

**ENVIRONMENT AND COMMUNICATIONS LEGISLATION COMMITTEE**

**QUESTIONS ON NOTICE – SUPPLEMENTARY BUDGET ESTIMATES 2021-22 – 25 OCTOBER 2021**

**INDUSTRY, SCIENCE, ENERGY AND RESOURCES PORTFOLIO**

<b>QoN No.</b>	<b>Portfolio QoN No.</b>	<b>Department /Agency</b>	<b>Senator</b>	<b>Title</b>	<b>Question</b>	<b>Transcript Page</b>
1	SQ21-000672	Department of Industry, Science, Energy and Resources	Malcolm Roberts	Disposal of solar cells	<p>Senator ROBERTS: In terms of clean energy technology development, what is the government's proposed solution to safely dispose of the heavy-metal component of degraded solar cells?</p> <p>Ms Evans: There is some work underway through ARENA to look at end-of-life issues for solar cells, but to give you a specific answer I'd have to take that on notice.</p> <p>Senator ROBERTS: Okay. Thank you. I guess you probably can't answer these questions, then: how expensive will this process be, and what amount has been budgeted for this task?</p> <p>Ms Evans: There aren't answers for those question, and, certainly from a Commonwealth perspective, there isn't a budget allocated to that activity.</p> <p>Senator ROBERTS: Who will be responsible for implementing this policy once it's developed?</p> <p>Ms Evans: These are waste disposal issues, so they'll be governed more by state legislation than by Commonwealth legislation.</p> <p>Senator ROBERTS: But it will have some Commonwealth legislation over it?</p> <p>Ms Evans: No. I'm saying that it's more of a state issue.</p> <p>Senator ROBERTS: Is it likely to be privatised, or will it be the responsibility of the individual solar complex's owners?</p> <p>Ms Evans: I really don't think we have answers to those question. I think the research that ARENA is doing will shed some light onto whether or not there are issues that need to be dealt with. If there are, there will be policy responses developed by the relevant level of government.</p> <p>Senator ROBERTS: So we don't yet know if there are issues?</p> <p>Ms Evans: I can't say myself that I'm aware of how significant those issues are. The research is underway.</p> <p>Mr Fredericks: Senator, to assist you further we'll take that question on notice.</p> <p>Senator ROBERTS: Thank you. Will these costs be factored in to the massively high government subsidies, which are the only way to fudge the actual cost of solar to the community, who have been duped into thinking that solar is a cheap source of electricity?</p>	13-14

					<p>Mr Fredericks: We'll take that on notice.</p> <p>Senator ROBERTS: Isn't it true that if the subsidies were removed from solar it would not be viable, because solar, in reality, is much more expensive than coal, which is still the cheapest form of electricity, apart from hydro?</p> <p>Mr Fredericks: I'll take that on notice.</p> <p>Senator ROBERTS: Given we know that within 10 years or less the Australian landscape will be littered with hundreds of thousands of dead, toxic solar cells, what is the plan? You don't know the plan yet?</p> <p>Mr Fredericks: We'll take it on notice to do that properly for you, Senator.</p> <p>Senator ROBERTS: Is it the government's intention to create a new industry of solar cell disposal? Same again?</p> <p>Mr Fredericks: We'll take that on notice.</p>	
2	SQ21-000673	Department of Industry, Science, Energy and Resources	Sarah Hanson-Young	Number of major projects	<p>Senator HANSON-YOUNG: In preparation of the next report can you advise us if you expect the number of major projects to have increased or decreased from last year?</p> <p>Mr Fredericks: The witness can't answer that question. That's just a means of asking for him to give insights into a report which we've said to you in evidence is in preparation, and it's a matter for government when that report is finalised and—</p> <p>Senator HANSON-YOUNG: But isn't it based on fact?</p> <p>Mr Fredericks: Yes, it is based on fact.</p> <p>Senator HANSON-YOUNG: So I don't understand why I can't get access to the facts.</p> <p>Mr Fredericks: Because the facts are part of a report that is in preparation, and it's a matter for government when that report is finalised and published.</p> <p>Senator HANSON-YOUNG: It's a basic principle of fact I'm asking. Surely you have been putting this effort in. Are there more or fewer projects on the books?</p> <p>Mr Fredericks: Senator, if it helps you, we'll take it on notice.</p> <p>Senator HANSON-YOUNG: Are you claiming some kind of immunity or something on this? It doesn't make any sense. You're doing all the work. I'm not asking for the figures; I'm asking: so far do we know whether there is going to be more pollution created from projects or less?</p> <p>Mr Fredericks: Senator, by doing so you're asking a question about the information that's in the report that is currently being prepared. We've given ample evidence it's in preparation. We have explained why we can't give evidence to that at this stage. I think that's perfectly fair. If you seek to press the question then I will take it on notice.</p> <p>Senator HANSON-YOUNG: You can take it on notice, Secretary; however, I don't</p>	17

					believe you've actually outlined what the problem is as to why you can't tell us what the progress is. We ask for progress updates in Senate estimates all of the time. It may be inconvenient to you that today we have got the cabinet debating this topic in a sensitive realm. I'm more interested in these particular projects. Senator Seselja: Chair, the question has been taken on notice.	
3	SQ21-000674	Department of Industry, Science, Energy and Resources	Jenny McAllister	Department contribution to document	<p>Senator McALLISTER: Perhaps I can ask a different series of questions, and we can try again. The quote I have read to you from the Deputy Prime Minister suggests that a process was undertaken in the Nationals party room where they sought advice from at least the Prime Minister's office about a set of propositions and that that process, I do not think, could be said in any way to be part of cabinet's processes. Was the department asked to provide feedback or input into the response that went back to the Nationals party room?</p> <p>Mr Fredericks: My problem is that the premise of your question is that it's a question about a document that was for the National Party and the Prime Minister's office. Therefore, the premise of your question is that it wasn't about government and government activity. Therefore, I have no evidence to give you.</p> <p>Senator McALLISTER: Mr Fredericks, I'm asking you whether you were asked to comment on a particular document. You're asked to provide information on all sorts of matters that are relevant to government. Not all of them are cabinet-in-confidence. The Prime Minister, for example, is in correspondence with a wide range of people, and that correspondence is not cabinet-in-confidence. On this occasion, it appears that the Prime Minister has generated correspondence which was provided to the Nationals party room. I am asking whether you contributed to that as a department.</p> <p>Mr Fredericks: I don't think I can improve on my answer, to be really frank, because, if, at the end of the day, you're asking me that question as a matter of the Public Service commenting on a proposed or a potential government policy, then that is obviously in the context of current cabinet deliberations, so I can't comment on it. If you're asking about a document which is a political document passing between the National Party and the Prime Minister, then I can't comment on it. I'm kind of snookered.</p> <p>Senator HANSON-YOUNG: So is the whole country.</p> <p>Senator McALLISTER: So is the country—yes, exactly!</p> <p>CHAIR: Order!</p> <p>Senator McALLISTER: Mr Fredericks, for a document to be cabinet-in-confidence, it needs to have been produced expressly for the purposes of consideration by cabinet. The document I'm talking about—made reference to publicly by the Deputy Prime Minister—is no such document. Did the department contribute to</p>	18

