resources	Kristina Keneally	Ministerial Meals - Energy and Climate Agencies	1. In relation to any breakfasts, luncheons, dinners or other meals hosted by Ministers or Assistant Ministers in the portfolio for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020, and 1 January 2021-31 May 2021, can the following be provided: a. List of dates and types of meals. b. List of all attendees. c. Function venue. d. Itemised list of costs (GST inclusive). e. Details of any food served. f. Details of any wines or champagnes served including brand and vintage. g. Any available photographs of the function. h. Details of any entertainment provided.	Written
59	SQ21- 000580	Department of Industry, Science, Energy and Resources	Kristina Keneally	Departmental Functions - Energy and Climate Agencies	1. In relation to expenditure on any functions or official receptions etc hosted by the Department or agencies within the portfolio for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020, and 1 January 2021-31 May 2021 can the following be provided: a. List of functions. b. List of all attendees. c. Function venue.	Written

					d. Itemised list of costs (GST inclusive). e. Details of any food served. f. Details of any wines or champagnes served including brand and vintage. g. Any available photographs of the function. h. Details of any entertainment provided.	
60	SQ21- 000583	Department of Industry, Science, Energy and Resources	Kristina Keneally	Facilities Upgrades - Energy and Climate Agencies	1. Were there any upgrades to facility premises at any of the Departments or agencies for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021. This includes but is not limited to: staff room refurbishments, kitchen refurbishments, bathroom refurbishments, the purchase of any new fridges, coffee machines, or other kitchen equipment. 2. If so, can a detailed description of the relevant facilities upgrades be provided together with an itemised list of costs (GST inclusive). 3. If so, can any photographs of the upgraded facilities be provided.	Written
61	SQ21- 000585	Department of Industry, Science, Energy and Resources	Kristina Keneally	Staff Travel - Energy and Climate Agencies	1. What is the total cost of staff travel for departmental/agency employees for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020, and 1 January 2021-31 May 2021.	Written
62	SQ21- 000587	Department of Industry, Science, Energy and Resources	Kristina Keneally	Legal Costs - Energy and Climate Agencies	1. What are the total legal costs for the Department/agency for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021.	Written
63	SQ21- 000590	Department of Industry, Science, Energy and Resources	Kristina Keneally	FOI - Energy and Climate Agencies	1. Please list the number of Freedom of Information Act requests ('FOI requests') received by the Department for the following years: a. 2013-14; b. 2014-15; c. 2015-16; d. 2016-17; e. 2018-19; 2019-20, and; f. 2020-21 to date. 2. For each year above, please provide: a. The number of FOI requests the Department granted in full; b. The number of FOI requests the Department granted in part; c. The number of FOI requests the Department refused in full; and d. The number of FOI requests the Department refused for practical reasons under the Freedom of Information Act. 3. For each year above, please also provide:	Written

a. The number of times the Department failed to make any decision on a FOI request within the 30 day statutory period; and b. The number of times a request to the Department resulted in a practical refusal (i.e. no decision was made on the request). 4. For each year above, please also provide: a. The number of times the Department's FOI decisions have been appealed to the OAIC; and b. The number of times has the OAIC overturned – in whole or in part – the Department's decision to refuse access to material. 5. Please provide the staffing (both ASL and headcount) of staff at the Department who work exclusively on FOI requests, broken down by APS level (e.g. three EL1s, four APS6s, one SES) for each of the following years: a. 2013-14; b. 2014-15; c. 2015-16; d. 2016-17;
6. For each of the years above, please also list the number of officers who are designated decision makers under the Freedom of Information Act 1982 within the Department.
7. In the past 12 months, has the Department seconded additional resources to
processing Freedom of Information requests? If so, please detail those resources by APS level.
8. Please provide the number of officers who are currently designated decision makers
under the Freedom of Information Act 1982 within the Minister's office.
9. Please provide the number of FOI requests currently under consideration by the
Department. Please also provide the number of these requests that are currently overdue in response.
10. Does the department consult or inform the Minister when it receives Freedom of
Information requests? If so:
a. How many times has this occurred in the past twelve months; and
b. Please outline the process by which the Department consults the Minister.
11. Has the Department consulted or informed another Department or agency about any
FOI request in the past twelve months. If so, please provide the legal basis on which that
consultation occurred (e.g. third party consultation, transfer of request).

64	SQ21- 000592	Department of Industry, Science, Energy and Resources	Keneally	Briefings - Energy and Climate Agencies Departmental	1. Has the Department/agency or the Minister's office provided briefings to independents/minor parties in the Senate or House of Representatives. If so, can the following be provided: a. The subject matter of the briefing. b. The location and date of the briefing. c. Who proposed the briefing. d. Attendees of the briefing by level/position 1. Can a list of Departmental/agency allowances and reimbursements available to	Written
	000595	of Industry, Science, Energy and Resources	Keneally	Staff Allowances - Energy and Climate Agencies	employees be provided.	
66	SQ21- 000597	Department of Industry, Science, Energy and Resources	Kristina Keneally	Market Research - Energy and Climate Agencies	 Does the Department/agency undertake any polling or market research in relation to government policies or proposed policies. If so, can the Department provide an itemised list of: Subject matter Company Costs each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; July 2020-31 December 2020, and 1 January 2021-31 May 2021. Contract date period Can the Department/agency advise what, if any, research was shared with the Minister or their office and the date and format in which this occurred. 	Written
67	SQ21- 000599	Department of Industry, Science, Energy and Resources	Kristina Keneally	Advertising and information campaigns - Energy and Climate Agencies	 What was the Department/agency's total expenditure on advertising and information campaigns for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021. What advertising and information campaigns did the Department/agency run in each relevant period. For each campaign, please provide: When approval was first sought. The date of approval, including whether the advertising went through the Independent Campaign Committee process. the timeline for each campaign, including any variation to the original proposed timeline. Can an itemised list of all Austender Contract Notice numbers for all advertising and information campaign contracts in each period be provided. 	Written

