

**Senate Standing Committee on Environment and Communications**  
**Legislation Committee**  
Answers to questions on notice  
**Environment portfolio**

**Question No:** 78  
**Hearing:** Budget Estimates  
**Outcome:** Outcome 2  
**Programme:** Emissions Reduction Fund Taskforce  
**Topic:** EMISSION REDUCTION FUND - ASSESSMENT OF PROJECTS  
**Hansard Page:** N/A  
**Question Date:** 10 June 2014  
**Question Type:** Written

**Senator Urquhart asked:**

Can the Department clearly outline the approach to assessment of projects under the ERF given the articulated Lowest Cost Approach?

**Answer:**

Projects will be assessed in three stages: project registration, pre-qualification, and auction. Proponents will be able to register their project, submit pre-qualification information and register for a forthcoming auction simultaneously.

- Proponents will register a project with the Clean Energy Regulator to be eligible to receive Australian Carbon Credit Units and to bid in Emissions Reduction Fund auctions. To seek support from the Emissions Reduction Fund, all projects will need to estimate emissions reductions consistent with an approved method. The Clean Energy Regulator will register a project if the proponent meets basic probity checks, the project is covered by a relevant method and the proponent has a legal right to undertake the project.
- This pre-qualification process will involve due diligence checks to ensure that projects can generate the stated emissions reductions within the timeframes indicated.
- The Clean Energy Regulator will conduct auctions according to transparent guidelines and procedures to ensure that projects are ranked and selected fairly according to their cost.