					<p>it?</p> <p>Mr Fredericks: I just can't answer that question for the reasons I've explained. If you wish, I'm happy to take it on notice.</p>	
4	SQ21-000675	Department of Industry, Science, Energy and Resources	Jenny McAllister	Information provided to National Party	<p>Senator McALLISTER: Thank you. The fact that a matter is simultaneously being contemplated by cabinet does not mean that every document created by the Public Service in relation to similar matters is cabinet in confidence. That is not a reasonable position to put to this committee. I am asking you whether the department provided information in response to the claims put forward by the National Party. These claims were plainly being discussed well outside the cabinet process, and a response was provided to the Nationals party room.</p> <p>Mr Fredericks: Senator, the difficulty is in accepting your assertion that these claims or statements were being exercised outside of government processes. On the assumption that they came to the Public Service, then they come within government processes, by definition. Therefore, in the current context, they would come to us in the context of cabinet deliberations.</p> <p>Senator McALLISTER: They may or they may not. Plenty of things come to you that are not to do with cabinet and are to do with government policy, and you frequently provide advice on those things. You'd agree with that? A stakeholder writes a letter to the minister, and a response has to be prepared. You'd make a contribution to that. That is not cabinet-in-confidence. Were you asked to provide a response to a list of policy proposals prepared by the National Party?</p> <p>Mr Fredericks: With the greatest of respect, I will adhere to my answer. It's a legitimate answer. It's a proper answer, as you would expect from me, with proper consideration of the cabinet-in-confidence responsibilities that I have.</p> <p>Senator McALLISTER: It is a very broad interpretation of how matters that are cabinet-in-confidence are going to be assessed by your department, Mr Fredricks.</p> <p>Mr Fredericks: I can only apply the standards that I think are right in circumstances such as this. To be fair, if that doesn't not satisfy you then I'm happy to take the question on notice.</p>	19
5	SQ21-000676	Department of Industry, Science, Energy and Resources	Sarah Hanson-Young	Beetaloo emissions	<p>Senator HANSON-YOUNG: You are refusing to answer questions in relation to the projections on major projects. Could I ask about the Beetaloo basin? The NT government's independent assessment into fracking in Beetaloo showed that the gas fields could increase Australia's entire emissions by six per cent per year. Has that been factored into the projections?</p> <p>Ms Bennett: Yes, Beetaloo has been factored into the projections. It was included in the 2020 projections, and any changes to when Beetaloo comes online will be included in the updated projections that will be released shortly.</p> <p>Senator HANSON-YOUNG: Is it that six per cent, or is it less or more?</p>	20

					Ms Bennett: I would need to take the detail on notice. I think there is work under way at the moment to determine how much gas is in the basin. I know there was some data out of the Pepper inquiry, but I think we would be waiting to see what the current program—the amount of gas will determine the emissions associated with that Beetaloo Basin. I think there is an estimate in the projections. I would need to take what that estimate is on notice.	
6	SQ21-000677	Department of Industry, Science, Energy and Resources	Sarah Hanson-Young	Beetaloo percentage of overall emissions	<p>Senator HANSON-YOUNG: When are we projecting that the Beetaloo Basin emissions will kick in?</p> <p>Ms Bennett: In the 2020 projections it was from 2030. But that may end up being brought forward in the 2021 projections.</p> <p>Senator HANSON-YOUNG: So prior to 2030?</p> <p>Ms Bennett: Yes.</p> <p>Senator HANSON-YOUNG: What is the amount of emissions we're predicting?</p> <p>Ms Bennett: I'd need to take that on notice. I don't have the details with me.</p> <p>Senator HANSON-YOUNG: Do you have the details of what percentage of our overall emissions it accounts for?</p> <p>Ms Bennett: No. I would need to take that on notice.</p> <p>Senator HANSON-YOUNG: Is that something you have access to though? That's what I want.</p> <p>Ms Bennett: I would need to check. That is why I'd need to take it on notice.</p> <p>Senator HANSON-YOUNG: How long would it take you to do that? Can you send a text message?</p> <p>Ms Bennett: No, I think I'd take it on notice.</p>	21
7	SQ21-000678	Department of Industry, Science, Energy and Resources	Sarah Hanson-Young	Decision on projected emissions target for COP 26	<p>Senator HANSON-YOUNG: When was the decision taken that Australia would be taking a projection to COP26 instead of an updated 2030 target in our NDC?</p> <p>Senator Seselja: Sorry, I think you're asking me to respond to some speculation on that. Is that right?</p> <p>Senator HANSON-YOUNG: I'm just asking the question. You can answer it however you like.</p> <p>Senator Seselja: I think we're again getting into deliberations of cabinet, so I'd refer to my previous answer.</p> <p>Senator HANSON-YOUNG: Should I rephrase? Has there been a decision to take a projection as opposed to an updated 2030 target as part of the NDC?</p> <p>Senator Seselja: I'll take that on notice.</p> <p>Senator HANSON-YOUNG: Has there been a decision in relation to that?</p> <p>Senator Seselja: I've taken it on notice.</p> <p>CHAIR: He has taken it on notice.</p> <p>Senator HANSON-YOUNG: You don't know the answer, or you're refusing to tell us</p>	21-22

