



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

**STANDING COMMITTEE ON CLIMATE CHANGE,
ENVIRONMENT AND WATER**

(Reference: [Annual and financial reports 2009-2010](#))

Members:

MS M HUNTER (The Chair)
MR J HARGREAVES (The Deputy Chair)
MR Z SESELJA

TRANSCRIPT OF EVIDENCE

CANBERRA

WEDNESDAY, 10 NOVEMBER 2010

Secretary to the committee:
Ms M Morrison (Ph: 6205 0136)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

APPEARANCES

Conservator of Flora and Fauna	66
Department of Territory and Municipal Services	66
Department of the Environment, Climate Change, Energy and Water	1

Privilege statement

The committee has authorised the recording, broadcasting and rebroadcasting of these proceedings.

All witnesses making submissions or giving evidence to an Assembly committee are protected by parliamentary privilege.

“Parliamentary privilege” means the special rights and immunities which belong to the Assembly, its committees and its members. These rights and immunities enable committees to operate effectively, and enable those involved in committee processes to do so without obstruction, or fear of prosecution. Witnesses must tell the truth, and giving false or misleading evidence will be treated as a serious matter.

While the committee prefers to hear all evidence in public, it may take evidence in-camera if requested. Confidential evidence will be recorded and kept securely. It is within the power of the committee at a later date to publish or present all or part of that evidence to the Assembly; but any decision to publish or present in-camera evidence will not be taken without consulting with the person who gave the evidence.

Amended 21 January 2009

The committee met at 1.04 pm.

Appearances:

Corbell, Mr Simon, Attorney-General, Minister for the Environment, Climate Change and Water, Minister for Energy and Minister for Police and Emergency Services

Department of the Environment, Climate Change, Energy and Water

Papps, Mr David, Chief Executive

Hargreaves, Ms Anita, Chief Finance Officer

Butt, Mr David, Director, Water, Energy and Waste

Traves, Mr Alan, Acting Director, Ministerial and Corporate

Walters, Mr Daniel, Acting Director, Environment Protection and Water Regulation

Tomlinson, Ms Heather, Senior Manager, Climate Change and Natural Environment

THE CHAIR: Good afternoon and welcome everyone to this public hearing of the Standing Committee on Climate Change, Environment and Water. Today the committee is examining the 2009-10 annual report of the Department of the Environment, Climate Change, Energy and Water, including the Environment Protection Authority. The hearing will conclude with questions for the Conservator of Flora and Fauna.

On behalf of the committee, I would like to thank you, minister, and relevant departmental officials for appearing today. Can I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the yellow-coloured privilege statement before you on the table. Could you confirm, for the record, that you understand the privilege implications of that statement?

Mr Corbell: Yes, thank you.

THE CHAIR: Before we proceed to questions from the committee, minister, would you like to make an opening statement?

Mr Corbell: Thank you, Madam Chair and members of the committee. I do not intend to make an opening statement but my officials and I are happy to try to answer your questions.

THE CHAIR: Thank you. I want to start with a question around departmental structure. On page 4 of the annual report, there is an organisational chart. There seem to have been some structural changes that have taken place in the department. You have a director of climate change and natural environment and a director of water, energy and waste. I was wondering whether you could explain the delineation between climate change and energy.

Mr Corbell: Mr Papps, the chief executive, can explain the organisational structure further.

Mr Papps: The structure is basically a reflection of the workload across the

department. When we started the department, it had a single policy director who was responsible for the full range of policy areas—water, energy, waste, climate change, natural environment. It became very clear that was not the optimal arrangement, because of the workload, going through a single director. So we effectively created two directors. David Butt occupies one of those positions and looks after water, energy and waste. Paul Lewis occupies the other, climate change and natural environment.

The observation that I would also make, that perhaps is behind your question, is that the split is the most efficient and effective administrative approach, I believe. But we put a great deal of effort into policy integration across the department. Although there are separate directors with very clear accountabilities, all directors are members of the executive management board. And we have a policy committee that meets regularly so that we get the integration we need across those interrelated topics.

THE CHAIR: Going to page 167, it is the staff profile, and there are far more staff in climate change and natural environment. There is a 39.7 full-time equivalent. In water, energy and waste there is a 6.5 full-time equivalent. Is that again reflecting the workload or what is happening there? What work is being undertaken under climate change and natural environment and what is the split there as well?

Mr Papps: It does reflect workload. Obviously, it is a basic principle that we allocate resources according to the workload. Climate change and natural environment is a branch that mixes both policy work in the climate change area and the natural environment area with program work. That is the area that also administers the department's programs, the ACTSmart programs, for example, including things like ToiletSmart, GardenSmart, the energy audit programs and the like. So the number of staff reflects that diversity of responsibility.

THE CHAIR: And how many of these officers would be working on action plan 2?

Mr Papps: It would vary from time to time. Action plan 2 is one of the major projects the department has in front of it. There would be the climate change team, that is, three to four full-time staff, plus other staff in the department on an as-needs basis as well as consultants.

THE CHAIR: On that next table, table 9, it shows that there are 18 temporary staff in the climate change and natural environment area, which seems quite high compared to other areas. What is the situation there?

Mr Papps: Again, it is a reflection of the nature of the work that is undertaken. Climate change and natural environment, as I said, includes the program area. So it is the practical programs, some of which are short term in nature. They utilise temporary employees. It also includes the area for which we receive commonwealth funding. For example, the caring for country program, which is jointly funded by the commonwealth and the ACT, is undertaken by staff who are mostly on contract because those funds have limited tenure. They expire after three or four years. So that is why you get the blip of temporary employees in that branch.

THE CHAIR: You mentioned on page 5 the staff survey that was undertaken in mid

2009. What were some of the issues or concerns that were raised in that staff survey?

Mr Papps: It was a staff survey undertaken early in the development of the department and it canvassed a wide range of issues. These are fairly standard administrative tools and we will do them regularly over the life of the department to see how we are tracking. It showed a number of things.

Again, without going into a great deal of detail, the observation was, for example, that most people who work with DECCEW enjoy that. They get a high degree of job satisfaction because it reflects either a professional or a personal commitment or both. And so we rated very highly, for example, on job satisfaction, on the commitment to the work and on the satisfaction that is derived from seeing their work converted into policies and then programs.

Because the department was created by bringing in people from other departments as well as importing new employees, we were interested in the culture that we had acquired through that process. And there were certainly some issues around identification with DECCEW and the need to develop a set of values and a culture, which is one of the reasons that led to the department undertaking some values work, where we developed a set of values that involved a great degree of staff consultation and a set of behaviours that are associated with those values. That was a direct reflection of the feedback that we got during the staff survey. People wanted to see that culture developed within DECCEW.

THE CHAIR: There is another question I want to go to, before I hand on to Mr Hargreaves, and that is around a few key documents that we are yet to see. One of them is around action plan 2, which is obviously vital, particularly now that the legislation around the greenhouse gas reduction target has been passed, and the other, of course, is the energy policy, which is very much part of this picture as well. I want to start with those two. When will we see an energy policy and action plan 2 launched or put in place?

Mr Corbell: I previously indicated in the Assembly and elsewhere that the government is currently in the process of developing action plan 2. Action plan 2 will outline the specific measures that we intend to undertake to take action towards meeting the first range of targets outlined in the climate change greenhouse gas legislation. It is intended that public consultation on action plan 2 occur in the first quarter of next year and that will allow the document to be completed by the middle of next year.

In relation to the energy policy, we anticipate the release of the final energy policy at the end of this year, with implementation commencing in 2011.

THE CHAIR: When you say later this year for the energy policy, will that be a little before a week out from Christmas? Have you got some idea about when that might be, rather than just before Christmas?

Mr Corbell: It will be later this year.

MR HARGREAVES: Impatience is not a virtue, Madam Chair.

THE CHAIR: I think we have been very patient on this one. The other one was around action plan 1. Is action plan 1 still being rolled out and implemented or is it being pulled back in some areas? Have we got a bit of a gap because action plan 1 has been pulled back while we wait for action plan 2?

Mr Corbell: A broad range of measures in action plan 1 have already been completed. A review of action plan 1 was completed in January this year. That was made publicly available in August this year. And that review concluded that, of the 43 actions outlined in action plan 1, 20 had already been completed, 22 were ongoing and one had been overtaken by commonwealth policy. That is the summary of the various actions.

It is important to stress that a number of programs are ongoing in terms of achieving emissions reduction. In particular, the programs being delivered to households through the ACTSmart initiative, which is providing energy audits, rebates and other assistance, are some of those items which are ongoing. There are a range of other items that are ongoing also.

THE CHAIR: Mr Hargreaves?

MR HARGREAVES: I have a general question really, thanks, Madam Chair, to the minister and departmental officials. On page 10, it talks about the securing of sustainable water resources. There has been a degree of community speculation, conversation and discussion around water restrictions. We now have, in a sense, permanent regimes in place. There are still discussions about stage 2, stage 3, stage whatever. Could you possibly tell us the basis of the decision, in fact, to move from temporary restrictions to more permanent conservation measures? We were used to going from stage 1 to stage 2 and going up and down like a fiddler's elbow and now we are into a more permanent regime.

Mr Corbell: Thanks, Mr Hargreaves. The government is of the view that it is sensible to lift the temporary restrictions regime, given the state of the territory's water storages, and to have instead measures for permanent water conservation activities ongoing in the community. The rationale for this is that temporary water restrictions are just that—they are temporary. They are quite a heavy-handed instrument to control water use and they rely on community support for them to work. Obviously, they need to have legitimacy for them to work—that is, there needs to be a pressing and immediate issue that needs to be addressed.

The government's view is that if we were to continue to maintain temporary restrictions even in a period of relative strong supply of water in our catchments the level of community compliance would decline and, equally, if the government then sought to reintroduce restrictions or wrap them up depending on the circumstances at a later period, enforcement would be more difficult and overall compliance would be more difficult.

We rely on a compact with the community to make restrictions work. In the context of water storages approaching 90 per cent of capacity, it is sensible that we not maintain the more heavy-handed approach of restrictions but instead adopt an approach which

relies on sensible water use—that is what the permanent water conservation measures are designed to do—and to set out provisions and requirements for people to use water wisely without a more limited application of access to water which would be in place of restrictions.

I think the decision by Actew was the right one. It is supported by the government and it is supported because of the steps that are being taken to improve water security and because of the construction of major water security projects currently. That suggests, combined with the current climatic conditions, that there is not a case for maintenance of a restrictions regime.

MR HARGREAVES: When you talked about the think water, act water policy, that was all about engendering an attitudinal and cultural change in the community itself. Are we seeing this move from the temporary restrictions to permanent restrictions as the next logical step in that cultural change and recognising that there has been some change?

