Senate Standing Committee on Finance and Public Administration ANSWER TO QUESTION ON NOTICE

Prime Minister and Cabinet Portfolio

Department of Climate Change Additional Estimates Hearing–February 2008

Written question reference: CC12

Outcome/Output: Greenhouse Gas Abatement

Topic: The level of greenhouse gas abatement due to the three energy efficiency programmes; Solar Cities, National Solar Schools Program and the Solar Hot Water

Rebate Program.

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Question:

Senator MILNE – What volume of emissions reductions have you estimated will be achieved from your three energy efficiency programs—that is, the Solar Cities program, the solar panels in schools program and the solar hot water program?

Answer:

The Solar Cities program, the National Solar Schools Program and the Solar Hot Water Rebate Program are not primarily abatement programs and emission reductions have not been estimated separately. The programs contribute to achieving the abatement associated with the 20 per cent Renewable Energy Target, through the Renewable Energy Certificates which they generate.

Estimates would be particularly difficult to make for the Solar Cities program as the abatement achieved will depend on the community take up rates for the different elements offered by each of the Solar Cities.

As an example of abatement, an average solar hot water system receiving support under the Solar Hot Water Rebate Program is eligible for about 30 Renewable Energy Certificates, deemed over 10 years. This equates to an estimated abatement of about 30 tonnes of carbon dioxide equivalent over the ten years, but the actual abatement will depend on the source of the electricity being displaced, be it gas or coal.

Expanding the Renewable Energy Target to 20 per cent by 2020 is expected to reduce our emissions by an extra four million tonnes annually in the Kyoto period. Importantly it will help us to reduce our emissions well into the future by an extra 20 million tonnes annually by 2020.