

**Senate Select Committee on Electric Vehicles**  
**Questions on Notice**  
**Canberra public hearing (Friday 17 August 2018)**

**Questions from Hansard –CEFC**

Question No.	Asked by	Question
1.	Senator Rice (p. 57)	<p><b>Senator RICE:</b> Energeia was discussing the accelerated through to the no-intervention models. Does the report cover what the extra cost to government would be of the initiatives and incentives for the accelerated scenario compared with the no-intervention scenario?</p> <p><b>Mr Jordan:</b> They didn't offer a total estimate. It would be possible, given their sales forecast, to estimate it. But they didn't publish one, no.</p> <p><b>Senator RICE:</b> Would you be able to do that for us?</p> <p><b>Mr Jordan:</b> It would depend a lot on policy choices that would make it difficult to come up with a definitive estimate.</p> <p><b>Senator RICE:</b> It would be a really useful piece of information for the inquiry to have, because we've heard about the massive benefits—public health benefits, pollution benefits, benefits for the Australian economy—of having earlier intervention and earlier adoption of electric vehicles. For us to be able to weigh up whether we could achieve that through this extra cost would, I think, be really valuable.</p> <p><b>Mr Jordan:</b> We could talk to Energeia and see if there's some sensible way of presenting those results—</p>
2.	Senator Patrick (p. 58)	<p><b>Senator PATRICK:</b> That's helpful. The Clean Energy Finance Corporation is funding vehicles, and it looks like you're funding finance companies who are funding, then, individuals who buy electric vehicles. Why is that necessary? What advantage does the consumer get? Is it a lower interest rate that would cause your corporation to offer that funding?</p> <p><b>Mr Jordan:</b> We're interested in supporting the electrification of the vehicle fleet, and providing a small concession in the financing rate for vehicles is one avenue for doing that, so you're correct. Through banks and other vehicle finance organisations, we provide concessionality. I think it's in the order of 70 basis points, so it's quite a small amount of concessional finance at a slightly lower interest rate.</p> <p><b>Senator PATRICK:</b> It's not that I don't trust banks, but are you checking to make sure that they are passing that concessional rate on to the customers, compared to other loans?</p> <p><b>Mr Jordan:</b> Yes. That's a condition of our financing arrangement with them.</p> <p><b>Senator PATRICK:</b> That's different to 'Are you checking?' There's a condition on a contract; then there's auditing and verification on a contract.</p> <p><b>Mr Jordan:</b> I have no reason to believe we don't. I might have to come back to you on the precise mechanics of our—</p> <p><b>Senator PATRICK:</b> May I ask that you check that and provide some information to the committee?</p> <p><b>Mr Jordan:</b> Certainly.</p>

## **Answers:**

### **1. Cost to government of EV incentives**

There are a number of policy choices that would affect the cost to government of an incentive program for electric vehicles, including the level of incentive provided to vehicles at different price points, the duration of an incentive program, incentive taper rates, program caps, and any means testing of payments. For that reason the CEFC is unable to provide an estimate of the cost to government of an incentive program.

The data underlying the relevant EV uptake charts in the [Energieia report](#) is attached in order to facilitate any calculations the Committee may wish to make.

### **2. Ensuring vehicle finance providers are passing on interest rate discounts to loan customers**

Our arrangements with vehicle finance providers require them to report to us the baseline or standard interest rate and the discounted rate offered for each loan made to a customer.

The CEFC undertakes sample audits to ensure that the difference between the rate offered to the customer and the baseline rate reflects the passthrough of the CEFC discount.

In addition, the discount is disclosed to the customer directly and in marketing material, allowing them to ensure that the vehicle finance provider is applying the discount in full.

