

## AUSTRALIA [www.energy.gov.au](http://www.energy.gov.au)

International Energy Agency Standing Group on Long-Term Cooperation (SLT) meeting 6-7 October 2008

### **Climate Change**

- The Australian Government is committed to ensuring Australia meets its responsibilities in addressing climate change. The Government has acted decisively to address climate change, through:
  - ratifying the Kyoto Protocol and support for the development of a new international response agreement for the post-2012 period;
  - setting a long term national domestic emissions reduction target of 60 per cent below 2000 level emissions by 2050;
  - implementing a comprehensive Carbon Pollution Reduction Scheme by 2010 as the central mechanism to meet this target; and
  - commitment of over \$3 billion in mitigation and adaptation initiatives.

### **Carbon Pollution Reduction Scheme (CPRS)**

- The broad framework of the CPRS was announced in a Green Paper on 16 July 2008.
- The CPRS is the main measure that the Australian Government will use to achieve its national domestic emissions target, a core element of which is a cap-and-trade emissions trading scheme (ETS).
- The scheme proposes to have maximum practical coverage of the economy and will cover 75% of Australia's emissions through around 1000 firms.
- The Government will draft legislation in 2009, for a 1 July 2010 start.
- [www.climatechange.gov.au/greenpaper/](http://www.climatechange.gov.au/greenpaper/)

### **Energy White Paper**

- The development of a White Paper on energy issues was announced by the Prime Minister on 28 May 2008.
- In developing the White Paper, the Government intends to ensure the provision of clean, adequate, reliable and affordable energy supplies to meet an expected 60 per cent increase in Australia's energy consumption needs by 2050.

### **National Energy Security Assessment (NESA)**

- The NESA highlights the key energy security issues currently facing Australia's liquid fuels, natural gas and electricity sectors and those issues that will impact in 5, 10 and 15 years.
- The NESA will be a key input into the Government's energy policy development processes, including the Energy White Paper.

## **Energy Efficiency**

- The Council of Australian Governments 'Working Group on Climate Change and Water' has been tasked with developing proposals to expand and accelerate the uptake of energy efficiency. This Group is to report by the end of the year.
  - The work of the Group builds on current policies across all levels of government in Australia that cover energy consumption in the residential, commercial, industrial and transport sectors. Examples of these policies include minimum energy performance standards for appliances and equipment, standards for residential and commercial buildings, the Energy Efficiency Opportunities (EEO) program for large energy users, and labelling programs in the residential and transport sectors.
  - The EEO program requires corporations that use more than 0.5 petajoules of energy per year to undertake a rigorous and comprehensive assessment of their energy use and identify cost effective energy efficiency opportunities with up to a four year pay back period. 218 corporations have registered for the program comprising 45% of total Australian end energy use and 60% of business end energy use.

## **Global Carbon Capture and Storage Initiative**

- Establish a global institute to accelerate the development of carbon capture and storage technology, funded at \$100 million annually.

## **Greenhouse Gas Storage Bill**

- A comprehensive legal framework for carbon dioxide capture and geological storage
  - Introduced to parliament in June, the Bill will enable carbon dioxide to be stored safely and securely in geological storage formations deep underground in Australian offshore waters under Commonwealth jurisdiction.

## **Renewable Energy Fund**

- \$500 million Renewable Energy Fund, which will allocate:
  - \$435 million to the Renewable Energy Demonstration Program;
  - \$15 million to the Second Generation Biofuels Research and Development Program (Gen 2); and
  - \$50 million for geothermal drilling.

## **Energy Innovation Fund (EIF)**

- The \$150 million EIF provides:
  - \$100 million for solar energy research, including the establishment of an Australian Solar Institute (ASI);
    - ... the ASI will support photovoltaics, solar thermal technology and other promising areas of solar energy research.

- \$50 million to accelerate innovation in clean energy technologies under the Clean Energy Program (CEP).
- ... CEP will support large-scale research and development projects in clean energy technologies such as energy efficiency, energy storage technologies and hydrogen, with grants starting at \$5 million.

### **National Low Emissions Coal Initiative (NLECI)**

- The NLECI aims to accelerate the use of low emission coal technologies in Australia, cut greenhouse gas emissions and secure the economic future of the Australian coal industry.
- \$500 million National Low Emissions Coal Fund (NLECF) will provide financial support for the NLECI, which includes.
  - \$75 million for a National Low Emissions Coal Research Program
  - \$50 million for a National Carbon Mapping and Infrastructure Plan.
  - \$50 million for a post-combustion capture demonstration project in New South Wales.
  - \$50 million for a post combustion capture demonstration project in Victoria
- Implementation of the NLECI will be guided by the newly established National Low Emissions Coal Council NLECC which brings together government, industry, and the coal researches
  - A Carbon Storage Taskforce will make recommendations to the NLECC on a forward work program for geological mapping, infrastructure for carbon storage locations.

### **Technology Roadmaps and Industry Development Framework**

- The Australian Government is developing Technology Roadmaps for hydrogen and fuel cells, geothermal energy and solar thermal energy
- The Australian Government is also developing a Geothermal Industry Development Framework
- The roadmaps and the framework will be released in late 2008.

### **National Gas Laws and Rules**

- On 1 July 2008 the National Gas Law (NGL) and National Gas Rules (NGR) came into effect in all states and territories except Western Australia, which is expected to adopt later in the year. The NGL and NGR:
  - regulate third party access to gas pipelines.
  - bring pipeline regulation under one national regulator, the Australian Energy Regulator. Previously, access was regulated by each state and territory separately.

- bring gas and electricity regulation under a consistent national framework
- provide incentives to promote pipeline investment