68	SQ21- 000601	Department of Industry, Science, Energy and Resources	Kristina Keneally	Promotional Merchandise - Energy and Climate Agencies	 What was the Department/agency's total expenditure on promotional merchandise for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021. Can an itemised list of all Austender Contract Notice numbers for all promotional merchandise contracts in that period please be provided. Can photographs or samples of relevant promotional merchandise please be provided. 	Written
69	SQ21- 000603	Department of Industry, Science, Energy and Resources	Kristina Keneally	Collateral Materials - Energy and Climate Agencies	1. What was the Department/agency's total expenditure on collateral materials, including banners, publications, maps, charts and high visibility or protective clothing for events, functions, conferences, meetings, press conferences and site visits, including Ministerial events, functions, conferences, meetings, press conferences and site visits for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021. 2. For each event or function where the Department/agency expended funds on collateral materials, provide details of the event, including the date and location of each event, and details of the types of materials.	Written
70	SQ21- 000605	Department of Industry, Science, Energy and Resources	Kristina Keneally	Ministerial Overseas Travel - Energy and Climate Agencies	1. Can an itemised list of the costs met by the department or agency for all international travel undertaken by Ministers or Assistant Ministers in the portfolio for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021, please be provided including: a. Flights for the Minister and any accompanying members of the Minister's personal staff or family members, as well as any accompanying departmental officials, together with the airline and class of travel. b. Ground transport for the Minister and any accompanying members of the Minister's personal staff or family members, as well as any accompanying departmental officials. c. Accommodation for the Minister and any accompanying members of the Minister's personal staff or family members, as well as any accompanying departmental officials, and identify the hotels the party stayed at and the room category in which the party stayed. d. Meals and other incidentals for the Minister and any accompanying members of the Minister's personal staff or family members, as well as any accompanying departmental officials. Any available menus, receipts for meals at restaurants and the like should also be provided. e. Any available photographs documenting the Minister's travel should also be provided.	Written
71	SQ21- 000607	Department of Industry, Science,	Kristina Keneally	Ministerial Domestic Travel -	1. Can an itemised list of the costs met by the department or agency for all domestic travel undertaken by Ministers or Assistant Ministers in the portfolio for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31	Written

		Energy and Resources		Energy and Climate Agencies	December 2020 and 1 January 2021-31 May 2021, please be provided including: a. Flights for the Minister and any accompanying members of the Minister's personal staff or family members, as well as any accompanying departmental officials, together with the airline and class of travel. b. Ground transport for the Minister and any accompanying members of the Minister's personal staff or family members, as well as any accompanying departmental officials. c. Accommodation for the Minister and any accompanying members of the Minister's	
					personal staff or family members, as well as any accompanying departmental officials, and identify the hotels the party stayed at and the room category in which the party stayed. d. Meals and other incidentals for the Minister and any accompanying members of the Minister's personal staff or family members, as well as any accompanying departmental officials. Any available menus, receipts for meals at restaurants and the like should also be provided. e. Any available photographs documenting the Minister's travel should also be provided.	
72	SQ21- 000609	Department of Industry, Science, Energy and Resources	Kristina Keneally	Social media influencers - Energy and Climate Agencies	 What was the Department/agency's total expenditure on social media influencers for each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021. What advertising or information campaigns did the Department/agency use social media influencers to promote. Can a copy of all relevant social media influencer posts please be provided. Can an itemised list of all Austender Contract Notice numbers for all relevant social 	Written
73	SQ21- 000611	Department of Industry, Science, Energy and Resources	Kristina Keneally	Departmental Equipment - Energy and Climate Agencies	media influencer contracts please be provided. What was the estimated value of all Departmental equipment that was lost, damaged, stolen or written off during each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021.	Written
74	SQ21- 000613	Department of Industry, Science, Energy and Resources	Kristina Keneally	Commissioned Reports and Reviews - Energy and Climate Agencies	 For each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021, how many Reports or Reviews have been commissioned. Please provide details of each report including: Date commissioned. Date report handed to Government. Date of public release. Terms of Reference. 	Written

					e. Committee members and/or Reviewers.	
					2. How much did each report cost/or is estimated to cost.	
					3. The background and credentials of the Review personnel.	
					4. The remuneration arrangements applicable to the Review personnel, including fees,	
					disbursements and travel	
					5. The cost of any travel attached to the conduct of the Review.	
					6. How many departmental staff were involved in each report and at what level.	
					7. What is the current status of each report. When is the Government intending to	
					respond to each report if it has not already done so.	
75	SQ21-	Department	Kristina	Board	1. Provide an update of portfolio boards, including board title, terms of appointment,	Written
	000615	of Industry,	Keneally	Appointments -	tenure of appointment and members.	
		Science,		Energy and	2. What is the gender ratio on each board and across the portfolio	
		Energy and		Climate Agencies	3. Please detail any board appointments made from 30 June 2020 to 31 May 2021.	
		Resources			4. What has been the total value of all Board Director fees and disbursements paid.	
					5. What is the value of all domestic travel by Board Directors.	
					6. What is the value of all international travel by Board Directors.	
76	SQ21-	Department	Kristina	Appointments -	1. How many times has the Department prepared a brief for statutory authorities,	Written
	000617	of Industry,	Keneally	Briefs Prepared -	executive agencies, advisory boards, government business enterprises or any other	
		Science,		Energy and	Commonwealth body which includes a reference to a former Liberal or National member	
		Energy and Resources		Climate Agencies	of parliament at a state, territory or federal level.	
		11000011000			2. For each brief prepared, can the Department advise:	
					a. The former member.	
					b. The board or entity.	
					c. Whether the request originated from the Minister's office.	
					d. Whether the appointment was made.	
77	SQ21-	Department	Kristina	Media	1. What is the total cost of media monitoring services, including press clippings, electronic	Written
	000620	of Industry,	Keneally	Monitoring -	media transcripts etcetera, provided to each Minister's office for each of the periods 1	
		Science,	,	Energy and	July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December	
		Energy and		Climate Agencies	2020 and 1 January 2021-31 May 2021.	
		Resources			a. Which agency or agencies provided these services.	
					b. Can an itemised list of Austender Contract notice numbers for any media monitoring	
					contracts in each period please be provided	
					c. What is the estimated budget to provide these services for the year FY 2020-21.	
					2. What was the total cost of media monitoring services, including press clippings,	
					electronic media transcripts etcetera, provided to the department/agency for each of the	
					periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31	
					December 2020 and 1 January 2021-31 May 2021.	

					 a. Which agency or agencies provided these services. b. Can an itemised list of Austender Contract Notice numbers for any media monitoring contracts in each period please be provided c. What is the estimated budget to provide these services for the year FY 2020-21. 	
78	SQ21- 000622	Department of Industry, Science, Energy and Resources	Kristina Keneally	Communications Staff - Energy and Climate Agencies	 For all departments and agencies, please provide – in relation to all public relations, communications and media staff – the following: By Department or agency: How many ongoing staff, the classification, the type of work they undertake and their location. How many non-ongoing staff, their classification, type of work they undertake and their location. How many contractors, their classification, type of work they undertake and their location. How many are graphic designers. How many are media managers. How many organise events. Do any departments/agencies have independent media studios. If yes, why. When was it established. What is the set up cost. What is the ongoing cost. How many staff work there and what are their classifications. 	Written
79	SQ21- 000626	Department of Industry, Science, Energy and Resources	Kristina Keneally	Congestion Busting - Energy and Climate Agencies	1. Can the Department/agency advise how it is "congestion busting" in relation to bureaucratic bottlenecks and regulatory bottlenecks. 2. Have any additional resources been allocated within the Department to achieve "congestion busting" within the department.	Written
80	SQ21- 000628	Department of Industry, Science, Energy and Resources	Kristina Keneally	Recruitment - Energy and Climate Agencies	1. What amount has been expended by the department/agency on external recruitment or executive search services in each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021? 2. Which services were utilised. Can an itemised list be provided.	Written
81	SQ21- 000630	Department of Industry, Science, Energy and Resources	Kristina Keneally	Staffing - Energy and Climate Agencies	 How many full-time equivalent staff are engaged at each of 30 June 2019 and 30 June 2020, 31 May 2021? How many of these positions are (a) on-going and (b) non-ongoing. How many redundancies have occurred in each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020, and 1 January 2021-31 May 2021. How many were: 	Written