Jurisdiction	Scenario	Type	2016	2017	2018	2019	2020	2021	2022
QLD	No Intervention	Annual EVs	343	310	632	1,772	2,406	5,367	6,060
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	3%
		Cumulative EVs	1,053	1,363	1,979	3,752	6,158	11,524	17,585
	Moderate Intervention	Annual EVs	343	310	663	1,864	2,545	5,921	15,102
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	6%
		Cumulative EVs	1,053	1,363	2,011	3,875	6,420	12,341	27,443
	Accelerated Intervention	Annual EVs	343	310	694	5,251	9,591	24,339	45,995
		Annual Sales Market %	0%	0%	0%	2%	4%	9%	17%
		Cumulative EVs	1,053	1,363	2,043	7,293	16,884	41,224	87,218
NSW	No Intervention	Annual EVs	627	537	1,128	3,162	4,419	9,846	11,085
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	3%
		Cumulative EVs	1,837	2,374	3,479	6,642	11,061	20,907	31,992
	Moderate Intervention	Annual EVs	627	537	1,147	3,223	4,532	10,522	26,611
		Annual Sales Market %	0%	0%	0%	1%	1%	3%	6%
		Cumulative EVs	1,837	2,374	3,499	6,722	11,254	21,776	48,387
	Accelerated Intervention	Annual EVs	627	537	1,167	8,895	16,473	41,026	66,903
		Annual Sales Market %	0%	0%	0%	2%	4%	10%	16%
		Cumulative EVs	1,837	2,374	3,520	12,414	28,887	69,913	136,816
TAS	No Intervention	Annual EVs	29	25	60	167	227	507	572
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	3%
		Cumulative EVs	86	111	170	337	564	1,070	1,642
	Moderate Intervention	Annual EVs	29	25	63	177	242	562	1,429
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	6%
		Cumulative EVs	86	111	174	351	593	1,155	2,584
	Accelerated Intervention	Annual EVs	29	25	67	597	916	2,315	4,412
		Annual Sales Market %	0%	0%	0%	2%	4%	9%	17%
		Cumulative EVs	86	111	177	774	1,690	4,005	8,417

Jurisdiction	Scenario	Type	2016	2017	2018	2019	2020	2021	2022
SA	No Intervention	Annual EVs	110	100	204	570	654	1,756	1,975
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	3%
		Cumulative EVs	335	435	633	1,203	1,858	3,613	5,588
	Moderate Intervention	Annual EVs	110	100	207	580	665	1,868	4,694
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	6%
		Cumulative EVs	335	435	636	1,216	1,881	3,749	8,442
	Accelerated Intervention	Annual EVs	110	100	211	1,573	2,411	6,713	10,714
		Annual Sales Market %	0%	0%	0%	2%	3%	9%	14%
		Cumulative EVs	335	435	640	2,213	4,624	11,337	22,051
WA	No Intervention	Annual EVs	152	153	412	1,153	1,570	3,491	3,938
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	3%
		Cumulative EVs	505	658	1,064	2,217	3,787	7,278	11,216
	Moderate Intervention	Annual EVs	152	153	437	1,227	1,684	3,911	9,943
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	6%
		Cumulative EVs	505	658	1,090	2,317	4,000	7,912	17,855
	Accelerated Intervention	Annual EVs	152	153	461	3,492	6,393	16,127	30,261
		Annual Sales Market %	0%	0%	0%	2%	4%	9%	17%
		Cumulative EVs	505	658	1,115	4,607	11,000	27,127	57,388
VIC	No Intervention	Annual EVs	520	460	607	1,708	1,979	5,303	6,009
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	3%
		Cumulative EVs	1,557	2,018	2,586	4,293	6,272	11,575	17,585
	Moderate Intervention	Annual EVs	520	460	609	1,711	1,974	5,519	14,002
		Annual Sales Market %	0%	0%	0%	1%	1%	2%	6%
		Cumulative EVs	1,557	2,018	2,588	4,299	6,274	11,792	25,795
	Accelerated Intervention	Annual EVs	520	460	612	4,566	7,052	19,669	34,362
		Annual Sales Market %	0%	0%	0%	2%	3%	9%	15%
		Cumulative EVs	1,557	2,018	2,591	7,157	14,209	33,878	68,240