Mr Corbell: Yes. Certainly, both the government and Actew's view, I know, is that there has been a cultural change in our community, that Canberrans now are much more aware of the relative scarcity of water and the need to use that resource wisely. That is what we are very much relying on in the move to permanent water conservation measures. We will be monitoring the situation closely, but at this point we are confident that Canberrans will adapt to the new regime sensibly and that we will continue to see wise water use in the community.

MR RATTENBURY: Who ultimately takes the decision on the level of water restrictions? Is it the government or Actew?

Mr Corbell: Actew determines water restrictions. That is a power granted to them under the utilities legislation, if I recall correctly. There are, though, obligations to consult with the government and its agencies, in particular the Environment Protection Authority, and the responsible minister—in this case me—who makes the regulations that set out the regime that Actew then applies. The regulations under the relevant legislation that set out permanent water conservation measures, enforcement and so on are made by the minister. But decisions on their implementation and enforcement are matters for Actew.

MR RATTENBURY: Do you see any conflict of interest in the water seller setting the level of water restrictions?

Mr Corbell: That issue comes up from time to time, but I think Actew have demonstrated that their key interest is in maintaining water security.

MR SESELJA: You get consulted by Actew. So Actew, when they moved from stage 1 to permanent water conservation measures a couple of weeks ago, came to you first and suggested that that was the path they wanted to go down? How does it work with consultation?

Mr Corbell: Consultation occurs at two levels. Consultation occurs with the Environment Protection Authority. The Environment Protection Authority—and this

comes back to, I think, a point that Mr Rattenbury was alluding to earlier—has to be satisfied that environmental flows can be maintained.

It is very important that any decision about a lessening of restrictions is taken having clear regard to that overriding objective. Consultation occurs with the Environment Protection Authority at an officer level and the chief executive of Actew consults with me about his views and decisions that he is contemplating about changes to restrictions or from restrictions to permanent water conservation measures.

MR SESELJA: So on this latest decision, when did the head of Actew consult with you on the decision to go from stage 1 to permanent water conservation measures?

Mr Corbell: Prior to announcing his decision.

MR SESELJA: How long prior?

Mr Corbell: I would have to check the record, Mr Seselja.

MR SESELJA: I just wanted to move to some greenhouse reduction issues. Particularly on page 6 and I am sure throughout the report it talks about the government's commitment to becoming carbon neutral. Could you update us on the current projection as to when the government will become carbon neutral and how close we are to that goal?

Mr Corbell: The government is currently undertaking a range of work to assess and better understand the carbon footprint of ACT government operations. Resourcing has been made available in the most recent budget to address information gaps to allow us to improve the monitoring of greenhouse gas emissions in ACT government operations.

As part of that work a carbon neutral framework is being developed in consultation with the property sustainability working group, which is an across-government working group. A key element of that framework will be the development of agency resource management plans to allow agencies to reduce their carbon footprint. To date, three resource management plans have been finalised with DECCEW, the LDA and the Dickson motor registry. A further two are in draft form—CMD and LAPS—and other agencies are continuing to actively develop their plans. In terms of the longer term target, if I recall correctly, the government has agreed with the recommendation of the Assembly standing committee inquiry which is 2015 as the target for carbon neutrality in government operations.

MR SESELJA: So at the moment the work is being done and we do not know how far advanced the government is in meeting that goal of carbon neutrality by 2015?

Mr Corbell: There are significant gaps in our knowledge in terms of being able to monitor the carbon emissions from government agencies. That is why, in the most recent budget, the government provided just under half a million dollars to allow us to recruit the staff and deploy the technology needed to understand the emissions profile of different government agencies. That is obviously an important first step in being able to put in place a clear framework to achieve the goal.

MR SESELJA: You said that three agencies—Environment, LDA and one other—have provided plans. How much do those plans reduce emissions or reduce the carbon footprint of those agencies?

Mr Corbell: I do not have those plans in front of me, Mr Seselja, so I would need to take that question on notice.

MR SESELJA: So the environment department does not know how much its plan reduces emissions?

Mr Papps: No, we do not have that in any detail at the moment. One of the programs that the minister referred to in terms of budget funding was an increased uptake of OSCAR, which is the methodology used to measure emissions and therefore to monitor emissions reductions. The department is rolling out over the next six to 12 months expertise and advice in the use of OSCAR to get departments to the point where they know their current emissions and where they can be in a position to start actively managing towards emissions reductions.

The other thing to point out is that the government agencies do not operate in a vacuum. They operate within the broader ACT context. Action plan 2, which will have some detail around how we will achieve the emissions reductions that have been identified in the government's policy and subsequent legislation, will also be contributing to and directing government agencies.

As well, there are a range of other policy measures that the minister will be considering over the next little while, including, for example, an arrangement that we saw successfully implemented overseas. Chief executives of government agencies will be given a carbon budget, which will be factored down, obviously, to head us towards the target of 2015 of carbon neutrality, and they will be responsible for that in the same way that they are responsible for both the dollars and human resources.

MR SESELJA: I am sorry, could you—

Mr Corbell: I am happy to take the question on notice in relation to the details of specific plans. I would draw your attention, Mr Seselja, to the fact that the government, of course, already purchases 32.5 per cent of its total power needs, its electricity needs, from green, renewable sources, which is a significant amount of green power purchased. Obviously, that has a significant impact on government operations in terms of its carbon footprint.

MR SESELJA: Sure. Mr Papps might, for the environment department, describe to us in broad terms what this plan does, because it is not clear to me from those answers. You have got carbon neutrality as a goal by 2015 and you have got agencies which have put forward their plan. Does that plan—Mr Papps or minister—forecast out to 2015? Does it have a target for when the department will become carbon neutral? If not, what does the plan actually entail?

Mr Corbell: We are not able to give you that level of detail today, Mr Seselja, but we are happy to provide that.

MR SESELJA: Well, I am asking in broad terms.

Mr Corbell: No, you are asking some fairly specific—

MR SESELJA: No. I know what I am asking. I asked a specific question and you did not have an answer, so I have asked it in broad terms. I am sure the department would be able to tell us in broad terms what their plan does. Does it project out to 2015? Does it have a target? Does it say how you are going to reduce your emissions and how you are going to achieve carbon neutrality? If not, what does it do?

Mr Corbell: It provides the framework for the department to achieve an emissions reduction to meet the government's policy objective, and in relation to the detail that you are seeking I would be happy to take that on notice and provide further detail to you.

MR SESELJA: So does it project out to 2015?

Mr Corbell: The plan is made consistent with the government policy, which is a target by 2015.

MR SESELJA: When was this plan completed?

Mr Papps: It was completed this year and it is in operation at the moment.

MR SESELJA: But we cannot be told any information about it?

Mr Corbell: You are asking for a level of detail that neither I nor the chief executive have immediately to hand, but we are happy to—

MR SESELJA: Actually, we are asking pretty high-level stuff at this stage and it is unclear to me—

Mr Corbell: No, you are asking—

MR SESELJA: why you have got a plan in place and you cannot tell us anything about it.

Mr Corbell: I have given you my answer, Mr Seselja.

MR SESELJA: It is extraordinary.

THE CHAIR: Okay. This resource management plan that is mentioned on page 106, the first resource management plan, you are obviously starting to roll out. I had some similar questions to Mr Seselja around targets and what was involved in that plan, but I note that the minister has taken that on notice and will get back to us with some details.

MR HARGREAVES: Perhaps, chair, we could ask that the plan be tabled for the committee's benefit.

Mr Corbell: Yes, we are happy to make the plan available.

THE CHAIR: Thank you. Under action plan 1 all departments were asked to put together resource management plans. Mr Papps, I think you just mentioned then LAPS. Who were the other two?

Mr Corbell: Three have been finalised: DECCEW, LDA and the Dickson Motor Registry. A further two are in draft form—CMD and LAPS—and others are under development.

THE CHAIR: Under development: who is driving that, because they seem to be lagging a bit from when it was expected or hoped that those resource management plans would be in place? And who will have the role of reviewing those plans and ensuring those plans are being implemented? Is that left up to each department or does DECCEW have some role in all of this?

Mr Papps: As the minister said, the context for this is the government policy of carbon neutrality for government agencies by 2015. That is the target, because that is the government policy. There is a range of initiatives underway. As I mentioned before, I talked about OSCAR and the role that DECCEW has in that. One of the major tasks that we have as a department, I think, is building capacity across government. In the end, each government agency needs to take responsibility for its own actions and its own management decisions. It is not a matter that is long-term sustainable if it falls entirely to DECCEW.

Our job, I think, is to help build capacity across agencies to do this, to improve their data monitoring and management, and to that end we have done a number of things, including working collaboratively with the ACT Property Group, which obviously manages government offices, to first of all get a better idea of the current sustainability of government accommodation and therefore inform future resource management plans. We have been working with them on a national green leasing policy for government accommodation.

We have done a number of activities such as co-hosting workshops for ACT government agencies. This is all designed to bring agencies to a common understanding about the task in front of them, about the expectations on targets and the methodologies that are available. We have been undertaking sustainable workplace surveys across government and we have circulated our resource management plan to other agencies as a beginning model.

I do have to make the point that the resource management plans are very dynamic documents. They are going to be modified, I expect, on a yearly basis because you need to be constantly reviewing your performance, monitoring the data and adjusting your management actions accordingly. You also have to take into account changes in the external environment, so what is happening at a national level and the other sorts of policies that the government is introducing more broadly.

I talked before about the training and collaboration that we have done—the training and advice to agencies in the online system for comprehensive activity reporting, the

so-called OSCAR system which is used by ACT agencies and the national government. I talked about the property sustainability working group, which is a subgroup under the ACT Property Forum, to again share information and experience across government agencies. We provided funding to that group to improve data and information to inform resource management plans. For example, we provided \$100,000 in 2008-09 and \$105,000 in 2009-10 for the installation of smart meters in government-owned buildings—“what you can’t measure, you can’t manage”—and, as I said, we have been working with other agencies on their resource management plans. Our programs about ACTSmart business and ACTSmart office are also providing assistance to government agencies in the ACT to encourage and support the adoption of efficient waste management and recycling.

Mr Corbell: I can advise, too, perhaps also in follow-up to some of Mr Seselja’s earlier questions, that the resource management plan does commit to a 20 per cent reduction in energy use over the coming reporting period, so over the first 12 months. We need to obtain a NABERS rating. The department is a signatory to the CitySwitch program, which my department administers here in the territory and which is open to both private and public sector organisations that are located in office buildings, to achieve reductions in emissions profile. The CitySwitch program also operates in Sydney and in Brisbane. A requirement of that program is that signatories conduct an annual NABERS rating so that energy savings can be properly quantified. To achieve a NABERS rating, the department requires 12 consecutive months of metered data. It is anticipated that we will be in a position to apply for a NABERS rating in March 2011 and thereby then work towards the 20 per cent reduction for the forthcoming reporting period.