					 a. voluntary b. involuntary. 4. How many of those redundancies occurred as a result of departmental restructuring. What is the total cost of those redundancies. 5. What was the total value in dollar terms of all termination payments paid to exiting staff. 6. How much overtime or equivalent has been paid to staff in each of the 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021. 7. How many section 37 notices under the Public Service Act 1999 have been offered in each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020 and 1 January 2021-31 May 2021. 	
82	SQ21- 000633	Department of Industry, Science, Energy and Resources	Kristina Keneally	Fair Work Commission - Energy and Climate Agencies	1. For each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020, and1 January 2021-31 May 2021, how many references have been made to the Fair Work Commission within the Department or agency.	Written
83	SQ21- 000636	Department of Industry, Science, Energy and Resources	Kristina Keneally	Fair Work Ombudsman - Energy and Climate Agencies	1. For each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020, and 1 January 2021-31 May 2021, how many references have been made to the Fair Work Ombudsman within the Department or agency.	Written
84	SQ21- 000638	Department of Industry, Science, Energy and Resources	Kristina Keneally	Office of the Merit Protection Commissioner - Energy and Climate Agencies	1. For each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020, and 1 January 2021-31 May 2021, how many references have been made to the Office of the Merit Protection Commissioner within the Department or agency.	Written
85	SQ21- 000640	Department of Industry, Science, Energy and Resources	Kristina Keneally	Public Interest Disclosures - Energy and Climate Agencies	1. For each of the periods 1 July 2019-31 December 2019; 1 January 2020-30 June 2020; 1 July 2020-31 December 2020, and 1 January 2021-31 May 2021, how many public interest disclosures have been received.	Written

86	SQ21-	Department	Kristina	Travel and	1 Please produce a copy of all travel and expense claim policies.	Written
	000642	of Industry,	Keneally	expense claim	2 Please produce a copy of all claim forms. If the forms are digital, please provide a	
		Science,		policy - Energy	screen shot of each section, including all dropdown options	
		Energy and Resources		and Climate Agencies		
87	SQ21-	Department	Kristina	Declarations of	1 Please produce a copy of all relevant policies.	Written
0,	000644	of Industry,	Keneally	Interest - Energy	2 Please produce a copy of the register of declarations of interest as at 31 May 2021?	Willeam
		Science,	,	and Climate		
		Energy and		Agencies		
		Resources				
88	SQ21-	Department	Kristina	Declarations of	1. For all departments and agencies, please provide – in relation to all public relations,	Written
	000646	of Industry,	Keneally	gifts and	communications and media staff – the following:	
		Science,		hospitality -	2. By Department or agency:	
		Energy and		Energy and	a. How many ongoing staff, the classification, the type of work they undertake and their	
		Resources		Climate Agencies	location. b. How many non-ongoing staff, their classification, type of work they undertake and their	
					location.	
89	SQ21-	Department	Kim Carr	NEM issues	In relation to Additional Estimates 2020-21, Question No. 22	Written
	000650	of Industry,				
		Science,			Answer from Department:	
		Energy and				
		Resources			Australia is experiencing an unprecedented wave of investment in small-scale, distributed	
					energy resources with households and businesses contributing to this growth as they seek	
					to access the potential benefits of these technologies. Integrating the rapidly growing	
					number of DER into the grid safely and securely requires coordination across many	
					stakeholders, including distribution networks, the Australian Energy Market Operator	
					(AEMO), the Australian Energy Market Commission (AEMC) and the Australian Energy Regulator (AER), industry and consumers.	
					In February 2021, the AEMC published a final rule determination requiring all new or	
					replacement micro-embedded generators and inverters connecting to distribution	
					networks to comply with new DER Technical Standards specified in the National Electricity	
					Rules (NER).	
					The rule will apply to all jurisdictions in the NEM and will take effect from 18 December	
					2021. Many manufacturers have already begun upgrading their systems after similar	
					changes were introduced in South Australia in late 2020. The rule change requests for	
					access, pricing and incentive arrangements for DER were submitted by the St Vincent de	
					Paul Society Victoria, South Australian network provider SA Power Networks, and the	
					Australian Council of Social Services along with the Total Environment Centre. The AEMC	

operates interdependently as the rule maker for the NEM.

Interconnectors play an important role in enabling AEMO to manage the grid safely and securely. The Government is supporting all major priority transmission projects identified in AEMO's Integrated System Plan.

AEMO's Integrated System Plan highlights up to 19 GW of new dispatchable capacity will be needed by 2040. There are a number of government initiatives to encourage needed new dispatchable generation into the market. The Government is supporting Snowy 2.0, continuing to work with project proponents to support dispatchable generation projects through the Underwriting New Generation Investments program, and the proposed \$1 billion Grid Reliability Fund. In addition, the Government is focused on the delivery of Post 2025 market reforms which create market mechanisms to encourage new investment in dispatchable capacity. The Government, through the 2021-22 budget is supporting Energy Australia's newly announced 316 MW Tallawarra B gas generation through a \$5 million grant to help ensure the generator is hydrogen-ready. This is part of a \$24.9 million package to support new gas generators become hydrogen-ready. The Government also announced in the 2021-22 Budget \$30 million in funding to support early works on AIP's Port Kembla gas generation project.

The Independent Review into the Future Security of the National Electricity Market (the Finkel review) highlighted the concern that vulnerable households could become further disadvantaged through the energy transition. The Finkel review found these consumers could be left paying a higher proportion of shared energy costs as other consumers actively reduce their bills through uptake of rooftop solar and energy efficiency upgrades.

Follow-up questions:

- 1. South Australian Power Networks (SAPN) evidently has not been able to wait for the "coordination across many stakeholders, including distribution networks, the Australian Energy Market Operator (AEMO), the Australian Energy Market Commission (AEMC) and the Australian Energy Regulator (AER), industry and consumers" process to provide SAPN with the coordination of its over 270,000 rooftop solar installations making up in excess of 60% of the state's total generation from renewables. Is it the case that South Australia was unable to wait for the AEMC final rule determination requiring all new or replacement micro-embedded generators and inverters that connect to distribution networks comply with new distributed energy resources (DER) technical standards as specified in the National Electricity Rules (NER)?
- 2. Is it the case that SAPN, in recognition of the danger of mass outages and in the absence of an AEMC ruling, enforced that as of September 2020 its own jurisdictional ruling in regard to distribution network-embedded solar systems would be mandatory?