					<p>the answer?</p> <p>Senator Seselja: I've taken it on notice.</p> <p>CHAIR: The minister has taken the question on notice.</p> <p>Senator HANSON-YOUNG: You can't just take things on notice, Minister.</p> <p>Senator Seselja: Are you familiar with the standing orders?</p> <p>CHAIR: The minister can take questions on notice. The minister is entitled to take that question on notice.</p> <p>Senator HANSON-YOUNG: You're pretty pleased with yourself, aren't you, mate?</p> <p>CHAIR: Senator Hanson-Young, I remind you to use parliamentary language.</p> <p>Senator Seselja: I'm happy to assist you in whatever way you like, Senator, but certainly within the standing orders.</p> <p>Senator HANSON-YOUNG: Which part of the question are you taking on notice?</p> <p>Senator Seselja: The entire question is taken on notice.</p> <p>Senator HANSON-YOUNG: Do you know whether a decision has been made?</p> <p>Senator Seselja: I've taken the question on notice.</p>	
8	SQ21-000679	Department of Industry, Science, Energy and Resources	Sarah Hanson-Young	Brief on updating the NDC	<p>Senator HANSON-YOUNG: Okay. I want to go back to this issue of the NDC and the 2030 commitments. I would like to know whether the minister had been briefed about options for updating the NDC. I'm not asking what the advice was; I'm just asking whether the minister was briefed on options.</p> <p>Ms Evans: Over the course of the period of time that we have been briefing Minister Taylor, which is several years now, we have spoken to him on a number of occasions about the NDC, the processes that are available to update it and the options that are available to update it.</p> <p>Senator HANSON-YOUNG: Obviously there was the response that you said Australia put forward at the end of last year.</p> <p>Ms Evans: That's correct.</p> <p>Senator HANSON-YOUNG: Since then, and now, has there been a brief to the minister specifically in relation to updating what was submitted?</p> <p>Ms Evans: I'd have to take that on notice. Otherwise, again, I think you're starting to push into territory that is the subject of current cabinet considerations.</p>	26-27
9	SQ21-000680	Department of Industry, Science, Energy and Resources	Sarah Hanson-Young	Alternative targets for the NDC	<p>Senator HANSON-YOUNG: Was there ever a brief on what the alternative targets could be for the NDC in terms of a commitment?</p> <p>Ms Evans: I'll take that on notice</p>	27
10	SQ21-000681	Department of Industry, Science,	Nita Green	Findings of market research on Positive	<p>Senator GREEN: Are you able to table the findings of the market research on the campaign materials?</p> <p>Ms Bennett: I'd need to take that on notice, because it is subject to cabinet</p>	29

		Energy and Resources		Energy emissions reduction campaign	consideration. Senator GREEN: What part of the research would be? Ms Bennett: As part of the whole-of-government process for campaign approvals, there are requirements to go through a subcommittee of cabinet, the service delivery committee of cabinet, and the market research and the campaign materials et cetera go through that process. I'd need to take that on notice.	
11	SQ21-000682	Department of Industry, Science, Energy and Resources	Nita Green	Public relations component of Positive Energy emissions reduction campaign	Senator GREEN: Thanks. In regard to the advertising campaign itself, do you have a contract number for that procurement? Ms Bennett: Yes. It's split into a number of contracts. There is a whole-of-government process for communications campaigns, and we were allocated to a village of suppliers. I can go through the contract numbers for you for the various elements. For Universal McCann, who do the advertising media buy, the contract number is CN3814964. The creative agency is The Monkeys, and the contract number is CN3809677. There was a variation as well, so it was the same number with an 'A1'. I have given you the research and development, which was the Ipsos Public Affairs. There was a public relations component, which was through Horizon Communication, and that is CN3814958. There's Aboriginal and Torres Strait Islander audience communications through Cox Inall Ridgeway, and that number is CN3814959. There is culturally and linguistic diverse audience communications through Embrace Society. That number is CN3814963. There is website development through Oxide, and that is CN3813756. Then there is evaluation. So there's a final one which was CN3814965. Senator GREEN: What is the purpose of the public relations component of that contract that you read out? Ms Bennett: The public relations component is looking at a range—they have given some advice to the department about the various media—through social media et cetera. They will be running social media moderation services for us and they've also been providing advice on where elements of the campaign could be targeted. Senator GREEN: Can you table that advice? Ms Bennett: I can take that one on notice.	30
12	SQ21-000683	Department of Industry, Science, Energy and Resources	Rex Patrick	Contract for Positive Energy emissions reduction campaign	Senator PATRICK: Can you table the contract that was used to call for that material to be provided and specifically the portions that advise the contractor that the information is for cabinet and that it's to be treated in a particular way in accordance with the security framework? Mr Fredericks: I will take it on notice for us to table or refer it to the Department of Finance, who are the responsible agency for the process as a whole, including, as I said, for the whole-of-government contracting arrangements. It is just a panel	31

					that we use. So it may be they need to respond to that question. So we'll get back to you on notice one way or the other.	
13	SQ21-000684	Department of Industry, Science, Energy and Resources	Nita Green	Advertising campaign principles	<p>Senator GREEN: Just one follow-up I have got to the statement that you ticked off, Mr Fredricks. It says that one of the things you have to agree to in producing this campaign is that the campaign does not try to foster a positive impression of a particular political party or promote party political interest. In particular, it says that the campaign has not been designed to influence public support for a political party, a candidate for election, a minister or a member of parliament. You've ticked off on both of those principles. Was this campaign designed to be used on Liberal Party MPs' Facebook pages and websites?</p> <p>Mr Fredericks: The advertising campaign was developed in accordance with cabinet guidelines. It's an advertising campaign which is about the activities of the Australian government.</p> <p>Senator GREEN: Okay, but was it designed to be used by members of the Liberal Party on their personal Facebook pages?</p> <p>Mr Fredericks: It's very hard to say that in the negative. The fact of what I can say is what I am required to do is to certify a campaign, which has been developed in order to do two things: firstly, to promote and endorse the activities of the Australian government and, secondly, in accordance with that statement—I haven't got it in front of me—ensure myself that it has not been developed for party political purposes.</p> <p>Senator GREEN: Would this advertisement appearing on a Liberal Party member of parliament's Facebook page breach that principle, Mr Fredricks, that you have signed off?</p> <p>Mr Fredericks: I have to be honest; I'd have to take advice on that. I am happy to take advice on that and come back to you on notice. That's a point in time statement about the campaign that has been developed, and the judgement I am asked to make by the system is looking at the advertising campaign or the material that goes behind it. Am I satisfied that it hasn't been developed for those purposes that you've identified? At that point in time judgement, I am very comfortable with that judgement. I am happy to take on notice your issue about that and take some advice on what might happen thereafter.</p> <p>Senator GREEN: I would like to know whether the Australian government spent \$12.9 million developing a set of social media materials that members of the Liberal Party have then used on their Facebook page I know that the member for Leichhardt did put one of the videos on their social media, referring to not only the campaign itself but also election commitments that had been made in that electorate, associating the two together. So could you take on notice whether</p>	32-33