Jurisdiction	Scenario	Type	2023	2024	2025	2026	2027	2028	2029
QLD	No Intervention	Annual EVs	6,826	8,103	9,142	10,360	11,849	23,868	40,183
		Annual Sales Market %	3%	3%	4%	4%	5%	10%	16%
		Cumulative EVs	24,360	32,408	41,334	51,340	62,846	86,386	125,937
	Moderate Intervention	Annual EVs	26,541	38,893	55,784	72,944	90,131	103,721	118,764
		Annual Sales Market %	11%	15%	22%	28%	34%	39%	44%
		Cumulative EVs	53,935	92,772	148,340	220,930	310,718	414,109	532,209
	Accelerated Intervention	Annual EVs	66,503	86,724	101,970	117,780	134,168	151,823	170,039
		Annual Sales Market %	25%	32%	37%	42%	47%	53%	59%
		Cumulative EVs	153,672	240,340	342,095	459,520	593,346	744,838	914,183
NSW	No Intervention	Annual EVs	12,434	14,479	16,292	18,407	20,966	39,192	66,307
		Annual Sales Market %	3%	4%	4%	4%	5%	9%	15%
		Cumulative EVs	44,346	58,733	74,654	92,451	112,790	151,411	216,590
	Moderate Intervention	Annual EVs	43,138	61,257	88,399	116,007	143,942	166,055	191,574
		Annual Sales Market %	10%	14%	20%	27%	33%	37%	42%
		Cumulative EVs	91,445	152,609	240,637	356,035	499,349	664,832	855,260
	Accelerated Intervention	Annual EVs	97,165	127,454	156,608	184,167	211,204	241,291	272,362
		Annual Sales Market %	22%	29%	35%	40%	46%	52%	58%
		Cumulative EVs	233,902	361,263	517,500	701,058	911,635	1,152,353	1,423,548
TAS	No Intervention	Annual EVs	644	724	860	975	1,118	2,287	3,844
		Annual Sales Market %	3%	3%	4%	4%	5%	10%	16%
		Cumulative EVs	2,282	3,001	3,844	4,791	5,880	8,140	11,925
	Moderate Intervention	Annual EVs	2,547	3,752	5,359	6,992	8,624	9,922	11,359
		Annual Sales Market %	11%	15%	22%	28%	34%	39%	44%
		Cumulative EVs	5,127	8,875	14,217	21,180	29,775	39,670	50,966
	Accelerated Intervention	Annual EVs	6,324	8,297	9,757	11,269	12,839	14,552	16,331
		Annual Sales Market %	24%	32%	37%	42%	47%	53%	58%
		Cumulative EVs	14,737	23,029	32,769	44,010	56,820	71,344	87,608

Jurisdiction	Scenario	Type	2023	2024	2025	2026	2027	2028	2029
SA	No Intervention	Annual EVs	2,216	2,481	2,791	3,283	3,736	7,127	12,360
		Annual Sales Market %	3%	3%	4%	4%	5%	9%	16%
		Cumulative EVs	7,788	10,251	12,971	16,146	19,771	26,793	38,949
	Moderate Intervention	Annual EVs	6,981	10,326	16,109	21,510	26,885	31,218	35,548
		Annual Sales Market %	9%	13%	21%	27%	34%	39%	43%
		Cumulative EVs	15,408	25,716	41,754	63,156	89,931	121,044	156,384
	Accelerated Intervention	Annual EVs	16,707	22,689	28,812	34,040	38,817	43,824	48,851
		Annual Sales Market %	21%	28%	35%	41%	46%	52%	57%
		Cumulative EVs	38,742	61,413	90,154	124,085	162,792	206,511	255,151
WA	No Intervention	Annual EVs	4,428	4,972	5,960	6,737	7,685	15,050	25,549
		Annual Sales Market %	3%	3%	4%	4%	5%	9%	16%
		Cumulative EVs	15,616	20,558	26,405	32,980	40,513	55,396	80,533
	Moderate Intervention	Annual EVs	17,013	24,822	35,928	47,197	58,508	67,216	76,982
		Annual Sales Market %	10%	15%	21%	28%	34%	39%	44%
		Cumulative EVs	34,840	59,631	95,447	142,482	200,838	267,887	344,432
	Accelerated Intervention	Annual EVs	43,061	56,330	66,412	76,840	87,648	99,496	111,779
		Annual Sales Market %	24%	31%	36%	42%	47%	53%	58%
		Cumulative EVs	100,422	156,720	223,019	299,697	387,193	486,520	597,839
VIC	No Intervention	Annual EVs	6,791	7,657	9,154	10,403	11,909	23,101	39,778
		Annual Sales Market %	3%	3%	4%	4%	5%	9%	16%
		Cumulative EVs	24,306	31,880	40,711	50,602	61,991	84,620	123,791
	Moderate Intervention	Annual EVs	21,080	32,580	50,704	67,420	83,969	97,499	112,073
		Annual Sales Market %	9%	14%	21%	28%	34%	39%	44%
		Cumulative EVs	46,805	79,302	129,683	196,592	280,041	377,068	488,532
	Accelerated Intervention	Annual EVs	52,298	70,349	87,002	102,275	116,993	133,340	150,357
		Annual Sales Market %	22%	29%	36%	41%	47%	52%	58%
		Cumulative EVs	120,468	190,734	277,414	379,178	495,651	628,519	778,264