					3. What assurance can be given that the coordination process referred in the answer as part of question 22 is effective given that SAPN was already experiencing significant voltage and minimum demand problems that could result in loss of control of its networks and consequent mass outages. 4. Is it the case that SAPN has gone down its own path and requires that installers of solar systems meet requirements including: a) that the solar inverters have internet capability and an on-board communications port; b) that solar inverters be capable of low voltage ride-through; c) that the electrical installation meet minimum smart meter and wiring requirements; d) that an agent who can remotely connect or disconnect the solar system be assigned and that such agent be registered by SAPN as Relevant Agent under the terms of SAPN's jurisdiction?	
					 5. Is AEMO likely to adopt these steps by SAPN as national requirements? 6. Is it the case that SAPN's regulatory technical standards must be complied with and that responsibility falls on individual suppliers, installers and Relevant Agents, evidently without audit as to compliance? (SAPN's webpage lists 26 Relevant Agents including SAPN.) 7. Is it the case that with SAPN, the technology provider is responsible for the connection of the inverter or intermediary device, in most cases utilizing the Wi-Fi internet connection at the customer's site? 	
					8. Is it the case that a separate, customer-owned electricity meter is also frequently required (at a cost of typically \$500)? 9. What individual jurisdiction regulations in regard to DER compliance are in force or being contemplated, for example by Queensland which apparently is requiring voltage	
					monitoring devices on all installations? 10. What assurance can be given in regard to cyber security, given the evidently ad hoc developments in Australia's networks? 11. What assurance can be given that by the time all the consultations with stakeholders	
					have been completed, there will be an AEMO-compliant Integrated System in operation in the national electricity market (NEM)? 12. What coordination has taken place with VicGrid, the new Victorian body that is	
					planning upgrades in that state? 13. Does AEMO or any other federal authority have any capacity to force VicGrid to coordinate with or comply with wider national plans or priorities?	
90	SQ21- 000651	Department of Industry, Science,	Kim Carr	Electricity system	In relation to QUESTION No. 24 from Additional Estimates 2020-21 which asked: 1. Does the Government have any plans to reform the administrative and governance structures of the electricity system, for example:	Written

		Energy and Resources			a. AEMO have its primary responsibility that of ensuring a satisfactory physical generation and supply market by moving transmission planning functions elsewhere? b. Are there any plans to have monopoly transmission enterprises become more subject to the strict rules and market commitments of other electricity market participants? ANSWER (provided by Department) The Department is not aware of any plans to reform the administrative and governance structures of the electricity system of the type described. Follow-up questions to answers to Question 24: 1. Is the department aware of the ESB's great concern regarding the increasing shortcomings in system strength, frequency and voltage stability? 2. Is the department aware that AEMO considers the bulk of transmission links to remote energy zones (REZ) to be weak links subject to congestion and voltage stability? 3. Is the department aware that REZ links are responsible for limiting output from renewable sources, requiring post connection approval additional investment such as the installation of synchronous condensers? 4. Is the department aware that the unconstrained installation of rooftop solar is responsible for substantial investment in transmission links such as the one planned between NSW and SA? 5. Is the department aware of any alternative solutions, less capital intensive, for example, in the case of SA requiring battery firming to employ voltage forming inverters capable of allowing SA to have reliable supply if islanded from the rest of the NEM system? 6. Is the department aware that in spite of frequent consultations between AEMO, AEMC, AER and ESB, there is no central planning authority to ensure that the transition to renewables according AEMO's ISP takes place in the national interest?	
91	SQ21- 000652	Department of Industry, Science, Energy and Resources	Kim Carr	Synchronous generators	In relation to QUESTION No.: 31 from Additional Estimates 2020-21 which asked: 1. Can AEMO or the Department confirm that "black start" is only possible from synchronous generators, not from batteries?	Written

					Answer provided by Department: Black start is not currently possible from batteries in the NEM. AEMO advises that it could be possible in the future pending technological developments, and provided the battery is sufficiently large, designed to meet the performance objectives of the guidelines, and appropriately located in the power system. Follow-up questions: 1. Is AEMO aware that overseas companies ABB and SMA are prepared to supply voltage forming inverters?	
					2. Is AEMO aware that General Electric (GE) is planning to introduce voltage forming inverters?	
					3. Is a 600 MW battery connected to a voltage forming inverter capable of providing 300 MW voltage forming synchronous power for at least an hour? If not, why not?	
					Answer provided by the Department to Question 31 (continued) Australia's uniquely long and stringy network covers a vast distance with dispersed load centres. AEMO closely manages these concerns.	
					Further follow up question: 4. Given the challenges of DER and VRE in 'stringy networks', what network-wide, including distribution networks, secure, real-time information base and control system will AEMO implement in order to provide secure electricity supplies during high variability periods of wind and solar?	
92	SQ21- 000653	Department of Industry, Science, Energy and Resources	Kim Carr	Renewable sources in distribution grids	 What efforts are being made to provide intelligent integration of renewable sources in distribution grids, for example: a) Generating agents (i.e., potential customers) and assigning them attributes based on a probabilistic representation of individual customer types; b) Applying technical and siting restrictions, such as resource quality, rooftop availability (solar); c) Performing economic calculations using cash flow analysis incorporating project costs, prevailing retail rates, incentives, and net metering considerations; d) Generating automated output reports, including visualizations and tabular reporting of installed, system generation, and multiple other measures of technical and economic performance? 	Written

					 Can the Department provide any detailed modelling commissioned by the Commonwealth on the impact of the closure of the Liddell power plant? Can the Department provide any detailed modelling on the business case for (ie, need for/benefits from) the planned Kurri Kurri gas plant? Can the Department release all materials prepared for the Commonwealth analysing the impact of the NSW Government's Electricity Infrastructure Roadmap? What external consultancies have been engaged to assist with the on-going development and administration of the NEM and on what contract terms? What is the ownership structure and who are the owners (including governments and public institutions) of the major energy infrastructure assets in the NEM: (a) Generators (coal, gas, hydro, solar, wind, other – above 250Mwh) (b) Storage (battery, pumped hydro, other) (c) Transmission 	
93	SQ21- 000356	Australian Renewable Energy Agency	Nita Green	Status of MOU	(d) Distribution? Senator GREEN: The minister's explanation statement on the regulation says that a memorandum of understanding would be developed between ARENA and the department in relation to the delivery of the programs. What's the status of that MOU? Mr Miller: It's in draft form. In final form, it hasn't been executed yet. Senator GREEN: I would like to see a copy of that. If it's in draft form, could you possibly take that on notice. When are you planning on executing it? Is it when the regulations are made? Is that how it's lining up? Ms Evans: I think there's a final step. We're just waiting for the statement of expectations for ARENA to be updated to reflect the new measures and any other changes that the government wishes to put into those. I believe that was the only thing we were waiting to finalise before that MOU can then be signed off. Senator GREEN: What's the time frame around that? Ms Evans: I'd have to take that on notice. Senator GREEN: I assume that, if there's a reason why you wouldn't be able to provide that on notice, you'll let us know, but if we can have that draft MOU tabled. If it's in a draft form, there are still some things to iron out, I assume, but you're only waiting on the statement of expectations. What sorts of requirements will ARENA have to meet to deliver the programs? Mr Miller: Senator, we're happy to provide you with the MOU if we're able to, so I don't want to run through the details. But it's essentially about ensuring that the department	98