					<p>there has been a breach of those principles. I'd also like to know whether the department is aware of how many members of the Liberal Party have posted this material on their Facebook pages.</p> <p>Mr Fredericks: We will take both of those on notice.</p>	
14	SQ21-000685	Department of Industry, Science, Energy and Resources	Sarah Hanson-Young	Use of government advertising by MPs	<p>Senator HANSON-YOUNG: Following on from that line of questioning, would it be a breach of the principles if a member of parliament used the government ad and then used their electorate printing and comms budget to pay for that to be advertised on their own Facebook page?</p> <p>Mr Fredericks: I don't know the answer to that question, but I will be very happy to take that on notice and seek some advice on that.</p> <p>Senator HANSON-YOUNG: We've taken on notice, Ms Bennett, how many MPs have shared this, but we need to be specific: how many have posted it, and how many have posted it with a boost of advertising, therefore promoting it through their Facebook page? They're different questions.</p> <p>Ms Bennett: We'll take that on notice.</p>	33-34
15	SQ21-000686	Department of Industry, Science, Energy and Resources	Nita Green	Department advice on loan facility	<p>Senator GREEN: Has your department given advice in relation to energy and emissions? The policy seems to scope both issues. The \$250 billion proposal relates to financing projects that aren't able to get financed. I assume that would also impact on our emissions. The part of your department that is appearing before estimates now hasn't been asked to provide advice?</p> <p>Mr Fredericks: The answer to that question is: that part of the department—no. But the problem is, unfortunately, that is an issue for Minister Pitt. It is resources.</p> <p>Senator GREEN: I understand that. I'm asking you and your department—</p> <p>Mr Fredericks: We will happily answer that question on Thursday.</p> <p>Senator GREEN: You're here now. You may as well just—</p> <p>Mr Fredericks: I'll take it on notice until Thursday. It's just difficult</p>	37
16	SQ21-000687	Department of Industry, Science, Energy and Resources	Matthew Canavan	GTEM model	<p>Senator CANAVAN: Was the modelling computable general equilibrium modelling?</p> <p>Ms Evans: Yes.</p> <p>Senator CANAVAN: How many sectors did it cover?</p> <p>Ms Evans: It's using the GTEM model, which is well known, and all of those details are published.</p> <p>Senator CANAVAN: I believe there are over 100 sectors in that model, from memory. No? I'm happy for you to take it on notice.</p> <p>Ms Evans: I can that question on notice. But again—</p> <p>Mr Fredericks: We will take it on notice. Just to be clear: you're asking questions in the generality about the GTEM model, correct?</p> <p>Senator CANAVAN: Although you can alter that model. You can aggregate and</p>	40

					even disaggregate if you choose. But, yes, could you take on notice how many sectors.	
17	SQ21-000688	Department of Industry, Science, Energy and Resources	Matthew Canavan	Public interest immunity use on climate change modelling	<p>Senator CANAVAN: ...My final question on this: has the public interest immunity defence for cabinet in confidence been used for any of the other climate change modelling that's been done over the, say, last 11 years?</p> <p>Ms Evans: I don't know the answer to that question.</p> <p>Senator CANAVAN: Okay. Take it on notice.</p> <p>Ms Evans: I'd have to take it on notice.</p>	41
18	SQ21-000689	Department of Industry, Science, Energy and Resources	Jenny McAllister	Advice provided as part of response from the Prime Minister	<p>Senator McALLISTER: Mr Fredericks, can I ask you today to table the advice that was provided as part of preparing the response from the Prime Minister that the Deputy Prime Minister referred to in his press conference yesterday?</p> <p>Mr Fredericks: I am going to have to take that on notice.</p>	43
19	SQ21-000690	Department of Industry, Science, Energy and Resources	Sarah Hanson-Young	Breakdown of advertising schedule for emissions reduction campaign	<p>Senator HANSON-YOUNG: You answered before by saying that this was advertising that was targeted to Australians over the age of 18. Are there different sets of materials or content based on people's geographical location and demographics?</p> <p>Ms Bennett: No. The only difference in content may be for Aboriginal and Torres Strait Islander audiences, and that's being worked on with the provider that we have in place for that.</p> <p>Senator HANSON-YOUNG: So someone in the western suburbs of Sydney would be receiving the same type of advertising on their social media feed or on the television—in the middle of the news breaks—as somebody in Northern Queensland?</p> <p>Ms Bennett: That's correct.</p> <p>Senator HANSON-YOUNG: Could we have a breakdown of the advertising schedule? There would have had to be a contract signed.</p> <p>Ms Bennett: Yes. I will have to take that on notice.</p> <p>Senator HANSON-YOUNG: Could you take notice the advertising schedule? Thank you.</p>	47
20	SQ21-000691	Snowy Hydro Limited	Jenny McAllister	Kurri Kurri business case provided to government	<p>Senator McALLISTER: When did you give the government the business case?</p> <p>Mr Broad: I'd have to double-check that and come back with the exact date.</p> <p>Senator McALLISTER: Is that something that you could check while we're here?</p> <p>Mr Broad: We can run a check and see what we can find, yes.</p> <p>...</p> <p>Senator McALLISTER: The government made the announcement before the last estimates, so at the time the government made the last announcement it was not in possession of the final business case.</p>	52