THE CHAIR: Given that each of these departments will have their resource management plans and so forth and be working towards carbon neutrality, is there an intention to collate a whole-of-government report so that we can see where we may be making some great progress, where we need to make some improvements? It would pull it together into one document, rather than having it spread across a number of annual reports or however it is going to be reported—

Mr Corbell: Yes. Obviously, it is important to maintain accountability at the individual departmental level so that chief executives are taking responsibility for their own department’s operations in relation to carbon greenhouse gas emission reduction. I would not want to suggest that reporting should move away from the responsibility of individual chief executives, because that is where it must lie as so many other aspects of a department’s operations must lie. But in terms of the bringing together or compilation of that data overall, I anticipate that with the development of action plan 2 ACT government operations will be specifically addressed in relation to our own contribution to the overall emissions reductions target for the territory and there will be reporting and review activities as part of action plan 2 that will capture ACT government operations.

THE CHAIR: Okay. Mr Papps, earlier you spoke about chief executives being given carbon budgets. Can you explain exactly what you mean by a carbon budget and how it will work?

Mr Papps: That is one of a number of policy initiatives that we are currently working

on. We are yet to provide any detail to the government for its consideration, but it is an initiative that has been undertaken in a number of places overseas, most recently in the United Kingdom with the British government making that an obligation. At its heart it is simply taking the resource management planning process we are doing and the commitment to carbon neutrality by 2015 and encapsulating it in part of the performance agreement of chief executives, setting out what is expected, year by year reductions, essentially between here and 2015, what would be necessary to get to the target, and building that in as an imposition or an expectation in the chief executive's performance agreement.

Mr Corbell: To achieve that objective, there is a need for strong levels of data collection so that we understand the emissions profile of agencies. There is little point in telling a chief executive to achieve a particular reduction when the overall emissions profile of the agency is not properly understood. That is why in the most recent budget the government has provided funding to ensure that agencies are able to put in place the processes, the metering required and the other databases required to properly understand their emissions profile. The stage we are at now for this financial year is establishing the infrastructure and a data collection stage so that we understand the emissions profile of departments that will then allow us in future financial years to establish further mechanisms to drive down the greenhouse gas emissions profile of those agencies because we will be working off a strong database.

THE CHAIR: So you will have a baseline to be working from and then to be able to measure from?

Mr Corbell: That is correct, and that is what the half a million dollars provided in the most recent budget allows the government to do.

THE CHAIR: Okay.

MR SESELJA: In the targets for becoming carbon neutral for the government, how significant a role will offsets play and will there be any guidelines or caps on the role that offsets play?

Mr Corbell: Offsets will be considered, as will a range of other measures. Offsets need to be verifiable and properly audited to be meaningful and they will form part of the range of options available to government. The government has not finalised its view about a range of these issues at this time and so I would not want to be more precise than that, except to say that offsets are very much part of the range of options available. I would stress, though, that they really only need to be utilised where other measures are not capable of being deployed. They are really seen as an option available to the government where other measures are not going to be viable or effective to achieve emissions reduction.

MR SESELJA: You talked about it being audited and verifiable. How much does cost play a role in terms of choosing which offsets are appropriate? Are there guidelines for that or is it just on a case-by-case basis?

Mr Corbell: The development of the government's own strategies in relation to carbon neutrality will obviously have regard to the cost of measures and the relative

economic efficiency of those measures.

THE CHAIR: Are there any questions on a similar subject?

MR RATTENBURY: Yes. I want to come back to the issues around the departmental structure that Ms Hunter started with earlier. I wanted specifically to understand why climate change and energy are in different units of the department.

Mr Corbell: As Mr Papps explained earlier, partly this is a division of workload responsibility. There are discrete projects, which are quite time consuming in terms of the level of policy detail that needs to be got across, that require a dedicated focus. The government is investing considerable time and effort into the development of a number of key new policy initiatives around renewable energy deployment, around waste strategies, around water security and efficiency programs. These are quite policy heavy in terms of the level of technical detail that officers need to get across and are quite time consuming.

For that reason, the department has taken the decision, and one that has been taken in consultation with me, that those particular functions sit within a separate element of the department. But that does not mean that they do not inform the broader climate change strategies of the government and the climate change policies of the government. Indeed, as Mr Papps has indicated, there is a close working relationship between all directors in the development of the policy advice that the department provides to me and the government overall.

It is simply the practicality of recognising that there are a number of particular tasks which are labour intensive in terms of time and technical and policy knowledge, and recognising, with respect to the particular priorities that the government is putting on water, energy and waste as subsets of action on climate change overall, the specific focus being given to that in the organisational structure.

MR RATTENBURY: On page 126 of the annual report, in the triple-bottom-line reporting section, you have indicated a cut of around 50 per cent per person in greenhouse emissions for the 2009-10 year for the department. This is two-thirds of the way down on page 126. Can you outline how that cut was achieved?

Mr Corbell: I cannot, but maybe someone else can assist.

Mr Traves: With respect to the table we are looking at, David alluded earlier to the formation of the department partway through a financial year. Therefore, our very first year, which is reflected in one of the columns of this table here, does not reflect a full year's work. It is also then dependent upon the contributions of the individual agencies where we accrued all of our staff from to provide us with up-to-date data. You would have to say that the first year does not represent a fair reflection of what this department does or has not achieved or will achieve in the future.

This year, we focused largely on making ourselves independent in a record-keeping sense from other agencies. We share a building with TAMS. Previously, we were provided by them with information on how much of the waste we contributed, how much of the electricity we used, how much of the gas, how much of the water. This

year, we have put in place our own measurement mechanisms. We are separately metered for our electricity. We can keep track of our gas separately. We can now control these things.

The current year that we are examining now is the baseline, in effect, of what we have achieved. That is what we are now going to focus on when looking at our resource management plan. We are going to be focusing on reducing those elements. But I do not think that this table at the moment is very useful to us and it is because of the timing issue.

Mr Papps: That same explanation covers off the table at pages 200 and 201. We are essentially establishing the baseline, as Alan said, this year through much more accurate measuring.

THE CHAIR: Mrs Dunne?

MRS DUNNE: Not at this stage. I want to ask some questions on water, so unless you are ready to move on to water—

THE CHAIR: We have done some questions on water.

MR SESELJA: I think we are going to go back and forth with this.

THE CHAIR: That would be fine, Mrs Dunne. Would you like to ask your question.

MRS DUNNE: In relation to the outlook area on page 10—securing sustainable water resources—what are the various options that the department will pursue to reduce reliance on rainfall? Could you perhaps, in saying what those options are, explain what you mean by that?

Mr Corbell: In general terms, that refers to the range of measures that the government is considering to improve the use of our existing water resources and therefore improve overall water security prospects. They include the measures that are currently underway in relation to replacing potable water supply with non-potable water supply for irrigation of various parts of the territory. They include investigations to look at options in terms of improving the use of non-potable water in new residential estates, and to the extent that that work is driven by Actew and ACTPLA or the LDA, my department is involved in supporting those discussions and those considerations. In general terms, that is what that particular paragraph is referring to.

MRS DUNNE: What do you mean by saying that we are reducing our reliance on rainfall?

Mr Corbell: It is probably better characterised as reducing our reliance on potable water supplies.

MRS DUNNE: Okay.

Mr Corbell: Perhaps it is a clumsy use of language.

MRS DUNNE: Perhaps for future use—I was actually scratching my head.

Mr Corbell: That is what the reference is.

MRS DUNNE: Okay, thanks. What water saving measures have been introduced across ACT government since the department was established?

Mr Corbell: There are a range of measures that are ongoing in relation to improving water efficiency in ACT government agencies. Those are best directed to individual agencies. Across the board, the government has a range of policy settings in place to improve water use. For example, in the sport and recreation portfolio, there is the “where will we play” strategy, which has clear objectives to remove our use of potable water for irrigation of playing fields and sports grounds and improve the reliability and availability of sporting grounds by reducing our reliance on potable water supply.

There are also a range of improvements being undertaken by Land and Property Services across the territory’s portfolio assets around water efficiency—devices and so on in those premises. I am not able to give you detail of that but the relevant department that is responsible for the property portfolio would be able to do so.

MRS DUNNE: You are saying that I should address those questions to the line departments, but does DECCEW in any way collect information about the success or otherwise of these projects? There were, for instance, some initiatives that were brought forward during the last election campaign, some of which were administered by DECCEW. Can DECCEW tell us what water reductions have been achieved across ACT government since the election?

Mr Corbell: In relation to that particular reporting period, I would need to get some advice on that and provide it to you. But I am certainly happy to assist and provide that advice to you.

MRS DUNNE: That would be good. Do you act as, I suppose, a clearing house for looking at the projects that other agencies might put in place in informing your policy development? You are looking at revising think water, act water; are you learning from the experiences, good or bad, from other agencies?

Mr Corbell: DECCEW is not an approval agency or a clearing house in relation to the specific technical detail of projects—that is, whether departments put in place waterless urinals, for example, or other measures. We do not get down to that level of detail. But the department is responsible for supporting the work of the chief executives water group, which is an across-portfolio chief executives group looking at water policy for the territory as a whole. That includes government operations as well as territory—policy settings for the territory as a whole. My department is responsible for providing support to that chief executives water group. Obviously, through that forum, we receive advice and information about the activities of different government agencies.

MRS DUNNE: Is that advice and information used in any way to feed into the development of policy?

Mr Corbell: Yes, it is.

MRS DUNNE: You say you are a central agency, a policy agency; is that a two-way street?

Mr Corbell: Yes. That across-government coordinating function is the mechanism that is used to understand what is occurring across the government in relation to water policy.

MRS DUNNE: Will that information help to inform the reassessment of think water, act water?

Mr Corbell: Yes, it will. The review of think water, act water has commenced. That process will occur over the next six to nine months. There will be a period of public consultation on think water, act water next year, if I recall correctly. And that will look at—

MRS DUNNE: Next calendar year?

Mr Corbell: Yes, the next calendar year. That will inform the development of the next iteration of that policy document.

MRS DUNNE: Have you got an end date for the review of think water, act water?

Mr Corbell: I am advised it is by the end of next calendar year.

MRS DUNNE: I am still not clear on this. In these dot points, under “sustainable water resources”, it says:

- implement water savings measure and promote water saving programs and technologies;

How are you doing that if you are not gathering information from other agencies about what they are doing? For instance, if the “where will we play” program is having particular success, would it not be the role of DECCEW in setting territory-wide targets to perhaps propagate the successes of the “where will we play” program to non-government schools which have large playing ovals and private entities which maintain playing areas as well?