					and ARENA cooperate on the design of those programs where appropriate, acknowledging that ARENA's funding decisions and program design is a matter for ARENA's board, ultimately, but that we want to work closely together to ensure that that program is rolled out effectively.	
94	SQ21- 000357	Australian Renewable Energy Agency	Malcolm Roberts	Project forecasts	Senator ROBERTS: Okay. Secondly: initial project forecasts consistently underestimated curtailment and residual losses, while capacity factors were generally overestimated. Mr Miller: Again, to answer I'd have to go back and have a look at the report. Senator ROBERTS: Thirdly: incorrectly assumed adequate transmission. Fourthly: the regulator says power cannot be fed into the grid, because of instability. Mr Miller: What's the question? Senator ROBERTS: Could you confirm or correct whether the regulator says that power cannot be fed into the grid, because of instability problems in the grid? Mr Miller: What's the context for that? Senator ROBERTS: This is a report which ARENA and the Clean Energy Finance Corporation produced on 14 large-scale wind and solar projects. Mr Sullivan: I would need to refresh myself on the report to answer the question.	101-2
95	SQ21- 000358	Australian Renewable Energy Agency	Malcolm Roberts	Cost of frequency control ancillary services	Senator ROBERTS: The estimated cost of frequency control ancillary services—a lot of acronyms here, aren't there?—for unreliables was initially estimated, about 20 years ago, at just one per cent of the cost of electricity. This is before we got onto this transition. It's not a significant cost in coal, gas, nuclear and hydro, yet with unreliables, wind and solar, it's now around eight to nine per cent. Is that a factor in your plans? Mr Miller: What's unreliable? Senator ROBERTS: Wind and solar. Mr Miller: Variable renewables? Senator ROBERTS: Yes. Mr Miller: Right. Senator ROBERTS: The cost of frequency control ancillary services is now around eight to nine per cent. Mr Miller: I'd have to go and check the market for you and get back to you. I'm not close to those numbers on a daily basis. Senator ROBERTS: If you could take on notice the cost of frequency control ancillary services in aggregate across the electricity sector and also for wind and solar typically.	102
96	SQ21- 000359	Clean Energy Finance Corporation	Malcolm Roberts	Amount written off	Senator ROBERTS: How much have you written off in terms of lost capital and foregone interest? Mr Powell: Over the entire life of the corporation? I think from, memory— Mr Learmonth: It's a couple of hundred thousand. Mr Powell: It may be as high as \$800,000. We can take it on notice to give you the exact	105

					number. Mr Learmonth: We'll take it on notice. It's immaterial in the scale of the CEFC.	
97	SQ21- 000360	Clean Energy Finance Corporation	Jenny McAllister	Project List	Senator McALLISTER: Right, so the issue is simply the question of capital—there is no challenge with your mandate or legislative authority? Mr Learmonth: As I say, we received an investment mandate some two or so years ago asking us to invest in security and reliability of the grid. So we have been getting on with that work. We have capital. But it's a huge job. Investing in transforming the grid to be fit for purpose for a higher renewables energy market is something that's going to take tens of billions of dollars. We kind of look forward to that. Senator McALLISTER: I won't ask you to go through this this evening, because of the hour, but could you table—or, if it's in the public domain, point me to the resource—a list of the projects that you have progressing associated with grid reliability and their status at the moment. Mr Learmonth: We can certainly send you that. Senator McALLISTER: Thank you.	106
98	SQ21- 000367	Clean Energy Regulator	Larissa Waters	Total area (in hectares) of all Carbon Estimation Areas for Avoided Deforestation projects	In response to a QON asking about the total area (in hectares) of all Carbon Estimation Areas for Avoided Deforestation projects both registered and contracted under the ERF, you advised: The total area of all Carbon Estimation Areas for registered Avoided Deforestation projects is 949,075 hectares. The total area of all Carbon Estimation Areas for contracted Avoided Deforestation projects is 882,063 hectares. These figures appear to be Project areas, rather than carbon estimation areas. Can you please clarify: 1. Do the figures provided in QON SQ21-000076 represent Project Areas? 2. If the figures are for project areas, what are the total areas (in hectares) of: a. all Carbon Estimation Areas for Avoided Deforestation projects registered under the ERF b. all Carbon Estimation Areas for Avoided Deforestation projects contracted under the ERF.	Written
99	SQ21- 000361	Climate Change Authority	Malcolm Roberts	Climate Evidence	Senator ROBERTS: The reason I ask—I'm not trying to be cheeky or smart—is that I don't know. We were flooded with responses late last week, just a few days before Senate estimates, and I don't know which ones have replied and which ones haven't. But we asked you for that. Where's your empirical scientific evidence showing that carbon dioxide from human activity affects climate and needs to be cut? We wanted the specific	113

					location of the evidence, the data and the framework for proving that. We also wanted the specific relationship between carbon dioxide quantities that affect climate—temperature, wind, rainfall et cetera. You just mentioned the effects of climate change that are already present and the risks that you foresee. Could you give me that on notice? Mr Archer: I could give you that on notice. I could also attempt to answer that briefly here today. CHAIR: On notice would be fine.	
100	SQ21- 000362	Climate Change Authority	Jenny McAllister	Agency engagement	Senator McALLISTER: I have a couple of questions. Mr Archer, your mandate is to provide support, amongst other things, to the department by providing intervention and climate change mitigation policy advice to government. I can see that last year you published a document that discussed some of the opportunities and risks that presented as a consequence of the pandemic. I'm wondering which organisations in government sought briefings from you about that report? Mr Archer: Just to clarify, I think you are referring to the report that we released, was it in July? Senator McALLISTER: It was in July; that's right. Mr Archer: I don't recall that agencies sought briefings from us but we certainly took the opportunity, where we could, to raise awareness of the report and the thinking that was represented in it. I would have to take on notice who exactly we did meet with but there were several agencies that would have included the department of industry, the Treasury and there were probably others as well, but I would have to check that for you. Senator McALLISTER: The review of the Emissions Reduction Fund—I'm interested, in similar terms, which—I'm happy to take on notice—agencies had engaged with that work? Mr Archer: I will certainly take that on notice for you.	114
101	SQ21-	Snowy	Larissa	Portion of	Senator WATERS: Just as a matter of interest, what proportion of the power that you're	81
	000347	Hydro Limited	Waters	renewable power	supplying would be from hydro, which is, in my view, renewable, as opposed to the gas plants and diesel plants? Mr Broad: We are a small player in the market. We're only 14 per cent of the national—Senator WATERS: Yes. Mr Broad: So we're a very small player. Out of that, gas is a very small part, and diesel is even much, much smaller. Senator WATERS: Can you be a bit more specific? Mr Broad: In any one year, as Roger said, it varies a lot. If I were to go back the year the fires were on, the percentage would have been a lot. If you go back seven years when we had a big drought, we ran our gas plants in Victoria nearly flat out day after day. So it depends on the year, so I don't want to mislead you. Mr Whitby: We can take that on notice.	