					<p>Mr Broad: Again, I'd have to come back and clarify. We'd have given the government an indication of what the case looked like, but until the final numbers came in—as you would understand, having been in business, these numbers can bounce around. There were lots of issues about connections and other matters that we wanted to sort out. It's not immaterial in one sense but really important to be delivered within the time frames we had against this project.</p> <p>Senator McALLISTER: What were those time frames, Mr Broad?</p> <p>Mr Broad: We want to have the project completed and online by the end of 2023.</p> <p>Senator McALLISTER: So at the time that the government made an allocation, which, as I recall, was not announced in the budget but announced in the weeks after the budget, they were not in possession of a full business case.</p> <p>Mr Broad: Again, I'll come back to you with exactly what they were with.</p>	
21	SQ21-000692	Snowy Hydro Limited	Jenny McAllister; Sarah Hanson-Young	Kurri Kurri business case provided to the media	<p>Senator McALLISTER: Details about the project were reported in the Australian on 15 October. Did Snowy Hydro or any of your staff alert the Australian or provide a copy of documentation to that newspaper?</p> <p>Mr Broad: The process was we embargoed both the Fin Review and the Australian newspapers on the day before for public release on the following day.</p> <p>Senator McALLISTER: Why did you think it appropriate to provide it to a newspaper before providing it to the Senate?</p> <p>Mr Broad: It was a public document, and the process was that the particular journalists wanted to examine it in detail so that the publication would be accurate. I'm not sure what date—I can't remember the date. I'll have to double-check. It was released on 16 October. I'll double-check the exact date we provided it.</p> <p>Senator HANSON-YOUNG: You think it could be 16 October?</p> <p>Mr Broad: I'm not sure, Senator. I'll have to double-check.</p>	53
22	SQ21-000693	Snowy Hydro Limited	Nita Green	Value of steel contract	<p>Senator GREEN: In the letter that your contractor provided you, it details the reasons for selecting an Italian company to complete this contract. What was the value of the contract? What was the value of the contract?</p> <p>Mr Whitby: I am not aware of that information. That is a matter for our prime contractor.</p> <p>Senator GREEN: What was the value of the prime contract?</p> <p>Mr Whitby: It is an overall EPC contract, so that sort of detail is not available.</p> <p>Senator GREEN: How much money is going to this Italian company to manufacture?</p> <p>Mr Whitby: I am afraid I do not have that detail for you.</p> <p>Senator GREEN: Are you taking that on notice?</p> <p>Mr Whitby: No.</p>	59-60

					Mr Broad: We will take it on notice and, if the contractor is happy to provide it, I will give you details.	
23	SQ21-000694	Snowy Hydro Limited	Nita Green	Audit of participation plans	<p>Senator GREEN: Mr Broad, does Snowy Hydro have some form of industry participation plan that they ask their contractors to submit to demonstrate how they will build local capacity, including steel manufacturing?</p> <p>Mr Broad: We do. Right from the start, we comply with the government requirements on industry participation. And we do that, yes.</p> <p>Senator GREEN: And do you audit the performance of contractors against those industry participation plans?</p> <p>Mr Broad: I'm not sure that we audit, but I will double-check exactly how we check it. As I said earlier, we've gone to a lot of trouble to build a segment factory and, I can assure you, Senator, all the reo and all the steel and every segment is coming from Australia. I'll take you to the gravel quarries: they were so pleased to get that work because they were about to—</p> <p>Senator GREEN: I'm sorry to interrupt, but we do have limited time today. My question was in relation to how you audit those performance participation plans. You've said you're not sure if they're audited or how they're checked. How do you make sure that contractors comply with them? Is it just up to them to say, 'Yes, we'll do it,' and then you never come back to check whether it's actually being done?</p> <p>Mr Broad: Senator, I was trying to give you an actual example where we forced the issue, to build in Australia. I was giving you a live example of the people that have been employed by that, and all the spin-off jobs that have resulted from it. I was trying to do that for you. But, on the precise way we check, I'll come back to you. I'll take it on notice.</p> <p>Senator GREEN: Are contractors required to submit local procurement plans as a term of their contracts? And, if so, is the term enforceable?</p> <p>Mr Broad: I will double-check the contract and take it on notice</p>	60-61
24	SQ21-000695	Department of Industry, Science, Energy and Resources	Anne Urquhart	Hydrogen program time lines	<p>Senator URQUHART: I have a couple of questions around hydrogen. Minister Taylor and the Prime Minister put out a media release on 20 September that outlines seven prospective locations for hydrogen hubs. In that media release it said:</p> <p>Seven prospective locations across Australia have been identified and include: Bell Bay (TAS), Darwin (NT), Eyre Peninsula (SA), Gladstone (QLD), Latrobe Valley (VIC), Hunter Valley (NSW), and Pilbara (WA).</p> <p>...</p> <p>Senator URQUHART: Did I ask you how long the assessment process would take? The applications close on 27 November. What is the expected time frame for that</p>	64-66