Mr Corbell: The government—

MRS DUNNE: Enclosed ovals and things like that?

Mr Corbell: My department is implementing water saving measures itself, in particular through the Canberra integrated waterways project. That project is in part a project to reduce reliance on potable water supply. We have binding agreements with the commonwealth to reduce our reliance on potable water supply by three gigalitres by the year 2015, I think. And that is a significant target for us to try to meet. That is being achieved through the establishment of the urban wetlands network

which is under development right now and which is the responsibility of my department to implement.

That is an example of a water saving measure that is reducing reliance on potable water supply and is consistent with agreements we have entered into with the commonwealth. In implementing that program, we work closely with other government agencies. For example, the department has to work with sport and recreation, in particular, who are the asset managers for irrigation of playing fields and sports grounds, in making sure that those technologies are appropriately developed.

Another good example is the development of the Australian sustainable schools initiative, which my department delivers. Part of that is achieving significant water efficiency in schools. And I am advised that so far, in relation to water reduction, the 28 schools participating in that program have achieved annual water consumption reductions of over 33,000 kilolitres, which is a very significant—

MRS DUNNE: How much is that per head of the school population?

Mr Corbell: I could not tell you.

MRS DUNNE: Could you find out?

Mr Corbell: I would need to take that on notice.

MRS DUNNE: I understand. With all of these programs, the integrated urban waterways as a for instance, is there any cost-benefit analysis or will there be a cost-benefit analysis?

Mr Corbell: Yes, there is.

MRS DUNNE: Yes, there is or yes, there will be?

Mr Corbell: Yes, there is.

MRS DUNNE: Could the committee see that?

Mr Corbell: Yes.

MRS DUNNE: Thank you. In reviewing think water, act water, there was some discussion I think with Mr Sullivan the other day about this. The issue of cost-benefit analyses arose. Are there cost-benefit analyses as part of the review of think water, act water?

Mr Corbell: There will be that process. I am not sure whether that has occurred already but it is intended that it occur if it has not done so already.

MRS DUNNE: What aspects would be subject to cost-benefit analyses? It might be time for Mr Butt to—

Mr Corbell: I will ask Mr Butt to provide you with some of that detail.

Mr Butt: The review of think water, act water will be examining the efficiency of the programs that have been put in place to determine their value and contribution. And the development of new programs will be undertaken with the benefit of a cost-benefit analysis to ensure their contribution, the priority and the allocation of resources towards achieving the outcomes of those programs under any revised strategy.

MRS DUNNE: Are there any specific programs you are going to do a cost-benefit analysis of, any particular parts of the programs or the whole range of the initiatives? What is it?

Mr Butt: It will be all of the programs that are there.

MRS DUNNE: All of the programs will be subjected to some sort of cost-benefit analysis?

Mr Butt: They will be reviewed and assessed.

MRS DUNNE: Reviewed and assessed, including cost-benefit analysis?

Mr Butt: Yes.

MRS DUNNE: Will that also include—and I think you may have already covered this, minister—the POMs arrangement? You did say that has already been done?

Mr Corbell: Yes.

MRS DUNNE: And you are going to provide that to us?

Mr Corbell: Yes. The cost-benefit analysis for that suite of projects was done prior to the government committing to them. It was done as part of the work undertaken with the CSIRO to identify the most viable sites. It is important to perhaps give some context in relation to that program.

A number of years ago now, there was a detailed hydrological assessment done by the CSIRO, which was commissioned jointly by the territory and the commonwealth, as a consequence of our entering into the agreement to achieve reductions in potable water use. That CSIRO study assessed all of the sub-catchments within the Canberra urban area and identified those that were, based on their flow records, most viable for implementation of the wetland or urban ponds program projects.

As part of that, a cost-benefit analysis was done. There was both a technical analysis in terms of flows and an economic analysis in terms of relative cost and benefit. And then that was used to inform on the ranking of projects that would be given priority for capital works funding. We are basically working pretty much from the top of the list and doing those that are the highest performing in both of those factors and working down until we achieve the three gegalitres that we need to achieve under the commonwealth commitment.

MRS DUNNE: And that three gigalitres that you need to achieve, is that three gigalitres across the ACT or across the government?

Mr Corbell: It is a three-gigalitre reduction in potable water use for the territory as a whole.

MR RATTENBURY: Just in terms of the objective around increasing the use of non-potable water, the emphasis thus far has very much been on achieving this through urban ponds. Has the department investigated options for household level non-potable water use at all and, if so, what options have been investigated?

Mr Corbell: The commonwealth commitment is specifically about the deployment of the ponds projects. That is what the commonwealth agreement is about. And the funding that was provided by the commonwealth for those projects provided us with funding for the CSIRO analysis and a more minor component of capital funding, with the bulk of capital funding now being provided by the territory. Indeed, all new projects are entirely funded by the territory.

In relation to non-potable use within dwellings, that is not subject to commonwealth agreement but is a key consideration as part of the review of think water, act water.

MRS DUNNE: What is the source of those commonwealth funds?

Mr Corbell: The national water initiative.

MRS DUNNE: And is there a particular program under the national water initiative? Did you apply for national water initiative funds generally or was there a particular bucket of money, dare I say it, coming from the commonwealth that was earmarked for this sort of application?

Mr Corbell: The commonwealth called it their WaterSmart Australia program.

MRS DUNNE: Could you provide the committee with the details of the program?

Mr Corbell: We can give you some more background.

MRS DUNNE: That would be great.

MR RATTENBURY: Back on the household scale in relation to non-potable water solutions then, does the department engage in any discussions with ACTPLA, the LDA or LAPS perhaps about the possible options for household level non-potable water use?

Mr Corbell: Yes.

MR RATTENBURY: And what has been the outcome of that? I would like to get a sense of who is responsible for developing the ACT's thinking in this area, as we seem to be not rolling it out very rapidly.

Mr Corbell: There are a range of policy settings that are currently in place. It is

important to remember that the territory adopted, a number of years ago, a policy setting through ACTPLA, through its water-sensitive urban design guidelines that require a 25 per cent reduction on potable water use for new dwellings compared to existing dwellings, and that is a policy setting that is in place for all new dwellings in the territory. Effectively, it mandates the requirement for either a plumbed rainwater tank or a grey water system into all new dwellings in the territory. That has been the standing policy for quite some time.

MR RATTENBURY: What is the baseline for that 25 per cent reduction?

Mr Corbell: It is based on an assessment of average per household potable water use.

MR RATTENBURY: In which year?

Mr Corbell: That is for dwellings across the territory.

MR RATTENBURY: In which year? I have not been able to find this from reading the documents.

Mr Corbell: It is based on historic averages, I think, but I would need to take advice on that. The policy was developed three or four years ago, at least.

MR RATTENBURY: If it could go on notice—the numerical figure that that 25 per cent reduction is using as a baseline—that would be helpful.

Mr Corbell: Yes, sure.

MR RATTENBURY: It has been quite hard to find.

Mr Corbell: I am happy to do that.

MR COE: I have a question about water quality in our lakes in Canberra. What analysis and what sorts of checks happen, with particular concern for Yerrabi Pond in Gungahlin?

Mr Corbell: I am sorry, Mr Coe. I made a slight mistake in the target. The 25 per cent reduction is in overall potable water use for the territory as a whole.

MRS DUNNE: But what is the base year?

Mr Corbell: In relation to new dwellings, it is actually a 40 per cent reduction.

MR RATTENBURY: Thank you, yes.

Mr Corbell: For new dwellings, or any significant new redevelopment, it is actually a 40 per cent reduction. I apologise for my error. Sorry, Mr Coe?

MR COE: It was a question about water quality in our lakes, particularly Yerrabi Pond, and what checks or analyses are done about the water quality there. I also have one or two follow-ups after that.

Mr Corbell: I might ask Mr Walters if he would like to come up. The EPA undertake weekly inspections of all of the ACT's recreational waterways and that includes lakes and ponds. It does not include Lake Burley Griffin.

Mr Walters: I believe your question related to Yerrabi Pond?

MR COE: That is right.

Mr Walters: Just as a brief background, the ponds serve a certain purpose through their life, in terms of protecting the water quality downstream. So the ACT has developed a series of ponds and lakes which have a purpose of improving our water quality within the Murray-Darling Basin, essentially.

There has been some interest with the recent rains in the water quality in Yerrabi and other ponds being discoloured. That is a natural part of the process with the development that is occurring in the area. Obviously, through the drought, we saw it was fairly clean, and then through the development phases we have seen quite a lot of suspended sediments that have occurred.

MR COE: Are you confident that the problems that may be out there are just caused by excessive rainfall as opposed to run-off from construction sites and general sort of malpractice?

Mr Walters: We have specific processes in place under the Environment Protection Act to deal with development. Agreements are the main mechanism we use with developers. So there are certain standards we have. We have guidelines called the guidelines for development in the ACT, for construction, and they set minimum standards that are based on national best practice. They were recently reviewed, in 2007, I believe, and they set the standards for the mechanisms that you can have. Obviously, with some of the storm events we have had, even those controls are insufficient in those cases. What Yerrabi and other ponds do is give us that secondary control as we move down the chain. Over time, as those catchments stabilise, obviously the water quality will improve.

We do an annual water quality report as well. When you look at that, you will see that, for sediment in particular, you will get higher levels where the development areas are occurring, but then they will start to stabilise as those developments tend to settle down. We think we have got it under control in that sense, or we have got the mechanisms in place to control those aspects.

Mr Corbell: The ponds are obviously valuable recreational amenities, and an aesthetic amenity for communities. But it is important to remember that the ponds also perform an important infrastructure role in terms of managing water quality and, indeed, act as a detention basin, effectively, for water and allowing it to improve in quality before it proceeds downstream.

MR COE: With that in mind, given that there may well be high levels of silt in the water, does that mean there are potentially serious downstream consequences after it has gone beyond the man-made ponds?

Mr Walters: Essentially, they act as a trap, so they contain that material, basically. A lot of that suspended material will fall out over time. That is the purpose of having them. On the larger development sites, say, the new estates like Casey or Harrison, the developers are actually required to build dams on their site. So we have an additional control once again.

MR COE: Does that mean that near the dam walls over time there will be a build-up and that will have to be cleared?

Mr Walters: You would see, not within our lifecycle but in the cycle of how waterways develop, sedimentation. I suppose with estuarine systems and where they have shipping they have had to deal with that issue over time.

MR COE: Have any developers, civil engineering companies or any firms been warned by the EPA, or fined even, for not containing the dust and soil on site?

