

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio

Budget Estimates

28 May 2012

Question: BR7
Topic: HRL Funding from LETDF
Proof Hansard Page: 117-118

Senator Milne asked:

Senator MILNE: Can the department confirm that \$101 million from the Low Emissions Technology Demonstration Fund was deferred in this year's budget from the next financial year to later years?

Mr Clarke: I will need to take advice on that.

Ms Rose: Yes. There was a reprofiling of funds.

Senator MILNE: Can you tell me what quantum of the \$101 million deferred from the next financial year had already been allocated to HRL?

Mr Clarke: Just repeat your question.

Senator MILNE: Basically I was asking about the \$101 million from the Low Emissions Technology Demonstration Fund. This was deferred in this year's budget from the next financial year, as in 2012-13 to later financial years. What quantum of that \$101 million deferred from 2013 had already been allocated or would HRL have been expecting to get in this coming financial year?

Mr Clarke: That is not the way we manage the accounting. There would be a notional amount. I am happy to come back on notice and give you the notional answer. But we mention the fading, the expectation of the cash flow, through these programs on a whole of program basis. We build it up from the individual projects. But our structure is to ensure that we do not overcommit the fund that we have the funds available to meet the contracts that we entered into. But the money is not quarantined as separately as the HRL money. I understand the spirit of your question. It is probably best if I take it on notice.

Senator MILNE: And maybe take on notice in that context what they would have expected to receive in 2013-14 and 2015-16.

Mr Clarke: It would be against the previous estimates of notional cash flow.

Answer:

The expenditure estimates for each program are developed by estimating the likely obligations each year. Both expense estimates and appropriation estimates were rephased between years during the 2012-13 Budget process. This is due to delays experienced in projects funded from the Low Emissions Technology Demonstration Fund program, including HRL. There remains an appropriation balance available in the Clean Energy Initiative Special Account. This provides the funds for the full anticipated expense amount.

	2011-12 (\$)	2012-13 (\$)	2013-14 (\$)	2014-15 (\$)	2015-16 (\$)
2011-12 PBS - Exp	100,450,000	700,000	0	0	0
2011-12 PBS - Approp	76,650,000	34,550,000	38,713,000	1,000,000	0
2012-13 PBS - Exp	0	0	20,000,000	40,000,000	100,000,000
2012-13 PBS – Approp ¹	0	0	20,000,000	40,000,000	45,913,000

Note 1 – there is 54,087,000 in the special account prior year balance

Page 35 of the 2012-13 PBS shows the current expected expenditure for all LETDF programs (2013-14 \$20m, 2014-15 \$40m and 2015-16 \$100m). Of this \$100m is earmarked for HRL.