					<p>process then to move forward, and what are the steps?</p> <p>Ms Evans: Again, we will try to move it as quickly as we can. I don't have in front of me the actual time lines. I'll take that on notice. But we will seek to progress them as quickly as we can. But they are complex things, and so we will take the necessary time to make sure they're properly assessed.</p>	
25	SQ21-000696	Department of Industry, Science, Energy and Resources	Jenny McAllister	Snowy 2.0 included in ESOO	<p>Senator McALLISTER: The latest ESOO doesn't include Snowy 2.0 coming online, does it?</p> <p>Ms Parry: Snowy or Kurri Kurri?</p> <p>Senator McALLISTER: Snowy.</p> <p>Ms Parry: Just let me double-check that. I might have to take that on notice or have one of my departmental officials double-check whether or not it is included. Kurri Kurri is certainly included, but I don't know how far their projections go. So, if I can just take that on notice, we will come back to you in the session with that answer.</p>	67
26	SQ21-000697	Department of Industry, Science, Energy and Resources	Rex Patrick	Review into options for a national gas reservation policy	<p>Mr Trotman: In terms of the review into options for a national gas reservation policy, we're still working through a body of work within the department. We have shared some ideas with Minister Pitt, but we are still working through that internally within the department.</p> <p>Senator PATRICK: I think there was a time line. You would have to work with the states to do this, but there was a time line by which you would then switch and say, 'Well, we'd look to use our own powers at the federal level'?</p> <p>Mr Trotman: I'm not sure about that. In terms of the consultation period, from recollection, I think consultations finished over the period of about November-December last year, and then there is some further work that we have been doing. But I don't recall there being a particular time period in terms of when the government committed to finalising its review.</p> <p>Senator PATRICK: I'll check that and I might come back to you in the next—</p> <p>Mr Trotman: On Thursday!</p> <p>Senator PATRICK: On Thursday.</p> <p>Mr Fredericks: We'll take it on notice for Thursday.</p>	68
27	SQ21-000698	Department of Industry, Science, Energy and Resources	Rex Patrick	Time line of projects relating to gas reservation policy	<p>Senator PATRICK: Could you, on notice, provide me with a time line of likely commencement of foreseeable projects and where that fits in with your current schedule in relation to discussions about the reservation policy?</p> <p>Mr Sullivan: Senator, how about we take that on notice and answer it on Thursday, if you like?</p> <p>Senator PATRICK: That sounds good.</p>	69
28	SQ21-000699	Department of Industry,	Rex Patrick	Northern pipeline proposal	<p>Senator PATRICK: Thank you, I'll be there. Finally, in relation to the proposed pipeline between, I think, Townsville and Gladstone—is it the northern pipeline</p>	69

		Science, Energy and Resources			<p>proposal?</p> <p>Mr Trotman: We're doing some work with the Queensland government, and there are a number of different routes that the Queensland government is investigating as well, and the government committed \$5 million to a combined \$10 million prefeasibility study, so we're still working through that at the moment.</p> <p>Senator PATRICK: I'll put a question on notice in relation to that, as to who that \$5 million of Commonwealth money has been paid to. Are you able to answer that or not?</p> <p>Mr Trotman: I'll take that on notice for now, but I think I'll be able to come back to you with an answer on Thursday night. But the majority of that particular \$5 million spend hasn't been spent yet. It's been allocated, but it hasn't been spent.</p>	
29	SQ21-000700	Department of Industry, Science, Energy and Resources	Jenny McAllister	Capital provided to Kurri Kurri project	<p>Senator McALLISTER: Just finally—I asked Mr Broad this, and he said there had been an exchange of letters—can you provide me with a more detailed description of how far along the project is in terms of cost and what the legal arrangements are in terms of the Commonwealth's commitment to provide equity to this project?</p> <p>Mr Sullivan: Is this for Kurri Kurri?</p> <p>Senator McALLISTER: Yes.</p> <p>Mr Sullivan: To do a comprehensive report on that—perhaps we should just take that on notice and get you an update across all of those elements. I don't have that in front of me. That's why I'm suggesting taking that on notice.</p> <p>Senator McALLISTER: Can I ask you a couple of specific things? You may also choose to provide something more comprehensive later. Has any capital been drawn down as part of the equity subscription arrangements?</p> <p>Ms Parry: I need to take that on notice, Senator. I don't have that detail here, and, again, I'm happy to provide that as part of a more comprehensive update as to where things are as of today.</p> <p>Senator McALLISTER: So we don't know whether the Commonwealth has provided any capital to this Kurri Kurri project yet?</p> <p>Mr Sullivan: I'm just unsure about the time line. I don't see that necessarily going out the door in terms of that, but, in terms of the time line of the equity subscription agreement and where Snowy is with respect to milestones, I'll take that on notice.</p> <p>Ms Parry: And we've executed the equity subscription agreement, Senator, but, again, I'll need to take on notice just how much has gone out the door.</p>	71
30	SQ21-000701	Department of Industry, Science,	Jenny McAllister	Equity subscription agreement	<p>Senator McALLISTER: Okay. That's my second question on the administrative or legal arrangements. So there is a document, which is an equity subscription agreement?</p>	71-72