Mr Walters: I would have to refer specifically but in the EPA's annual report you will notice the infringements that have been issued. There are a couple there, I believe. We have an internal policy in relation to those agreements where we issue warning letters and infringements as well. The EPA's enforcement policy obviously is about educating first but we will and we have—there were a number of them last year.

MR COE: Have any been at or around Yerrabi?

Mr Walters: I could not give you that exact detail. I can get back to you about whether some of those—

MR COE: If you could, that would be good.

Mr Walters: were taken to task.

MR COE: Yes, if you could, that would be good.

Mr Walters: Yes, we can do that for you.

MRS DUNNE: Could I follow up on Mr Coe's question and also on the issues about extraction from ponds. What is the pricing policy, minister, about charging people for extracting water from urban ponds—say, Yerrabi—or for extracting from urban creeks like Sullivans Creek and the like?

Mr Corbell: In relation to the new ponds that are currently under development, for example, on Sullivans Creek, the ICRC will be asked to determine a price for the extraction of water. Equally, the ICRC has already determined the price in relation to the extraction as it currently occurs from the existing ponds.

MRS DUNNE: When you say the existing ponds, that is—

Mr Corbell: Such as Yerrabi.

MRS DUNNE: David Street or Banksia?

Mr Corbell: No, by existing ponds, I mean the larger water quality control ponds like Yerrabi and so on.

MRS DUNNE: Yerrabi and the lakes and things.

Mr Corbell: And the lakes and so on.

MRS DUNNE: Is water being extracted out of the Flemington pond?

Mr Corbell: Not at this time. We are awaiting a determination from the ICRC in relation to the price.

MRS DUNNE: What is the time line on that?

Mr Corbell: I do not have that advice to hand.

Mr Walters: No, we are still finalising both the project and the arrangements for the pilot program as well as seeking a determination, so it is some months away.

MRS DUNNE: There was an issue raised with me by some large water users about changes in regulations—I was going to say they were not notified but that is not strictly correct—where the users were not made aware of the changes and that there has been some waiving of fees or there is a prolonged introductory period because the users were not aware of the changes. It has been raised with me in that context that there seems to be differential charging for water depending on where you are extracting from and who is extracting the water.

Mr Corbell: No, there is not. As far as I am aware, there is not differential charging.

MRS DUNNE: So if someone is—

Mr Corbell: Perhaps I could give some background.

MRS DUNNE: Yes, sure.

Mr Corbell: The water extraction charge is the charge you are referring to. It has not been levied on surface water extraction by golf clubs since 2003.

MRS DUNNE: Since 2003?

Mr Corbell: Since 2003.

MRS DUNNE: It was previously?

Mr Corbell: That is implied.

MRS DUNNE: That is implied, but did it actually—

Mr Corbell: As far as I am aware, yes, it was levied prior to that. It was not applied to golf courses at that time on the advice of the ICRC as a mechanism to encourage the use of non-potable water over potable water for irrigation. The Water Resources Act was reviewed in 2007. New regulations were introduced. These revised regulations were aimed at increasing efficient use of water resources, encouraging the installation of rainwater tanks. In recognition of the scarcity value of all water, the exemption from the WAC for surface water use that included golf courses was removed in 2009 for water used after 1 July that year.

Unfortunately, due to an administrative failure on the part of my department—

MRS DUNNE: You forgot to tell the golf clubs.

Mr Corbell: clubs were not advised of their obligations in relation to payment for that water. There were six golf clubs or golf establishments affected. Those were Murrumbidgee Country Club, Gungahlin Lakes, Gold Creek, Yowani, Kalsdorf Golf Investments, which is Pete's pitch and putt at Yarralumla, and the Federal Golf Club.

Because of that failure, which was brought to my attention by both my department and a number of the clubs, I have sought and received a waiver from the Treasurer for the obligation that would otherwise be on those clubs for the period 2009-10. We are currently in the process of consulting with clubs about their obligations for the current financial year and future financial years.

MRS DUNNE: These issues have been raised with me and there are questions about how one accurately measures so as to charge appropriately. There seemed to be some ambiguity, minister, about whether, if water came off hard surfaces, it was counted and how could anyone distinguish whether or not the water came off hard surfaces. How are these issues being addressed?

Mr Corbell: Daniel, can you answer that, just in terms of how the act operates?

Mr Walters: I cannot actually answer that question for you, I am sorry. As you alluded to, it is quite complex in terms of what the water applies to. There is also the fact that the water is captured off-site and then comes on-site. I do not think it applies, from memory, to the water that is captured on the hard surfaces necessarily. It is what is captured by the golf course itself.

MRS DUNNE: It seems to me that this is something that the department is going to have to work through because—

Mr Corbell: I am sorry, the person who has the best knowledge of this area is actually on leave at the moment. Otherwise I would be referring the question to him. He would be able to answer it for you probably straightaway.

MRS DUNNE: In that case, minister, could I take a briefing on the issues?

Mr Corbell: Yes, indeed. The legal position is actually quite clear and it is well understood. Unfortunately, I do not have an officer available today to explain it. But I am happy to provide you with advice on that matter. I believe the position is quite

clear in relation to what types of water in the territory can—

MRS DUNNE: I will give you an example of the issues that have been brought to my attention. For instance, Yowani has two lakes that it has constructed itself over the years, which catch water on-site, and that includes off hard stands. They do not know, once the water has gone into the lake, whether it has come off No 17 fairway or off the car park and, therefore, what they are going to be charged for. They seem to me quite complex issues.

Mr Corbell: Yes, they are complex, but I think that the principles are clear in terms of enforcement from the department's perspective. I would be happy to extend a briefing to you on this.

MRS DUNNE: Thank you.

THE CHAIR: While we have Mr Walters up, were there other questions for the EPA?

MR HARGREAVES: Not for the rat catchers, no; they're right. We had a story about the rat catchers, but I will not share it with you.

THE CHAIR: Thank you. We appreciate that, Mr Hargreaves. Mr Walters, I wanted to turn to page 215 dealing with the environmental authorisations. There were just a couple that I was interested in. Obviously, you have the column which is the authorisations for 2009-10.

Mr Walters: Yes.

THE CHAIR: And the next column, I am assuming, is the authorisations over time—the total over time. The crematorium—is that an ongoing authorisation to the crematorium to operate?

Mr Walters: Yes, Norwood Park out at Mitchell.

THE CHAIR: The concern being around the impact on air quality?

Mr Walters: The standards that are applied in our crematorium are very high. As in many industries, in the early days there would have been a lot of concerns about how they burnt, but now there are a lot of technologies with afterburners, baghouses and so on. Essentially, with a lot of those types of activities, which are of great concern for air quality, they capture it. It is a little bit different to our old Mitchell incinerator which used to throw everything in the air. The industry standards now are very tight. There were studies done as part of the proposal down in Tuggeranong as well, which you might have seen.

THE CHAIR: And the poultry—was that in connection with Parkwood?

Mr Walters: That is Parkwood, yes, so it is ongoing. They are all part of an annual review. Each of them is reviewed annually to make sure they are staying within the standards.

THE CHAIR: What is in the authorisation with Parkwood?

Mr Walters: Off the top of my head I would not be able to tell you exactly what the authorisation alludes to. It would cover the normal aspects of environmental impacts in terms of waste and water. Odour is obviously a definite concern out there. There have been a number of mechanisms over the years to control that. Urban development is encroaching further and further, so controlling the odour from the actual waste is quite a significant issue.

THE CHAIR: They will be able to see what is included? Are the details of these environmental authorisations publicly available?

Mr Walters: They are all public, yes, under section 19 of the act, I think. There is a register, essentially, so they are all publicly available. Just as a positive, because we like to throw in the good things we do, we are in the process of putting all of them on the web, like some other jurisdictions. It is just taking a bit of time to do it. People will be able to go in and look at them actively.

Mr Corbell: I would also mention, Ms Hunter, that there is currently an amending bill before the Assembly that deals with these standing authorisations and periods for review and changes the periods of review for these standing authorisations.

THE CHAIR: To make them more frequent?

Mr Corbell: No, to lessen the administrative requirement on the EPA to review them every 12 months, and instead to ensure that they are reviewed at least once every three years. That is the change that is currently before the Assembly at the moment.

Mr Walters: It is consistent with the approach in other jurisdictions. It will not just happen that we will decide, "We'll do that one every five years or three years." It will be a risk-based approach. We will formulate a risk model, based obviously on the annual reviews that we have been doing since the inception of the act, which is 1998, essentially.

We have got the EPAs and a lot of information on those industries that we will obviously look at. One that I can tell you now would not be done other than yearly would be the Lower Molonglo treatment plant, for example. Obviously, with the risks involved there, there would be a high level of scrutiny. But when we look at some of the lower risk activities that we have had no issue with, I think it is cognisant on government to look at ways of using our resources more efficiently, essentially.

THE CHAIR: I know Mr Hargreaves has got a question. I just wanted to ask about complaint handling. There was one on land contamination.

Mr Walters: In my notes I did not put that one down as to which one it was related to. We can provide you with that on notice.

Mr Corbell: We will take that on notice.

THE CHAIR: You will provide us with the information. Thank you very much. I notice that obviously most complaints are about noise. Is this in particular areas or at particular times of the year? Are you noticing any patterns?

Mr Walters: No. We have previously provided some data on this. What that data showed was that it is pretty evenly spread. A lot of people assumed it would be concentrated in Civic or Belconnen, but it is generally pretty even.

MR HARGREAVES: It is almost all in Belconnen, isn't it?

Mr Walters: Yes, because of the—no, I will not say any more.

MRS DUNNE: Careful!

MR HARGREAVES: It is not in Tuggeranong.

Mr Walters: No. We found when we analysed that data—and I think we might have even provided it to Mrs Dunne previously; I cannot remember who asked for it—that it was a bit of an analysis of where the noise complaints were, and they were pretty evenly spread throughout the ACT. The old air conditioners give us a lot of grief, and there is also the quality of stereos that we can now go out and buy for probably only a couple of hundred bucks from Harvey Norman and the bass that they generate.

On a positive note, you will remember we ran a noise awareness campaign, and we have had quite a bit of feedback that that has been quite good. If you look at the last figures, we have had about a nine per cent reduction in noise complaints. We would hope that that had something to do with the noise awareness campaign that we ran quite successfully. It has been mentioned to us and we are hoping that that has been part of it. But noise is one of our continual challenges, obviously. We have policies, say, for outdoor concerts and things like that to try and deal with those aspects.

THE CHAIR: Thank you. Mr Hargreaves.

MR HARGREAVES: I have just a couple of questions, and they are fairly minor, but they have sparked my curiosity. On the chart on page 215 of the annual report my assumption is that the middle column is the number of authorisations given in that financial year and the next column, the right-hand column, is the total currently around, so that would be an increase in total over time?