Jurisdiction	Scenario	Type	2030	2031	2032	2033	2034	2035
QLD	No Intervention	Annual EVs	55,757	69,526	84,386	99,070	113,836	129,367
		Annual Sales Market %	22%	27%	32%	37%	42%	47%
		Cumulative EVs	179,921	247,041	326,060	419,070	526,081	647,344
	Moderate Intervention	Annual EVs	134,746	152,018	171,292	195,021	221,073	249,383
		Annual Sales Market %	49%	55%	60%	66%	71%	76%
		Cumulative EVs	665,091	814,564	979,935	1,159,854	1,354,385	1,564,876
	Accelerated Intervention	Annual EVs	191,179	212,959	241,736	276,120	313,255	351,649
		Annual Sales Market %	64%	69%	74%	79%	83%	88%
		Cumulative EVs	1,100,112	1,303,480	1,520,877	1,751,002	1,997,754	2,262,679
NSW	No Intervention	Annual EVs	92,368	116,447	142,527	168,284	193,704	220,326
		Annual Sales Market %	21%	26%	31%	36%	41%	46%
		Cumulative EVs	305,795	417,823	550,504	707,703	888,973	1,094,820
	Moderate Intervention	Annual EVs	218,851	249,298	283,151	324,592	368,163	414,826
		Annual Sales Market %	48%	54%	59%	65%	70%	76%
		Cumulative EVs	1,070,888	1,315,655	1,588,283	1,886,264	2,211,288	2,564,858
	Accelerated Intervention	Annual EVs	308,273	345,444	393,008	446,091	505,216	565,861
		Annual Sales Market %	63%	69%	74%	79%	84%	88%
		Cumulative EVs	1,722,927	2,051,898	2,403,881	2,783,068	3,191,119	3,629,527
TAS	No Intervention	Annual EVs	5,321	6,637	8,058	9,466	10,884	12,358
		Annual Sales Market %	22%	27%	32%	37%	42%	47%
		Cumulative EVs	17,079	23,489	31,041	39,935	50,174	61,808
	Moderate Intervention	Annual EVs	12,885	14,530	16,367	18,628	21,131	23,853
		Annual Sales Market %	49%	55%	60%	66%	71%	76%
		Cumulative EVs	63,673	77,962	93,767	110,965	129,549	149,650
	Accelerated Intervention	Annual EVs	18,430	20,455	23,206	26,511	30,047	33,739
		Annual Sales Market %	64%	69%	74%	79%	83%	88%
		Cumulative EVs	105,442	124,980	145,871	167,971	191,694	217,136

Jurisdiction	Scenario	Type	2030	2031	2032	2033	2034	2035
SA	No Intervention	Annual EVs	17,437	21,461	26,203	30,842	35,648	40,619
		Annual Sales Market %	22%	26%	31%	36%	41%	46%
		Cumulative EVs	55,816	76,622	101,070	129,937	163,369	201,507
	Moderate Intervention	Annual EVs	40,386	45,369	51,399	58,711	66,082	74,429
		Annual Sales Market %	48%	54%	59%	65%	70%	76%
		Cumulative EVs	196,191	240,895	290,426	344,444	403,544	467,646
	Accelerated Intervention	Annual EVs	54,724	60,477	68,540	77,193	87,380	98,089
		Annual Sales Market %	62%	67%	72%	76%	81%	85%
		Cumulative EVs	308,302	366,367	428,194	494,674	565,346	640,746
WA	No Intervention	Annual EVs	35,585	44,371	53,842	63,181	72,548	82,245
		Annual Sales Market %	22%	27%	32%	37%	42%	47%
		Cumulative EVs	114,965	157,767	208,117	267,360	335,480	412,753
	Moderate Intervention	Annual EVs	87,338	98,555	111,065	126,475	143,145	161,274
		Annual Sales Market %	49%	55%	60%	66%	71%	76%
		Cumulative EVs	430,544	527,415	634,569	751,100	877,233	1,013,685
	Accelerated Intervention	Annual EVs	125,808	140,140	159,002	181,547	205,508	230,557
		Annual Sales Market %	64%	69%	74%	79%	83%	88%
		Cumulative EVs	720,154	853,901	996,777	1,148,063	1,310,510	1,484,738
VIC	No Intervention	Annual EVs	55,997	70,074	85,575	100,909	116,456	132,579
		Annual Sales Market %	22%	27%	32%	37%	42%	46%
		Cumulative EVs	178,081	246,176	326,448	421,348	531,013	655,936
	Moderate Intervention	Annual EVs	127,625	144,490	163,823	187,170	210,964	238,441
		Annual Sales Market %	49%	54%	60%	65%	71%	76%
		Cumulative EVs	614,446	756,962	915,266	1,088,433	1,278,318	1,484,178
	Accelerated Intervention	Annual EVs	169,857	189,119	215,102	244,393	277,235	301,631
		Annual Sales Market %	64%	69%	74%	79%	83%	85%
		Cumulative EVs	943,555	1,125,622	1,321,055	1,531,086	1,756,023	1,987,305

