

**Senate Standing Committee on Environment and Communications  
Legislation Committee**

Answers to questions on notice  
**Environment and Energy portfolio**

**Question No:** 15  
**Hearing:** Budget Estimates  
**Outcome:** Corporate  
**Program:** International Climate Change and Energy Innovation Division (ICCEID)  
**Topic:** Cost-benefit analysis  
**Hansard Page:** 17 and 18  
**Question Date:** 22 May 2017  
**Question Type:** Spoken

**Senator Roberts asked:**

Senator ROBERTS: Are we able to get copies of cost-benefit analysis from the department?

Dr de Brouwer: Yes, but what is the specific—

Senator ROBERTS: In regard to the formulation of the 23 per cent target.

Dr de Brouwer: I would have to go back to the Warburton Review. That went through the pros and cons.

Senator ROBERTS: And costed?

Dr de Brouwer: I cannot recall. I would have to take that on notice. But we can come back to what RIS process was done for that.

Senator ROBERTS: I would like to know the economic cost benefit in particular, not just the triple bottom line but especially the economic cost benefit analysis.

Dr de Brouwer: Okay, we will take that on notice and we will come back later.

**Answer:**

In 2014, the Australian government appointed an Expert Panel chaired by Mr Dick Warburton AO LVO to examine the operation, costs and benefits of the Renewable Energy Target (RET), including the economic, environmental and social impacts and the extent to which the objectives of the scheme were being met and the interaction of the RET with other Commonwealth and state and territory policies. The Expert Panel did not undertake a formal cost-benefit analysis, but examined the costs, benefits and impacts of the scheme.

In 2015, the RET legislation was amended to reduce the Large-scale Renewable Energy Target from 41,000 to 33,000 gigawatt hours. The report of the Expert Panel was certified by then Department of the Environment as meeting the requirements of a Regulation Impact Statement for the purposes of the *Renewable Energy (Electricity) Amendment Bill 2015*. The report does not include analysis of the economic impacts of the specific 2015 RET amendments, as these were negotiated on the floor of the Parliament. The Department assessed that the amendments in the Bill would result in an average of \$519.6 million per annum in regulatory cost savings to business. The key saving identified was in reduced certificate costs for RET liable entities (primarily electricity retailers).