Mr Walters: Not necessarily, because your concerts—

MR HARGREAVES: But not necessarily. The outdoor concerts one has gone down. Can you just elaborate a bit on that?

Mr Walters: One-off concerts. A number of authorisations, say, for the sewage treatment works or a concrete batch plant are standard authorisations that are issued forever, basically. Concerts like the government's Christmas concert, New Year's Eve party, are issued once, so I suppose it depends. It might be a reflection of how many events are occurring throughout the ACT over the year. There are one-day or two-day concerts, like Stonefest and things like that, which we had no complaints from this

year, which was quite a surprise.

MRS DUNNE: I think the rain probably dampened things.

Mr Walters: Yes.

MR HARGREAVES: That is not the feedback I got. The controlled burns—are they one-offs as well?

Mr Walters: No, they are issued to the Rural Fire Service and to PCL, predominantly the ones who undertake those.

MR HARGREAVES: And they are sort of per annum? They do X number and it is not site by site; it is actually a yearly thing? Is that right?

Mr Walters: That is right. There are controls, obviously, in terms of the fire and the smoke—wind direction and all the rest of it. So there is a set of rules that go around those to hopefully reduce the impact. There will always be an impact; it is to reduce the impact.

MR HARGREAVES: On the following page, 216, the complaint handling that Ms Hunter just referred to, you say that the data represents a reduction in complaints of 254 or 13 per cent, so congratulations on that. Having had a fair bit to do with the EPA in a former life, I know how proactive you are in achieving this, so congratulations. What would be helpful for us, minister, is perhaps a comparison between 2008-09 and 2009-10 to show us where the 13 per cent achievement actually occurred in there. I do not need it right at this moment. I just think it would be useful and perhaps we could consider that.

Mr Corbell: We have that, Mr Hargreaves.

MR HARGREAVES: Okay. I would be delighted to see that, but also I was going to refer to the charts on the following page, 217, about the 2009-10 achievements. It would be a bit helpful if we could do a comparison for the previous year. I guess that is all I was getting at.

Mr Walters: We like to do improvements over the year and I have made a few changes to the reports over the years. With the totals, they kept on adding up forever, so it still had ozone in there, and we do not regulate ozone anymore, so we are trying to make them more user friendly in terms of what they tell us.

MR HARGREAVES: On the complaint handling, do you have anything to do with the monitoring of the hospitality industry?

Mr Walters: As live music?

MR HARGREAVES: Generally speaking, you have got the health complaints around hospitality venues, you have got noise complaints and all the rest of it. Is there any conversation between the two enforcement arms of that?

Mr Walters: Yes. When actions are often contemplated by the Liquor Licensing Board, we talk very closely to them. We also deal very closely with housing in terms of complaints, because there can be certain social aspects to noise complaints with the housing side of it, so we have got to be fairly careful in terms of how we approach those issues often. But, yes, there is a cooperative approach and conversations in relation to liquor-licensed venues because of the number of different parties that are involved.

MR HARGREAVES: When there are complaints lodged with the government about conditions of other people's backyards—for example, dead cars, refrigerators, overgrown weeds, where there might be rat infestations and that sort of thing, a whole range of things, visual pollution—where do they get directed to?

Mr Corbell: Generally speaking, that could fall under the responsibility of a number of agencies, but probably not in the first instance the EPA; it would more likely be the Planning and Land Authority in terms of lease compliance or indeed the Fire Brigade in terms of fire hazard—the Fire Brigade have certain powers to require clean-up if they determine certain premises to be a hazard in terms of fire—or indeed the Health Protection Service if there are broader issues about infestations and so on. The EPA I am sure would cooperate in all those issues but may not be the lead agency.

MR HARGREAVES: This is where my curiosity was—if there was any overlap between the Health Protection Service and the EPA?

Mr Walters: There always is, in the context of whether it is a health or environment issue. Blue-green algae: where does that sit—as a health issue or an EPA issue? Traditionally, it has been dealt with by environment protection authorities. So we have MOUs and guidelines that we have developed together. We have a very strong relationship with Charles Guest and John Woollard, who is the director over there. We would meet quite frequently and have telephone conversations. So the one positive, I suppose, is that we have very good relationships, as you would be aware of, with TAMS and ACTPLA. Those things work well, and I think the education of Canberra Connect has been a very important part of that for poor old people knowing where to go. But, as you know, a lot of it can come down to corporate knowledge sometimes as to getting to the right place.

MR HARGREAVES: I understand. Thanks, minister.

THE CHAIR: Mr Walters, Mr Coe was asking some questions around Yerrabi Pond and some of the other ponds. I was wandering around Ginninderra Creek and some issues have come up recently. There is a pond at the back of west Macgregor where there is construction going on. There is some concern that that might be moving out into the creek. Are you monitoring Ginninderra Creek and that area?

I have got another question around the former dump out at Parkwood, the landfill that is going on, around water leaching down into the watertable and then to the creek or through and into the creek. Are you monitoring those areas?

Mr Walters: We do general water quality monitoring. We have the very valuable contribution of Waterwatch and other community groups that raise issues with us. We

have only got the staff we have. We set those controls on all the developments, so the building work that is going on in Dunlop, as I have mentioned earlier, has very strict controls on it, and those ponds serve a definite purpose in being like a control mechanism for what occurs downstream.

In terms of the landfill, I assume you are referring to some of the works being proposed out there in terms of remediation of contaminated soil from service stations?

THE CHAIR: What is already there, plus also the remediation of that soil, yes.

Mr Walters: I suppose it links back to the reporting of the authorisations. The landfill out there is still authorised, so it is still an active authorisation because they still operate the asbestos pit and they have not completed their post-closure plan, which they are currently working to and have engaged consultants to develop that. So all of the monitoring requirements of groundwater are still continuing as they did when it was a fully active landfill. We are seeing no evidence—we do the annual reviews for which they are required to provide that information—of any leachate of contaminants. Any discharges from the clean water areas—the dams that are there that are not part of the leachate system—are also monitored and the discharges have to be endorsed by or approved by the EPA. The standards are set, so you cannot let the water go until it meets a certain standard. So there are all those control mechanisms there.

For the new works that are proposed with the landfill and contaminated soil, each of those cells will need an authorisation with the EPA as well, so they will be constructed on clay liners with very strict controls. They will not be allowed to discharge any water from those without the approval of the authority, and they are within the leachate control area, so there is a double control. They are in the old landfill area as well, so they are required to submit environment management plans to detail how that is all being done. We have had a few submitted to date and they go back and forth until they get it right, basically. It takes time sometimes.

THE CHAIR: Thank you. Any more questions for Mr Walters?

MR RATTENBURY: Can I just ask about air pollution monitoring, particularly of wood smoke. Does the EPA play a role in monitoring wood smoke?

Mr Walters: The EPA has a role with ACT Health in monitoring and reporting on air quality in the ACT. You will have noticed that for the first year we have issued an air quality report for the ACT, which is modelled along the lines of the air quality report required under the ambient air quality NEPM, the national environment protection measure, and there are certain things like PM 10 and PM 2.5 that we report against. Some of the other things we report on, but some we do not now, like lead, because there is no lead in fuel any more.

We have an MOU, which we are currently refining with ACT Health, so they look after the monitoring stations and we deal with the reporting of the data. The EPA obviously also deals with the programs to try and promote more efficient use of wood heaters—the “Don’t burn tonight” campaign, the wood heater rebate scheme, under which we have had over 850 wood heaters removed to date, and a number of other initiatives which we have looked at or are looking at as well.

MR RATTENBURY: How exactly are you promoting the “Don’t burn tonight” campaign?

Mr Walters: The “Don’t burn tonight” campaign is really a campaign if we have certain amounts of inversions, like really cold nights. What happens if it does not hit those triggers is that there is nothing sent out to the community in terms of the media releases. What we have agreed to do as part of Ms Bresnan’s motion that was recently tabled was look at that program and say, “It looks like we have had fairly mild winters but we still need to look at air pollution issues.”

Maybe we will look at it this way: if we get one inversion layer of a certain strength, say it had a certain strength that we would report at, we may need to raise that bar and say, “We will report at a seven, instead of a 10 inversion,” things like that. The department is currently looking at that to improve that so that we get that message out to the community.

Mr Corbell: I advised the Assembly earlier this year that the government would look at, as Mr Walters suggests, lowering the threshold for advisories under the “Don’t burn tonight” campaign, in regard to changes in average temperatures during winter. The government has also provided funding in the most recent budget to undertake a targeted survey to assess what other measures will be effective in convincing consumers to reduce the use of wood heaters, including what other measures would be successful in encouraging them or getting them to switch to other forms of heating, cleaner forms of heating. That funding is currently being deployed and a tender is being considered currently for that survey work. That is the first step in doing that.

MR RATTENBURY: Do you have a sense of how well understood the “Don’t burn tonight” concept is?

Mr Corbell: I think it would be fair to say it is probably not as well understood as it could be. That is something that I have certainly raised with my department. I think that has, however, been a consequence of the fact that we have had a very small number of instances where climactic conditions have produced the conditions that would trigger an advisory. We just have not had a very large number in the last few winters in particular where triggers have been met to provide that advisory to the community. Because it has not been common, it is probably not as well understood as perhaps it was a few years ago when we had a high number of inversion layer conditions occurring.

THE CHAIR: Mr Seselja?

MR SESELJA: Thank you. I have a quick one for Mr Walters and then I have another line of questioning. Then maybe we can move on.

THE CHAIR: What was your second line of questioning?

MR SESELJA: It was around plastic bags. They are both related. Mr Walters, are you able to tell us, over the last financial year, just how significant has been the issue of particularly light-weight, check-out style plastic bags, in particular, in our

waterways, as an environment issue for the EPA to deal with?

Mr Walters: I cannot say that it has been one of any great significance, from my officers, in relation to pollution. It probably would come up more as a litter issue, which we do not administer. That is not saying we would not deal with it if we saw an issue. But a lot of the litter is dealt with under the Litter Act by TAMS. Generally, they would be considered a litter component.

Mr Corbell: Just on that point, the government has taken the policy decision it has in relation to plastic bags, based on two factors. One is obviously perceptions of its problem in terms of contributing to litter, as Mr Walters indicates. And the second is the throw-away nature of the product and the fact that many Canberrans perceive it as a very wasteful practice to have once-off-use plastic shopping bags that end up in landfill. It is a ban that is designed to encourage more sustainable choices when it comes to items to carry our shopping and other things in.