Senator WATERS: Okay. With Kurri, assuming it goes ahead—and I don't want to enliven this discussion about peaking markets—my understanding is it would then be roughly 80 per cent of the peaking market that Snowy controls. Let's just take that as a hypothesis, if you will. Mr Broad: I'll take that on notice, and we'll come back, and we'll have a written argument about that one. Senator WATERS: I can't wait! Senator WATERS: Okay. Last week the Tomago Aluminium smelter temporarily shut down because, according to Minister Taylor, there wasn't enough power available. Do you agree with him? Was there not enough power? Mr Broad: I can't comment on that. I can comment on what happened with us, and I'll ask Roger to go through it, because there has been some misinformation put up about whether Colongra operated or not. Senator WATERS: Yes, I'm interested in that. My understanding is it didn't. Mr Broad: No. It operated for five hours, actually. Again, given the background Roger talked about—and I understand, Chair, timing, and I appreciate we can answer a lot of guesties on a patie is Good use a curstice and understand talk it is a comment on that it is a comment on						
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really important, because these things get misrepresented to you, the senators, and we want you to be precise, so— Senator WATERS: Can I beg your patience and ask you to do that on notice, because I've got a series of other questions and I really do want to ask them. [p.83] Senator McALLISTER: Thanks, Chair. There has been some discussion about the decision by Tomago to cease operations for a number of hours to avoid a spike in the market in recent weeks. There are reports that, during that period, Snowy Hydro did not dispatch any electricity from the Colongra plant, despite the fact that the prices were running at between \$2,000 and \$7,000 a megawatt hour. Is that correct? Mr Broad: I committed to give a full account a minute ago to the previous questioner if I could take it on notice. It would include our version of Tomago and what happened day by day. We were ready to run. We ran for five hours on Thursdays and Fridays. There is a lot of misinformation put out there. I agreed to give Senator Waters— Senator McALLISTER: I'm asking the question. With my time, I would like to know the answer— Mr Broad: And I said we'll take it on notice and we'll give you a full answer. If you want the full answer now, it's going to take half an hour to give it to you. Or you can get a detailed response, day by day, hour by hour— Senator McALLISTER: Mr Broad, with the greatest respect, this is not a forum where you dictate which questions you'd like to answer. The Senate and the senators here are here	102	Hydro	Waters; Jenny	Electricity	because, according to Minister Taylor, there wasn't enough power available. Do you agree with him? Was there not enough power? Mr Broad: I can't comment on that. I can comment on what happened with us, and I'll ask Roger to go through it, because there has been some misinformation put up about whether Colongra operated or not. Senator WATERS: Yes, I'm interested in that. My understanding is it didn't. Mr Broad: No. It operated for five hours, actually. Again, given the background Roger talked about—and I understand, Chair, timing, and I appreciate we can answer a lot of questions on notice. Send us a question and we're going to answer it, don't worry. But it's really important, because these things get misrepresented to you, the senators, and we want you to be precise, so— Senator WATERS: Can I beg your patience and ask you to do that on notice, because I've got a series of other questions and I really do want to ask them. [p.83] Senator McALLISTER: Thanks, Chair. There has been some discussion about the decision by Tomago to cease operations for a number of hours to avoid a spike in the market in recent weeks. There are reports that, during that period, Snowy Hydro did not dispatch any electricity from the Colongra plant, despite the fact that the prices were running at between \$2,000 and \$7,000 a megawatt hour. Is that correct? Mr Broad: I committed to give a full account a minute ago to the previous questioner if I could take it on notice. It would include our version of Tomago and what happened day by day. We were ready to run. We ran for five hours on Thursdays and Fridays. There is a lot of misinformation put out there. I agreed to give Senator Waters— Senator McALLISTER: I'm asking the question. With my time, I would like to know the answer— Mr Broad: And I said we'll take it on notice and we'll give you a full answer. If you want the full answer now, it's going to take half an hour to give it to you. Or you can get a detailed response, day by day, hour by hour— Senator McALLISTER: Mr Broad, wi	

					to ask you questions as a government-owned business enterprise. CHAIR: Senator McAllister, it is also true that a witness can take an answer on notice.	
103	SQ21- 000349	Snowy Hydro Limited	Hollie Hughes	Coomera Region Job Numbers	Senator HUGHES: Do you have any estimates of how much investment might flow into the community, and, similarly, like the 1,200 to 1,500 jobs around the Coomera region, how many jobs do you think this will generate around Kurri Kurri? Mr Broad: I haven't got a number off the top of my head—I'll get you one—but it's significant. With direct contractors in Coomera alone, it's in the order of \$60 million to \$80 million today. I'll get you a number, convert that to dollars and give it to you. Senator HUGHES: If you can take that on notice, that would be great. Thank you very much.	86
104	SQ21- 000350	Snowy Hydro Limited	Anthony Sheldon	Ministerial notification of potential conflicts of interest	Senator SHELDON: Thank you, Chair. To you, Minister, are you aware of Mr McCloy? At any time that you became aware of Mr McCloy, did you notify the chairman of the board David Knox? Did you notify NonExecutive Director Richard Sheppard? Did you notify Non-Executive Director Scott Mitchell? Did you notify Non-Executive Director Tony Shepherd? All of these people have been active in the same groups as Mr McCloy. Did you notify them of any potential conflicts of interest? Senator Seselja: When you say 'me' I assume you mean the minister who I'm representing. I don't know the answer to the question but I'm happy to take that on notice.	91-92
105	SQ21- 000351	Snowy Hydro Limited	Rex Patrick	Project schedule for Snowy 2.0	Senator PATRICK: Alright. In terms of commenced powerhouse evacuations, the evacuation of the powerhouse cavern is due in Q3 of 2021. Is the current forecast that you will hit that milestone? Mr Broad: It is, but there may be a month or two in this, to be really frank to you. Senator PATRICK: Sure. I like frank. Mr Broad: The contractors are looking at an alternative way of digging out the cabin. As you appreciate, they were going to drill and blast it. Now they are looking using roadheaders, which will be far quicker, not dirtier, but we have to get ourselves right. So the contractors are looking at smarter, safer way to do that part of the job, which may mean a delay. Senator PATRICK: So that means it takes a little bit longer to think about the problem, but if the solution comes out the way you described, you'll recover the schedule? Mr Broad: It should get back on track. That's the expectation. The expectation, from what the contractors tell us, is they will build a fair bit of float into the drill rates of the tunnel boring machines. That's where they expect to pick up time to get us back on schedule. But, as you would know, these things move about quite a bit in the complexity of the jobs. Senator PATRICK: Sure. In the milestone schedule you provided, the next milestone is 2025. I think that's way too far.	93