Jurisdiction	Scenario	Type	2036	2037	2038	2039	2040
QLD	No Intervention	Annual EVs	146,517	164,342	179,748	203,192	230,327
		Annual Sales Market %	52%	57%	63%	68%	73%
		Cumulative EVs	784,720	938,702	1,106,601	1,285,925	1,476,069
	Moderate Intervention	Annual EVs	282,370	316,644	355,873	393,244	426,592
		Annual Sales Market %	81%	86%	90%	96%	100%
		Cumulative EVs	1,791,462	2,035,162	2,300,904	2,590,428	2,898,257
	Accelerated Intervention	Annual EVs	392,166	434,091	474,994	497,621	515,588
		Annual Sales Market %	93%	98%	100%	100%	100%
		Cumulative EVs	2,552,875	2,869,186	3,210,012	3,555,809	3,901,359
NSW	No Intervention	Annual EVs	250,852	282,580	295,765	333,896	379,021
		Annual Sales Market %	51%	57%	62%	68%	73%
		Cumulative EVs	1,329,380	1,593,553	1,868,351	2,163,056	2,475,770
	Moderate Intervention	Annual EVs	469,104	526,239	571,591	628,989	673,494
		Annual Sales Market %	81%	85%	92%	97%	100%
		Cumulative EVs	2,945,562	3,355,794	3,783,444	4,246,377	4,728,297
	Accelerated Intervention	Annual EVs	630,657	697,674	724,115	759,445	788,816
		Annual Sales Market %	93%	98%	100%	100%	100%
		Cumulative EVs	4,103,575	4,617,083	5,129,994	5,648,148	6,164,602
TAS	No Intervention	Annual EVs	14,031	15,758	13,495	15,337	17,521
		Annual Sales Market %	52%	57%	63%	68%	73%
		Cumulative EVs	74,979	89,762	102,138	115,189	128,865
	Moderate Intervention	Annual EVs	27,017	30,323	29,441	32,383	34,751
		Annual Sales Market %	81%	86%	92%	97%	100%
		Cumulative EVs	171,309	194,640	215,456	237,917	261,308
	Accelerated Intervention	Annual EVs	37,635	41,671	40,084	42,030	43,562
		Annual Sales Market %	93%	98%	100%	100%	100%
		Cumulative EVs	245,014	275,415	302,661	330,139	357,370

Jurisdiction	Scenario	Type	2036	2037	2038	2039	2040
SA	No Intervention	Annual EVs	45,685	51,450	50,384	56,928	64,882
		Annual Sales Market %	51%	57%	62%	67%	72%
		Cumulative EVs	244,401	292,568	339,216	389,018	441,540
	Moderate Intervention	Annual EVs	84,525	95,297	99,795	109,756	117,409
		Annual Sales Market %	80%	85%	92%	97%	100%
		Cumulative EVs	536,062	609,849	682,759	761,297	843,158
	Accelerated Intervention	Annual EVs	109,571	122,118	123,426	129,628	134,942
		Annual Sales Market %	89%	94%	98%	98%	99%
		Cumulative EVs	721,506	809,584	894,193	979,997	1,066,088
WA	No Intervention	Annual EVs	93,283	104,570	124,251	139,843	158,170
		Annual Sales Market %	52%	57%	62%	68%	73%
		Cumulative EVs	500,076	597,909	714,475	839,268	971,889
	Moderate Intervention	Annual EVs	182,534	204,711	232,106	260,493	288,774
		Annual Sales Market %	81%	86%	85%	92%	98%
		Cumulative EVs	1,160,290	1,317,804	1,491,402	1,684,679	1,896,471
	Accelerated Intervention	Annual EVs	256,957	284,254	317,339	343,465	357,227
		Annual Sales Market %	93%	99%	96%	99%	100%
		Cumulative EVs	1,675,283	1,882,698	2,112,389	2,356,358	2,601,806
VIC	No Intervention	Annual EVs	149,826	168,972	147,011	168,196	192,331
		Annual Sales Market %	51%	57%	63%	68%	72%
		Cumulative EVs	796,608	955,178	1,090,280	1,235,375	1,387,928
	Moderate Intervention	Annual EVs	270,641	305,178	286,476	317,499	343,031
		Annual Sales Market %	80%	85%	92%	97%	100%
		Cumulative EVs	1,704,115	1,941,873	2,144,379	2,364,378	2,595,337
	Accelerated Intervention	Annual EVs	337,107	375,964	344,406	363,909	380,631
		Annual Sales Market %	89%	94%	98%	98%	99%
		Cumulative EVs	2,237,410	2,511,098	2,738,511	2,969,080	3,199,354