MR SESELJA: I have some questions for the minister or the department, either way, on plastic bags generally. I think \$85,000 was spent on the consultation process in relation to looking at options for plastic bags. I think that was in last year's budget, the 2009-10 budget from memory. I know that was mainly around the community survey. Could we get a quick breakdown of just how that \$85,000 was expended?

Mr Corbell: Yes. It was used to gauge community views on the issue of plastic bags. It involved a telephone survey of 560 households. That was a random survey conducted between 18 August and 1 September last year. A second stage of consultation involved surveying Canberrans at nine shopping centre locations, including a market in Belconnen and major shopping malls. Two hundred and three shoppers undertook the survey at those stands. It also included online consultations which allowed residents to contribute their views. There were a total of 195 visitors to the website as a result. Stage 3 involved consultation with key stakeholders, including retailers, shopkeepers, unions, employees, conservation groups and community organisations.

The results of the community consultation showed, through the telephone survey, 58 per cent of people supported some form of restrictive action such as a ban or a levy. Interviews carried out at shopping centres showed a higher level of support, with 82 per cent in favour of the government taking some form of restrictive action, either a ban or a levy. Almost 59 per cent of online respondents believed there should be some form of restrictive action in relation to free plastic shopping bags.

MR SESELJA: What is the breakdown of the 58 per cent of the tele-homes surveyed? You said "supported a ban or a levy". What is the breakdown of those?

Mr Corbell: The survey results have been released publicly and are available publicly on the department's website and have been for over six months.

MR SESELJA: That is the breakdown of the 58 per cent?

Mr Corbell: Yes. The survey report is online.

MR SESELJA: What was the nature of the public consultation, particularly with retailers?

Mr Corbell: Retailers were contacted, seeking their views.

MR SESELJA: Who? Who was contacted? All retailers or representatives of retailers? What was the nature of that?

Mr Corbell: Representatives of retailers and operators of retail chains. For example, large supermarket chains were contacted. Coles and Woolworths were. Smaller retailers and their representatives were also contacted.

MR SESELJA: What was the feedback from the retail sector?

Mr Corbell: There are a range of views. The large retail chains such as Coles and Woolworths prefer no government intervention in this space but indicate that, if government is to intervene in this space, they support a ban over a levy. The reason for that is that they have had experience of a ban in other jurisdictions and are well placed to use that experience should a ban be implemented here.

Smaller retailers have a broader variety of views. It is important to note that a number of retailers either do not supply bags or impose a charge for the supply of bags already in their premises. But it does vary from outlet to outlet.

MR SESELJA: The process is that you got the feedback from the community and then proceeded with legislation in relation to a ban. The legislation seemed to have very high penalties. How were they arrived at? What other offences were you comparing the offence of providing a plastic bag to? I think it is 50 penalty units, which is a relatively high fine.

Mr Corbell: The penalty regime would have been developed in consultation with the department of justice and the Parliamentary Counsel's Office to make sure that the penalties were commensurate with similar types of offences in other pieces of legislation.

MR SESELJA: Some of the similar offences include, I think, providing alcohol to a minor. I think illegal listening devices attract a similar penalty, as does encouraging a dog to attack someone. They do not seem comparable, on the face of it, as serious offences. Do you see them as similar types of offences?

Mr Corbell: I would not accept your characterisation. Obviously you have chosen the couple of ones that you think are sensational and make the point you wish to make but—

MR SESELJA: But they are offences and they—

Mr Corbell: But the fact is that Parliamentary Counsel advises government departments on what the appropriate penalty regime should be for offences that are proposed. And I take Parliamentary Counsel's advice and the department of justice's advice to make sure that penalties remain consistent across the statute book.

THE CHAIR: Mr Hargreaves?

MR RATTENBURY: Could I ask about the consultation contract on this?

THE CHAIR: And then to Mr Hargreaves who does have some on plastic bags.

MR RATTENBURY: Section C14 of this year's annual report and last year's annual report talks about government contracting. Just on the contract for Manidis Roberts Pty Ltd for consultation, can you explain the difference in the two figures for those two years?

Mr Corbell: Sorry, which page are you on?

MR RATTENBURY: It is page 177 of last year's report and page 181 of this year's report. Last year it indicated a price of \$77-odd thousand and this year it is \$89,000. Am I correct in understanding that is an adjustment rather than two separate figures?

Ms Hargreaves: In last year's report, we had reported the full cost of the contract. And in this year's report for the financial year expenditure, that is how much we have spent to date on that contract. There was, I understand, a slight variation to the \$85,000 that we initially committed.

MR RATTENBURY: Thank you.

MR HARGREAVES: My question relates to the effect on low income families from the ban on plastic bags. I was wondering whether or not there has been some thought given to the impact on low income families of having to buy their bags themselves, like green bags and the rest of it, and whether or not there are any mitigation measures in place.

Mr Corbell: The government is cognisant of the impact that may occur in relation to low income families. For that reason, the government has determined to adopt the same approach that was adopted in South Australia to address this issue, which involves the one-off provision of free reusable bags to charities who support low income families. That was the approach adopted in South Australia, where a one-off disbursement of reusable bags was made available through charities to support those people who might encounter financial hardship otherwise. The government will also consider whether or not reusable bags should be made available through other outlets during the implementation stage, such as through government shopfronts or libraries.

MR HARGREAVES: Thanks for that.

MRS DUNNE: Could I go back to Mr Seselja's original question and ask: you say, minister, that you take advice from PCO and the like about the appropriateness of the penalty, but what are the factors that are taken into account when you decide on a particular penalty level, such as, say, bugging someone's telephone? What are the comparability factors of harm or risk or whatever? What are the factors that you take into account in saying, "Yes, it should be pitched at the same level as that"?

Mr Corbell: I take the advice of the parliamentary counsel's office.

MRS DUNNE: What factors do they take into account?

Mr Corbell: The parliamentary counsel take a range of factors into account. I am not able to give you chapter and verse on how they undertake that methodology. I am sure they would be happy to explain that to you.

MRS DUNNE: Minister, when this bill was being drafted, did you—or did DECCEW—go to PCO with a penalty figure in mind or did you go and say, “Shall we discuss the penalty figure?”—and what was the outcome of that discussion?

Mr Papps: As the minister has already said, we rely in these matters on the advice of the parliamentary counsel.

MRS DUNNE: When you come up with a penalty figure do you actually ask, “How does that compare with other penalties? What do 50 penalty units get you in another piece of legislation?”

Mr Papps: No, that is not our area of expertise. We rely on the advice of the parliamentary counsel.

MR SESELJA: If it is your legislation, you do not consider whether or not the penalty is harsh or whether it is reasonable?

Mr Corbell: We have regard to maintaining comparability across the statute book. That is the overriding objective and—

MRS DUNNE: I am trying to work out what the comparability factors are.

Mr Corbell: That is a function that is driven by advice from the relevant agencies with expertise in that area.

MR SESELJA: Has a regulatory impact statement been prepared for the policy on plastic bags?

Mr Corbell: It is being prepared at this time.

MR SESELJA: When is that due to be finalised?

Mr Corbell: Within the next month.

MR SESELJA: Okay.

THE CHAIR: Any more questions? Otherwise I was thinking of moving to a new topic. Were there any other questions on plastic bags, Mr Seselja?

MRS DUNNE: I might take it up with the Attorney-General.

MR SESELJA: When is the Attorney-General coming?

THE CHAIR: Shortly.

Mr Corbell: As always, I rely on the advice of my officers. They will be present during the justice department annual report.

THE CHAIR: Thank you. I want to move on, minister, to the expanded role of the commissioner for the environment. It was back in 2007 that the Chief Minister announced that it was now going to be the Commissioner for Sustainability and the Environment. Last year in these annual report hearings the commissioner spoke about a comprehensive report. I think it was three volumes of a report that was being tabled. I am wondering where this is up to. Has the government prepared a response to the review of the role of the commissioner and will the commissioner's report be publicly available?

Mr Corbell: The government is currently considering the report from the commissioner on these matters. Once the government has concluded its considerations on that matter, it will make the report available, along with the government's position on it.

THE CHAIR: Is there a reason, minister, why it has taken more than a year or a year?

Mr Corbell: There are a range of legislative priorities for the government. It is simply having to take its place in the priorities of the government and consideration of legislation.

THE CHAIR: So just to recap on that, you are considering it at the moment? When do you expect to have a response?

Mr Corbell: I have not set a time for that at this point.

THE CHAIR: So at this stage we do not know when you may respond and, therefore, we do not have a timetable for legislation that may need to be put through?

Mr Corbell: That is correct.

THE CHAIR: Do you have any indications about when you might be finalising or moving forward with this matter? It just seems to be taking an awfully long time.

Mr Corbell: I appreciate that there is some interest in this, but the government has committed to a range of higher priority legislative objectives. Climate change, a feed-in tariff, waste policy and a whole range of other initiatives are higher priorities for the government. We will deal with those and then we will come to the other items that are before us.

THE CHAIR: We will wait with interest. I want to pick up on one that you just mentioned and that was waste policy. Last year at the annual report hearings it was said that the waste policy would be finalised by 30 June. I am just wondering where we are up to on the waste policy.

Mr Corbell: Regrettably, that policy has taken longer than originally anticipated to be finalised for public consultation. It is currently before cabinet for its consideration as a draft for public comment. I anticipate releasing the draft for public comment later this year.

THE CHAIR: Okay. Another one that was raised last year was around the Nature Conservation Act. I am again wondering when we could expect to see the first discussion paper. The report, I think on page 112, talks about the latter part of 2010.

MRS DUNNE: It was in the budget the year before last.

Mr Corbell: The government has now agreed to a discussion paper for its release for public comment. I anticipate releasing that this month.

THE CHAIR: Is there any merit in waiting for the environment commissioner's report on Canberra nature park to be released?

Mr Corbell: I do not believe so. Obviously, the comments of the commissioner will be valuable in informing further policy considerations, but the issue of Canberra nature park is only one part of the operation of the Nature Conservation Act. That act is quite an old piece of legislation now and requires a fundamental rewrite. There are a whole range of new policy concepts and objectives that could be considered in a new act. Those are examined exhaustively in the discussion paper and I think that the two processes can run parallel.

MR HARGREAVES: You mentioned earlier the feed-in tariff. Minister, can you tell the committee what actions the government has taken to protect low income households from the move to more renewable energy in the ACT?

Mr Corbell: The government is very conscious that low income households, energy vulnerable households, need to be protected, full stop. For that reason, the government has implemented one of the most generous concession regimes in the country to assist householders with that cost. In particular, the government announced a range of measures to assist low income households. The last budget increased the energy concession by \$20 per annum up to a maximum of \$215 per annum per eligible customer. We also made budget provision for that to be indexed automatically by CPI each year, which had not been the case previously.