106	SQ21-	Snowy	Rex	Project budget	Mr Broad: We'll give you more. I like your interest in it. We will nail down a few more for you next time. I'll come back to you. I didn't want to mislead you; that's all. Senator PATRICK: On notice, if you could fill out the next couple of years. Mr Broad: Yes. I appreciate your interest. Senator PATRICK: Fantastic. I might take you up on that. In relation to the project spend to	93
100	000352	Hydro Limited	Patrick	for Snowy Hydro 2.0	date, have you been tracking how much has been spent locally against the total budget? Mr Broad: We have. Can I take it on notice to give it to you?	
107	SQ21- 000353	Snowy Hydro Limited	Rex Patrick	Steel standards for Snowy Hydro 2.0	Senator PATRICK: That would be appreciated. There were questions related to steel, which I have been trying to get to the bottom of. I'm not quite satisfied with the answers here. I asked a question about what standards you are using, and you gave me two with an indication that they were being modified, as opposed to the list of all of the standards that I think you are in actual fact using in relation to steel. It can't be that you are only using two standards. Mr Broad: Again, I'd have to take it on notice to speak to the contractors who are doing that. Senator PATRICK: Sure. Mr Broad: So your question is: have the contractors looked wide enough in the steel they are applying? The submarine one, which you raised last time: if we can do it here, why aren't we looking at it? Senator PATRICK: No, just at this point, I'm just after a list of all of the steel standards that cut across your project. You have given me ones that really focus on the tunnels, as opposed to all of the general activity. Mr Broad: Across the project. I hear you. Senator PATRICK: I'm interested in that. I'll just try to keep this short. I know there is pressure on in terms of time. My read of what you've sent to me in terms of answers, just looking at the standards, is that, basically, with the steel that you are trying to get hold of, you are trying to have the maximum length of the steel so that once you have rolled it into a tunnel you reduce the number of welds. Is that my reading of the answer you have provided? Mr Broad: Again, I would have to speak to the contractors and get that answer. Senator PATRICK: Let me just foreshadow what my concern is, so you know how to talk to them. I have been speaking to— CHAIR: Could you put that in writing as a question on notice? Senator PATRICK: I just want to explain where I'm coming from. This will be the last thing, Chair. It has been put to me that the length of steel that you are requiring for the fabrication of welding may well exclude Australian contractors. It may well simply rul	93-94

					AIP, your Australian industry plan, and the value associated with local employment and all of those factors. My concern is that you are cutting out Australian participation in one engineering trade-off, when, as you know, it is complex; there are lots of factors that need to be considered. That's my concern. I wonder if you can come back and address that for me, please. Mr Broad: Thank you. Yes, we will.	
108	SQ21- 000354	Snowy Hydro Limited	Jenny McAllister	Date of approach to HiDRA	Senator McALLISTER: Thank you, very much, Ms Kim. You indicated that when you became aware the Kurri Kurri site may become available you approached, I think, the consortium—was that your evidence? Ms Kim: Yes. Senator McALLISTER: When was that approach made? Ms Kim: It was prior to HiDRA Aluminium. It was done by another colleague of ours, and it would have been around 2012—was it then? I'll have to take the exact date on notice, it was many years ago. Senator McALLISTER: You approached HiDRA Aluminium at that time. Ms Kim: Yes, but I'll have to take that on notice and give you the full details. Senator McALLISTER: Okay, thank you very much.	94
109	SQ21- 000355	Snowy Hydro Limited	Nita Green	Bonuses	Senator GREEN: Thanks, Chair. I'll move on to another topic. I have your annual report in front of me and I'm looking at the executive remuneration section. Eight of your executives were paid short-term benefits, including bonuses, in the last financial year. But the annual report indicates that those may be paid in September. It's not quite clear about whether those were paid. It says, 'Are expected to be paid in September 2020.' Can I just check whether those bonuses were paid as it appears in the annual report? Mr Broad: The bonuses were paid. If that was exactly as in the report, I would have to double-check. But there was no long-term bonus paid in that year.	94
110	SQ21- 000368	Snowy Hydro Limited	Rex Patrick	Modification to Australian Steel Standard	QON 101 (of 20 Oct 20) which inquired as to the Standards in relation to steel, the answer gave two standards AS 1210 and AS 3597 and said these had been modified to "improve structural robustness" and "reducing fabrication complexity". Having made some inquiries it was determined that: • AS 1210 covers Pressure Equipment. • AS 3597, covers Pressure Equipment and Structural and pressure vessel steel - Quenched and tempered plate. A follow up question was asked during the hearing regarding the modifications alluded to in QON 100 (of 22 Mar 21), it was taken on notice, with the following then advised: "There is no relevant Australian Standard for the design and construction of a hydropower waterway. The modifications to the standard are in relation to how loads on the steel liner of the waterway are calculated to ensure the design is suitable for an underground construction."	Written

					1. Based on the responses from Snowy Hydro there are only two standards relevant to the steel being used. Is this correct? a. If not, what standards are being applied? 2. The answer (to QON 101) stated "These modifications are aimed at improving structural robustness and reducing fabrication (particularly welding) complexity which is extremely important for the high strength and high thickness steel required for the Snowy 2.0 Project". a. What are the modifications (as per QON 101) Snowy Hydro, or the prime contractor, have applied to the standards? b. Which entity, or entities, proposed the modifications? c. Do these modifications, alter and thus have an impact on what was originally put out for tender for the Snowy 2.0 project? d. Do these modifications improve the infrastructure that's to be delivered by the project? If so, how? i. Will they have an impact on cost? ii. Can these negatively impact the ability of Australian industry to supply? 3. Have any specifications or requirements been placed on steel supplies that would or could negatively impact the ability of the Australian steel industry to supply? a. Please explain how the ability of Australian industry to be able to supply the steel has been confirmed? 4. Have any specifications or requirements been placed on the fabrication and/or welding of the steel that would or could negatively impact the ability of Australian industry/fabricators to be able to supply the steel linings has been confirmed? 5. From the previous answers there are clearly strength, thickness and length requirements being imposed on the steel linings. Can Australian industry meet these requirements? 6. Does Snowy Hydro, or their contractor, have concerns regarding the fabrication/welding of the steel linings? a. If so, what are the pressures the steel linings will be exposed to?	
111	SQ21- 000369	Snowy Hydro Limited	Rex Patrick	Technology Transfer	Follow up to QON 5 (2020-21 Budget Est). Snowy Hydro advised that "The Snowy 2.0 principal contractor Future Generation is looking to establish a Certificate III training course in tunnelling operations, along with	Written

