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Subject: Response to Kooyong Climate Change Alliance

The following can be attributed to the Treasurer:

On climate change:

Climate change is real.

It was the Coalition Government that ratified the Paris Agreement on 10 November 2016.

On emissions reductions:

Australia has a strong track record when it comes to emissions reductions.

We beat our first Kyoto target by 128 million tonnes and we are on track to beat our 2020 target by 367 million tonnes.

If you consider that one million tonnes of carbon abatement is the equivalent to taking 300,000 cars off the road for a year, this is substantial.

Currently, Australia's emissions are at their lowest level on a per capita and GDP basis in 28 years.

Under the Paris Agreement, we are committed to reducing our emissions by 26 to 28 per cent on 2005 levels by 2030.

Since the Coalition came to government, our economy and population has grown strongly by \$220 billion and 1.8 million people, but despite the increases in consumption, production and exports that this growth brings, our emissions intensity is decreasing.

We are investing \$3.5 billion in the Climate Solutions Package to reduce emissions across a range of industries.

The Climate Solutions Package is a plan that will ensure we meet our 2030 Paris commitment and build on the success of our existing policies by:

- Providing a further \$2 billion for a Climate Solutions Fund to remove 103 tonnes of greenhouse gas emissions from the atmosphere and build on the success of the Emissions Reduction Fund. This will boost agricultural productivity, support jobs for Indigenous communities and improve biodiversity and water quality as well as reducing greenhouse gas emissions.
- Helping households and businesses to improve energy efficiency, reduce energy consumption and lower energy bills.
- Continuing support for the transition to renewables underway in the National Electricity Market through funding for the Battery of the Nation Project in Tasmania and MarinusLink.

- Developing a National Electric Vehicle Strategy to ensure a planned and managed transition to new vehicle technology and infrastructure.

On 'carryover':

Carryover has been a feature of international climate agreements and the Government has been clear that we will use it for the Paris agreement.

On renewable energy:

Under the Coalition Government, Australia has achieved record levels of investment in renewable energy.

The Clean Energy Finance Corporation has invested more than \$6.6 billion in clean energy projects, more than \$5.8 billion of which has been made under the Coalition Government.

The Australian Renewable Energy Agency has also provided more than \$1.2 billion of grants which has helped unlock almost \$3 billion in additional private and public sector investment, and supported hundreds of renewable energy projects.

Furthermore, the Government has remained committed to the Renewable Energy Target.

According to Bloomberg New Energy Finance, in 2017, Australia was the world's third highest clean energy investor on a per capita basis – four times the investment per capita of China and five times France.

Notably, more than one in five Australian households have solar panels installed on their roof – the highest rate per capita in the world.

According to the Clean Energy Regulator, 2018 was a record year for installations of large-scale renewable power, with more than 360 installations representing 3,300 megawatts of capacity completed and beginning generation. The previous record year was the 1,000 megawatts set in 2017, also under the Coalition Government.

On energy storage:

As more renewable energy – mainly, in the form of solar and wind power – enters the system, the need for storage grows.

That's why the Coalition Government put energy storage on the agenda.

We are investing in Snowy Hydro 2.0 – the biggest pumped hydro facility in the southern hemisphere, providing enough power for half a million homes.

Snowy 2.0 will increase generation capacity by 2,000 megawatts and provide 175 hours of energy storage - enough to power the equivalent of 500,000 homes during peak demand.

We're exploring, upgrading and expanding several pumped hydro energy storage projects that benefit the whole National Electricity Market and we've funded the installation of three large-scale batteries across Victoria and South Australia.

We also supported the development of Australia's first virtual power plant, comprising 1000 households and businesses.

Australia is now not only the world leader in the use of rooftop solar, but also the world leader in the installation of residential battery storage by power capacity.

On other means to reduce emissions:

The Coalition Government established the \$2.55 billion Emissions Reduction Fund which helps farmers, businesses, landholders and communities reduce emissions through energy efficiency, savannah management, carbon capture and revegetation projects.

Through a very competitive process, the Emissions Reduction Fund has abated nearly 200 million tonnes of CO₂ for around \$12 a tonne.

We are working to improve Australia's energy productivity by 40 per cent by 2030 through the National Energy Productivity Plan and we have passed legislation to phase out hydrofluorocarbons (HFC).

When it comes to electric vehicles, with changes coming to the cost, range and infrastructure for electric vehicles in Australia, it is estimated that by 2025 there will be 230,000 such cars on our roads and more than one million by 2030.

The Government provides a discount on the luxury car tax threshold for low emission vehicles, companies can earn carbon credit units under the Emissions Reduction Fund to transition their fleets to electric vehicles and the Clean Energy Finance Corporation is funding a number of programs that enable the purchase of electric vehicles.

On mining:

Total resource and energy exports are expected to earn a record \$264 billion in 2018-19, generating more than half the total value of Australia's exports. Our coal earnings are set to exceed \$67 billion in 2018-19, making it our largest commodity export.

The value of iron ore exports is expected to remain high, predicted to increase from \$61 billion in 2017-18 to \$64 billion this year, with the biggest increase in export value of any commodity expected to be gas, up \$19 billion from \$31 billion in 2017-18 to \$50 billion in 2018-19.

Our resources sector creates thousands of jobs, many of which are in regional communities, and in the process pays billions of dollars in tax and royalties that helps fund our schools, hospitals and infrastructure.