		Energy and Resources			<p>Ms Parry: That's right.</p> <p>Senator McALLISTER: I assume it's been signed by the shareholder ministers?</p> <p>Ms Parry: That's right.</p> <p>Senator McALLISTER: What are the anticipated milestones for the transfer of funds from the Commonwealth to Snowy?</p> <p>Mr Sullivan: Unless Ms Parry's got that in front of her—</p> <p>Ms Parry: No, I don't have that.</p> <p>Mr Sullivan: I don't have a copy of the equity subscription agreement with me, but I'm happy to take that on notice and provide whatever we can with respect to those milestones and the amount.</p> <p>Senator McALLISTER: I think the department clarified earlier that the arrangement was for up to \$600 million. Is there a revised expected—I don't know, would we call it a cost? Is there a revised expected provision from the Commonwealth?</p> <p>Mr Sullivan: I gave that evidence, Senator. It was an agreement of up to \$600 million. That figure still stands as the upper limit. The evidence of Mr Wymer, the chief commercial officer, was that they are very, very confident of coming in either on or below that figure. Again, I wasn't in the last shareholder meeting, so correct me if I'm wrong, but I don't think we've had any revision of that upper limit. We will keep watching that figure with respect to those milestones, and, as Mr Broad, I think, said in his evidence, it is an iterative process. Hopefully they can get Kurri Kurri happening earlier than the time line sets out. But we'll continue to monitor and to make sure that those risks are being managed and that we try and keep on schedule with respect to the subscription agreement and the milestones. And, if they come in under budget, that's something that we can work through over time. We don't have that as yet, but what we do have is—</p> <p>Senator McALLISTER: Do you mean you don't have that as yet?</p> <p>Mr Sullivan: Snowy hasn't come back to us and said, 'Based on where we're up to at this point in time, we think it's going to come in at \$598 million as a total cost.' We do know that the \$600 million is still the maximum envelope and they are confident that they can deliver that project for that \$600 million as a maximum figure.</p> <p>Senator McALLISTER: How does the equity subscription agreement deal with circumstances where the total cost is less than anticipated?</p> <p>Mr Sullivan: I'll have to take that on notice, because I was trying to answer that when I was answering that question, thinking that might be the next question. I'll have to take that on notice in terms of how we work that through that iterative process.</p>	
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31	SQ21-000702	Department of Industry, Science, Energy and Resources	Sarah Hanson-Young	Meetings with Hunter Gas Pipeline	<p>Senator HANSON-YOUNG: I've got some final follow-up questions on Kurri Kurri as well. It was reported in the Financial Review that Minister Taylor has met with the Hunter Gas Pipeline to discuss the government underwriting that project, and, of course, we know that this is linked to Kurri Kurri. I'm just wondering whether anyone in the department has met with the Hunter Gas Pipeline?</p> <p>Mr Sullivan: I'm not aware if there was a departmental person present for that meeting, and I'm not aware whether departmental officials have met with the hunter pipeline, but we can take that on notice and check that for you.</p> <p>Senator HANSON-YOUNG: Oh, it looked like someone was about to come up and answer then.</p> <p>Mr Sullivan: As part of a written answer to a question out of program 1.3, we can confirm the minister met with the Hunter Gas Pipeline on 7 July 2020 and departmental officials met with the Hunter Gas Pipeline proponents on 22 October 2020 and 14 December 2020.</p> <p>Senator HANSON-YOUNG: From which division were the departmental officials?</p> <p>Mr Sullivan: Given this has come from the resources area, from program 1.3, it would have been, I imagine, officers from the Resources Division.</p> <p>Senator HANSON-YOUNG: From the resources section?</p> <p>Mr Sullivan: Yes.</p> <p>Senator HANSON-YOUNG: When was that question answered?</p> <p>Mr Sullivan: The question date was 1 April 2021.</p> <p>Senator HANSON-YOUNG: Could I have an update as to whether any departmental officials have met with HGP since then?</p> <p>Mr Sullivan: I'll take that on notice.</p>	72
32	SQ21-000703	Department of Industry, Science, Energy and Resources	Jenny McAllister	Gas lateral agreement	<p>Senator McALLISTER: Yes. I just wanted to tidy up a couple of things. The first one is: you took on notice my question about the contents of the equity subscription agreement. Just so there's no confusion about what I'm asking for, may I ask you, on notice, to provide the committee with a copy of the equity subscription agreement, and, secondly, to provide details about any payments that have been made by the Commonwealth to Snowy as part of that agreement and any relevant milestones contained within the subscription agreement in relation to the project.</p> <p>The second thing I wanted to confirm is that we talked earlier about the fact that the costs of the gas lateral and the inspection costs associated with the project were being treated as opex within the project and were treated that way within the business case. Can I ask whether the department has contemplated the possibility of those costs being reassigned as capex and consequently increasing the project costs for the Commonwealth?</p>	74

					<p>Mr Sullivan: The nature of the gas lateral agreement is one designed where the capex cost is owned by the pipeline rather than owned by the user. So the annuity definitely falls as an opex cost.</p> <p>Senator McALLISTER: So you've seen no scenario where that would be reassigned as capex?</p> <p>Mr Sullivan: No.</p> <p>Senator McALLISTER: I understand these things can be treated, for accounting purposes, either way sometimes. But you see no circumstances where that will be reassigned as capex for the project?</p> <p>Mr Sullivan: That hasn't wavered since the original discussions with Snowy on Kurri Kurri. So I will take on notice if there was any notion of it being classified as capex in the past.</p> <p>Senator McALLISTER: I will ask it really directly, and you can take this on notice too, given the answer you just provided. Can you guarantee that the Australian taxpayer will not end up footing the bill for the gas lateral or for the inspection costs as part of this project?</p> <p>Mr Sullivan: I will take that on notice.</p>	
33	SQ21-000704	Department of Industry, Science, Energy and Resources	Jenny McAllister	ARENA Regulations	<p>Senator McALLISTER: Are you able to describe the outcome of the new ARENA regulations—the Australian Renewable Energy Agency (Implementing the Technology Investment Roadmap) Regulations 2021? What program of work does this relate to?</p> <p>...</p> <p>Senator McALLISTER: Did the department discuss the National Party's views about technology in making a decision to proceed with regulations rather than legislation?</p> <p>Ms Evans: Not to my knowledge.</p> <p>Senator McALLISTER: The minister's own media release initially indicated he was intending to pursue these reforms through legislation. When did the minister change his mind?</p> <p>Ms Evans: I'd have to take that on notice. My recollection is that we started working towards the end of last year on having an alternative approach, given some of the difficulties that we had seen relating to the Grid Reliability Fund, which was a fairly straightforward amendment to the CEFC and thus in the same territory. Given the difficulties that we had observed, we proposed some alternative ways of addressing the amendment to the ARENA legislation. But I'd have to take on notice when exactly that was.</p>	77-78
34	SQ21-000705	Department of Industry,	Jenny McAllister	Committee for the Scrutiny of	<p>Senator McALLISTER: Yes, because the Liberal Party and the National Party are unable to agree about the future of technology. Are you aware of any other time</p>	78