					onsite experience from tunnelling experts, to provide Snowy 2.0 workers with a valuable national and international trade qualification." During the budget estimate hearings tunnelling was one of the examples of a unique capability that was best bought in from overseas when required. This would seem to nullify the benefit to Australia of such a technology transfer. 1. Were any entities engaged regarding the potential benefit of establishing an onshore certificate III training course in tunnelling? a. If so, please advise which entities endorsed establishing the certificate III training course in tunnelling? i. Was any economic benefit attached to the establishment of such a course? ii. If so, what was the economic benefit?	
112	SQ21- 000370	Snowy Hydro Limited	Rex Patrick	Advice to Share Holder Ministers regarding Kurri Kurri proposal	It is understood and accepted that Snowy Hydro Limited has been exploring gas opportunities for some time and that these intentions have been included in the entities previous corporate plans, namely 2019-20 and 2020-21. There was a point in time when the explorations moved to a commitment. 1. To this point, on what date were the Share Holder Ministers advised that Snowy Hydro would be proceeding with the Kurri Kurri (open cycle gas turbine) power station?	Written
113	SQ21- 000647	Snowy Hydro Limited	Kim Carr	Cabramurra	 Will the new facilities at Cabramurra, including the Medical Centre and Fire Refuge be open to the community? Will the new facilities be built to a specific fire rating? With regards to the water treatment plant at Lobs Hole:	Written
114	SQ21- 000668	Department of Industry, Science, Energy and Resources	Anthony Sheldon	Kurri Kurri site - Mr McCloy and McCloy & Stevens Group	1. Did any Minister or other Government MP, or their staff, or a Government or Departmental Official, or a Snowy Hydro employee, or a representative of any of the aforementioned groups, meet with, speak to or engage in any other form of contact or correspondence with Mr Jeff McCloy, or a representative or associate of Mr McCloy, in the 18 months prior to when the Chair of Snowy Hydro wrote to shareholder ministers regarding the Kurri Kurri gas-fired power plant on 3 September 2020?	Written

If the answer to Question 1 is yes, then for each separate instance of contact: 2. Who met, spoke with or was otherwise engaged in this contact? a. When did this contact take place? b. What was the nature of the contact? c. d. What was the purpose of the contact? Where did the contact take place? e. f. Was Snowy Hydro's gas plan, or the site at Kurri Kurri, mentioned or referred to in any way? 3. At any stage of planning, identifying or considering the Kurri Kurri site, was Mr McCloy's (or the McCloy & Stevens Groups' Joint Venture's) purchase of, or connection to, the Kurri Kurri site identified, mentioned or discussed by any Minister or other Government MP, their staff, a Government or Departmental Official, a Snowy Hydro employee, or a representative of any of the aforementioned groups? If the answer to Question 3 if yes: In what context was it identified, mentioned or discussed? a. b. What specifically was said? c. If any record of this conversation exists, or if reference to Mr McCloy was made in writing, please provide this to the Committee. 5. On what date was the Department made aware of Mr McCloy's history with the NSW ICAC? On what date was the Government made aware of Mr McCloy's history with the 6. **NSW ICAC?** On what date was the Department made aware of Mr McCloy's connection to the Liberal Party? On what date was the Department, Government or Snowy Hydro, or any employee or representative of any of those three entities, first made aware of Mr McCloy's (or McCloy & Stevens Group's) interest in purchasing the Kurri Kurri site? On what date was the Department, Government or Snowy Hydro, or any employee or representative of any of those three entities, first made aware of Mr McCloy's (or McCloy & Stevens Group's) bid for the Kurri Kurri site? On what date was the Department, Government or Snowy Hydro, or any 10. employee or representative of any of those three entities, first made aware of Mr McCloy's (or McCloy & Stevens Group's) successful acquisition of the Kurri Kurri site? At any point of the site selection process, including before, during or after that process, did any Minister or other Government MP, or their staff, or a Government or Departmental Official, or a Snowy Hydro employee, ask about a potential conflict of interest relating to Mr McCloy (or McCloy & Stevens Group), or mention or suggest the existence of a conflict of interest?

					12. Is the Department and Government aware of how much McCloy & Stevens Group paid to acquire the Kurri Kurri site, and if yes, when did the Department and Government respectively become aware, and how much was it?	
1	000667	Snowy Hydro Limited	Anthony Sheldon	Purchase of the Kurri Kurri site	 How much did Snowy Hydro pay to acquire the Kurri Kurri site? On what date was Snowy Hydro, or any employee or representative of Snowy Hydro, first made aware of Mr McCloy's (or McCloy & Stevens Group's) interest in purchasing the Kurri Kurri site? On what date was Snowy Hydro, or any employee or representative of Snowy Hydro, first made aware of Mr McCloy's (or McCloy & Stevens Group's) bid for the Kurri Kurri site? On what date was Snowy Hydro, or any employee or representative of Snowy Hydro, first made aware of Mr McCloy's (or McCloy & Stevens Group's) successful acquisition of the Kurri Kurri site? Is Snowy Hydro aware of how much McCloy & Stevens Group joint venture paid for the Kurri Kurri site, and if yes, when did Snowy Hydro become aware, and how much was it? When did Snowy Hydro undertake its first valuation or other assessment or estimate of the value of the Kurri Kurri site, and what was the value that was determined or estimated? For each site visit, conversation or meeting Snowy Hydro or an agent or representative of Snowy Hydro engaged in on the negotiation and purchase of the Kurri Kurri site, please advise: The date of the visit, conversation or meeting If there are agendas, minutes or other written records of these visits, conversations or meetings, please provide them to the Committee. Mr Broad said at Budget Estimates "I handed all the land negotiations to Cesilia", and, "I deliberately excluded myself from all land negotiations between Snowy Hydro and Hunter matters". Can Snowy Hydro confirm the full detail of any involvement by Mr Broad in:	Written

		What conversations has Mr Broad had with Mr McCloy since his appointment as CEO of
		Snowy Hydro, and when and where did these conversations take place?
		11. Is Mr McCloy known to Snowy Hydro Chairman David Knox, and if so, what is the
		nature of the relationship between Mr Knox and Mr McCloy?
		12. Is Mr McCloy known to Snowy Hydro non-executive director Richard Sheppard,
		and if so, what is the nature of the relationship between Mr Sheppard and Mr McCloy?
		13. Is Mr McCloy known to Snowy Hydro non-executive director Scott Mitchell, and if
		so, what is the nature of the relationship between Mr Mitchell and Mr McCloy?
		14. Is Mr McCloy known to Snowy Hydro non-executive director Tony Shepherd, and
		if so, what is the nature of the relationship between Mr Shepherd and Mr McCloy?