		Science, Energy and Resources		Delegated Legislation recommendations	<p>that that committee, the Committee for the Scrutiny of Delegated Legislation, has made a recommendation that a piece of delegated legislation be disallowed, and the government has refused to follow that advice?</p> <p>Ms Evans: I'm not aware of another example, but I'm also aware that it's been actually quite a long time since the committee has made those types of recommendations. It's going back quite a number of years, so I don't know that there's a significant amount of precedent.</p> <p>Senator McALLISTER: Minister, any precedent that you're aware of?</p> <p>Senator Seselja: I'd have to take that on notice.</p>	
35	SQ21-000706	Australian Renewable Energy Agency	Samantha McMahan	Cost of hydrogen production	<p>Senator McMAHON: I'm happy for you to take this on notice. I don't expect you to go through it with me here now. Would you be able to provide some of the figures around the cost of production considering desalination and electrolysis, the volumes of water involved, the amount of hydrogen produced et cetera?</p> <p>Would you be able to provide some of those figures on notice?</p> <p>Mr Miller: Sure. I can tell you right now that a kilo of hydrogen requires nine kilograms of water. Once you figure out how much hydrogen we think we'll be making, you can multiply that by nine and that will tell you how much water you will need. As I said to you before, the cost of the de-ionisation process for the water if it's coming from seawater is probably about one or two per cent of the end cost of the hydrogen. If you have a particular scenario that you'd like us to model for you, we'd be happy to do that.</p>	79
36	SQ21-000784	Clean Energy Finance Corporation	Kim Carr	Australian Industry Participation	<ol style="list-style-type: none"> <li>1. Is the CEFC aware that an Australian Industry Participation (AIP) plan applies to procurements or projects receiving Australian Government funding of \$20 million or more?</li> <li>2. The Minister's media release of 21 October 2021 headed "Government supporting Australia's biggest electric bus fleet" announced that the Commonwealth is putting \$29.5 million into an EV bus pilot in Sydney, with this funding involving \$24.5 million from the Clean Energy Finance Corporation (CEFC). Did the CEFC ensure that this project was covered by an AIP?</li> <li>3. If the project was not considered for an AIP by the CEFC, can the CEFC explain why not?</li> <li>4. Was the CEFC aware of reports that the chargers for this Commonwealth supported electric bus trial are to be imported from overseas? <ol style="list-style-type: none"> <li>a. Was an assessment made as to whether locally made chargers could be procured?</li> </ol> </li> <li>5. Can the CEFC advise why an overseas product will be used in the electric bus pilot program the Commonwealth is helping to fund when it is clear that there is an equally capable, Australian made charger available that is also being sold in the</li> </ol>	Written

					major markets of the US, Europe and UK? 6. Can the CEFC also clarify what local content policy requirement applies to programs receiving Commonwealth funding, specifically whether the CEFC are also subject to local content requirements when agreeing to funding requests?	
37	SQ21-000785	Department of Industry, Science, Energy and Resources	Kim Carr	Advanced grid-scale inverters	<p>1. The AEMO August 2021 publication: “Application of advanced grid-scale inverters in the NEM” on page 5 discusses grid-following and grid forming inverters possibly replacing many of the capabilities historically provided by synchronous generation.</p> <p>a. What systems does AEMO have in place to monitor disturbance effects due to these energy sources across the NEM, in real-time?</p> <p>b. Could such a system or systems assure or assist in establishing a stable and reliable grid?</p> <p>c. Can AEMO confirm that batteries alone cannot provide these capabilities – or list the capabilities that cannot be supplied by batteries?</p> <p>d. The paper describes a “rare window of opportunity to build grid forming capabilities into this battery fleet today”. If this opportunity is not taken, how does AEMO envisage these capabilities being provided?</p> <p>e. What steps is AEMO aware of that are being taken by AEMO - or other entities with responsibility for the operation of the NEM – to ensure that this “rare window of opportunity” is capitalised on?</p> <p>f. What additional costs are likely to be encountered in retro-fitting existing batteries with such a capability?</p> <p>g. What timelines does AEMO envisage for proving these capabilities?</p> <p>2. Page 11 discusses how increasing amounts of inverter-based resources (IBR) generation is resulting in lower levels of commitment of synchronous generation—the very equipment that the power system has been designed around. When offline or decommissioned, these synchronous units can no longer provide the critical system stability capabilities on which the grid relies, requiring that these capabilities be provided by alternative sources.” What impediments does AEMO face in the following areas as the penetration of IBR increases in respect of (see page 12):</p> <p>a. Resource adequacy?</p> <p>b. Frequency management?</p> <p>c. Voltage management?</p> <p>d. System restoration?</p> <p>3. On page 14 it says: “Due to the complexity of inverters and the rapid pace of their development, it is challenging to identify simple definitions to describe their operation. The term ‘advanced grid-scale inverters’ is used in this paper” [table 1];</p>	Written

					<p>and “This contrasts with today’s NEM IBR fleet, where grid-following inverters— without the majority of these capabilities are dominant”.</p> <p>a. If AEMO settles on a particular type of “advanced grid scale inverter” as suitable for the NEM, does AEMO have the authority to compel all entities contributing to NEM infrastructure, including State Governments, to use that type of inverter? If not AEMO, is this authority held by some other entity?</p> <p>b. What means has AEMO at its disposal to assure it has controllability of these inverters?</p> <p>c. Given the technical concerns of AEMO in maintaining system stability, does AEMO have a second-by-second, transparent view of the entire NEM?</p> <p>d. Could a system providing such a view provide a sufficient measure of control in frequency and voltage management, and system restoration?</p> <p>e. Could such a system provide the basis for development of stability control?</p> <p>4. Table 4 on page 24 details “Key barriers and possible enablers for uptake of advanced grid-scale inverters” In the table it states: “Grid connection specifications are needed to provide clear requirements to OEMs and developers”:</p> <p>a. What systems does AEMO have in place to provide such specifications?</p> <p>b. Would live, synchronised network monitoring of networks assist AEMO in developing grid connection specifications?</p> <p>c. Would such a system provide additional and/or superior information compared to, for example, computer-based modelling and/or confirm the validity of such modelling?</p>	
38	SQ21-000804	Department of Industry, Science, Energy and Resources	Peter Whish-Wilson	Emissions Reduction Fund	<p>1. What is the department doing about making the administration of the Emissions Reduction Fund scheme more streamlined or accessible for individual farmers?</p> <p>2. If the Emissions Reduction Fund scheme is creating a value for carbon credits, how is that not effectively setting a carbon price?</p> <p>3. How does the Department coordinate with the Department of Agriculture, Water and Environment, in the context of the Emissions Reduction Fund for farmers? Please comment on advice, services and regulatory coordination, if the Department of Agriculture, Water and Environment does not have lead responsibility or decision-making power.</p>	Written
39	SQ21-000808	Department of Industry, Science, Energy and Resources	Peter Whish-Wilson	Marinus power cable	<p>1. What discussions have progressed with relevant parties, including state governments, as to how the planned Marinus power cable will be funded?</p> <p>2. What consideration has been given to taxpayer subsidies from the Commonwealth Government?</p>	Written

					3. Will the Minister require energy companies to secure a social licence to operate to be connected to the grid as part of any funding agreement?	
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