The government has also deployed a range of programs to assist low income households to manage their energy use better. In May I announced \$1.4 million in funding for a trial with Housing ACT and five front-line community welfare agencies to assist high-need households with free energy efficient appliances. This is particularly important for those households that are in the private rental market who perhaps are unable to get the government, or indeed themselves, to fund energy efficiency measures. This allowed them to receive energy efficient fridges, in particular, and other high-energy use appliances to manage their energy costs better.

That funding has also been used to deploy solar hot-water, improved insulation, window coverings and so on, draught sealing in premises owned by Housing ACT

and social housing providers. That is in addition to the funding available to Housing ACT to improve the energy efficiency of their stock.

So the government is very aware of the impact on low income households of increases in electricity prices and other essential services. Those are the range of measures we currently have in place to assist those households.

THE CHAIR: I want to pick up on something you said in that answer, Mr Corbell, about the energy efficiency measures that are going into public housing. Do we have strong baseline data about the current energy efficiency of the housing stock at the moment?

Mr Corbell: That is probably a question better directed to Housing ACT. I do not have that information but I am sure Housing ACT are able to assist you with that. Can I perhaps give you some better advice on what we have been able to achieve in terms of assistance to non-government organisations in terms of helping low income households with energy and water efficiency. We provided, as part of that \$1.4 million, \$435,000 to five community NGOs to provide new energy and water efficient appliances. Those NGOs were Belconnen Community Services, Communities@Work, Northside Community Service, the Salvation Army and St Vincent de Paul. That money was spent directly on supplying new energy and water efficient appliances to low income households that they identified.

Another \$950,000 was provided to the Department of Disability, Housing and Community Services for low income households. That included building shell improvement in Housing ACT properties, such as insulation and draught sealing, as I mentioned earlier; the installation of solar hot-water systems into 100 additional Housing ACT properties where they only had electric hot-water systems that were old; and efficient appliances for another 200 properties leased by community housing organisations—energy efficient fridges, washing machines and so on for those households.

The types of appliances that were identified included refrigerators with a four-star energy rating or above, washing machines with a four-star energy rating or above, energy efficient freezers, energy efficient heaters, energy efficient fans, and other appliances where there was a medical need identified, such as dishwashers. In total, we have had 819 appliances installed into households. That includes 369 fridges, 45 freezers, 301 washing machines, 74 heaters, 34 others, 109 solar hot-water systems, 212 instances of insulation and draught sealing, and we estimate approximately 650 to 800 households directly assisted by this program.

This is, of course, supplementary to the funding that is available to Housing ACT for their own building improvement and energy efficiency and water efficiency measures. But I think it is a really good example of how we are directly targeting assistance at energy vulnerable households, low income households, and giving them, free of charge, new appliances and improvements in energy and water efficiency so that they are better able to manage their energy costs. It is a really great program.

MR HARGREAVES: On the feed-in tariff, can you give us a bit of a rundown on the changes to the feed-in tariff scheme as they relate to utility-scale solar power

generation?

Mr Corbell: The government has announced, as members would probably be aware, the expansion of the feed-in tariff to two new categories of generator. The first is medium-scale generation, from 30 kilowatts up to 200 kilowatts, and then large-scale generation, which is 200 kilowatts and above. That means that the feed-in tariff will be available to solar farm type installations in the territory. The government has announced that that will be made available in tranches.

A total scheme cap of 210 megawatts is available for large-scale generators, with 40 megawatts to be made available in the first auction. That auction will be a reverse auction process. That means potential operators of a solar farm will bid for the feed-in price they believe they need to make their operation viable and the government will be able to choose the most efficient price in allocating the feed-in tariff to that generator or those generators.

This is a really important policy initiative. Victoria has also announced that it is doing that and it is a very important shift away from one-off grants and cash financing of projects and the establishment of a sustainable long-term financing arrangement for large-scale renewable generation. It is also important to note that the proposal involves regular review of price support to generators and will establish provisions that permit the withdrawal of price support, once price parity is met, with other forms of electricity generation.

THE CHAIR: I note that there are a series of feed-in tariff questions. Mr Seselja or Mr Rattenbury, we could take probably one question before we go to the break and then we will need to come back for the next lot.

MR SESELJA: I have a quick follow-on from Mr Hargreaves. I do have a series on the feed-in tariff. In relation to the location for large-scale generation, do we have any further clarification as to where the location might be?

Mr Corbell: That will ultimately be a matter for the successful proponent or proponents. The territory is not specifying any particular location. We have said we are prepared to make land available on normal commercial terms to generators, should they identify unleased territory land that they believe is suitable and that they wish to access, and we will deal with those applications through the normal direct grant process.

At the earlier stage of this process, we did identify two sites as potentially available, one in Kowen Forest and one at the old Ingledene pine plantation, south of Tharwa. I have subsequently indicated that the territory does not believe that Kowen is suitable, based on feedback from industry, and we will no longer continue to make that site available, but we will continue to make Ingledene available on a direct grants basis through the normal application process. Indeed, we will be willing to consider other sites should proponents indicate that they wish to access other sites of unleased territory land. I am also aware, though, that many proponents will enter into private arrangements with owners of existing leased land for the use of their sites.

MR SESELJA: So no other sites, other than the now one site which is left of the two,

have been indicated by bidders that they are interested in?

Mr Corbell: Obviously, we have terminated the previous process, in terms of the \$30 million cash grant. Of those parties that participated in that process, some indicated their interest in one or other of the two sites that the government had previously identified; others simply did not choose to identify a site at this point. Certainly, informally I am aware that there are a range of proponents in the market who are considering accessing the large-scale fit when it is made available. They are either considering unleased territory land or they are considering utilising leased territory land, where they enter into a contractual arrangement with the leaseholder.

MR SESELJA: How much did that terminated process you referred to cost the government?

Mr Corbell: Those costs were simply part of the normal day-to-day operations of the department. There was not any additional cost to the taxpayer; it was part of the day-to-day work of the department.

MR SESELJA: Wasn't there a contract let for assessment of the bids?

Mr Corbell: I beg your pardon; yes, there was. I would have to take that on notice and get some advice on that.

MR RATTENBURY: It is in the annual report.

MR SESELJA: Maybe you would like to tell us, Mr Rattenbury. I cannot remember where it is.

Mr Corbell: I beg your pardon; it was a while ago. Can you answer that one?

Mr Papps: We are happy to provide complete details, but the process started under another department and there was an allocation of funds which then transferred to DECCEW and which we utilised to commission some consultancy reports and undertake the expression of interest. I am happy to provide the detailed breakdown.

THE CHAIR: Thank you. That might be a good place to stop for afternoon tea.

Meeting adjourned from 3.10 to 3.27 pm.

THE CHAIR: We recommence the annual report hearings into the Department of the Environment, Climate Change, Energy and Water. Mr Seselja, you had some questions around the feed-in tariff.

MR SESELJA: Minister, as of the latest information the government has, how many homes are connected to the feed-in tariff scheme?

Mr Corbell: The most recent advice I have, which is from the ICRC as of yesterday, is there are just over 3,000 connections.

MR SESELJA: Have we adjusted any of the projected costs? Given that the take-up

rate is quite high, what are we projecting the cost of the scheme will be, say, at the end of the next financial year or the end of this financial year per annum?

Mr Corbell: It is difficult to predict the actual cost at any particular point in time. It depends on the take-up rates. I would make the following observations: the total price impact is capped in the ACT. The government has announced that there will be a cap of 15 megawatts of total installed capacity for micro generation—that is, household-scale generation up to 30 kilowatts. The 15-megawatt cost is part of an overall cap for both micro and medium categories of 30 megawatts.

That 30 megawatts is the price impact that was projected by the Australian Energy Regulator. We have determined the pass through that could be recovered by retailers from consumers for a five-year period. The total average impact on ACT bills at the end of that period when the cap is fully utilised is \$50 per annum, according to the Australian Energy Regulator.

MR SESELJA: That is the cap for the micro?

Mr Corbell: Micro and medium.

MR SESELJA: With the overall cap, what will be the overall price impact or the overall amount of the subsidy once that is reached?

Mr Corbell: Just in relation to the micro and medium categories first, I make the point that that price impact has already been factored into the pricing path for retailers, so they already have approval from the AER to recover their costs to that extent over that period.

In relation to the large-scale generator category, that will be dependent on the price that the government ultimately agrees to through the reverse option process. The government has agreed at this stage only to a release of 40 megawatts in the large-generator category. Assuming that that is fully subscribed, we anticipate a cost of between \$30 and \$40 per average bill—less than \$1 a week.

MR SESELJA: You talked about when the cap is reached for the micro. On the current projections, when do we expect that that will be achieved, and roughly how many homes does that equate to?

Mr Corbell: There are 3,000 connections at the moment. They are not all households; some of them are community facilities, churches, schools and so on. It is difficult to predict when that will be fully utilised. The advice I have received would suggest probably within 18 months to two years would be a reasonable assumption.

MR SESELJA: One thing that is not clear to me that you might clarify is: you have got the capped amount under the various parts of the feed-in scheme, and you have also said that six per cent of the 40 per cent target would be achieved through the feed-in tariff scheme.

Mr Corbell: No, through all renewable energy purchases.

MR SESELJA: Through all renewable energy purchases. I will check the record, because my recollection was your statement in the Assembly was in relation to the feed-in tariff scheme.

Mr Corbell: It is all renewable energy purchasing, including the feed-in tariff scheme.

MR SESELJA: How much of that six per cent will be made up by the feed-in tariff scheme?

Mr Corbell: I would have to look at the modelling. I do not have that detail in front of me. That is quite a detailed question. I will have to take that on notice.

MR SESELJA: When you take that on notice, could you give a breakdown of the various components, as much detail as is available to you.

Mr Corbell: Those studies are publicly available.

MR SESELJA: No, I am talking about the six per cent.

Mr Corbell: That six per cent comes from the two consultancies I released when I released details of the government's greenhouse gas emissions bill. They are publicly available, so I would refer you to those.

MR SESELJA: You do not know. So no-one here in the department knows what proportion of the six per cent is made up by the feed-in tariff scheme?

Mr Corbell: Not off the top of our heads. We would have to review the document.

MR SESELJA: So we do not have it anywhere in the briefing packs? That number is not available?

Mr Corbell: It is in the report. I am sorry to disappoint you, but I and my officers do not memorise chapter and verse every consultancy that my department commissions.

MR SESELJA: The other aspect of the scheme has been touted as being of a job-creation nature. How many jobs have been created in the ACT from the solar feed-in tariff scheme to date?

Mr Corbell: That is not something that has been able to be quantified in any detail at this time. I do anticipate the government undertaking work to quantify that.

MR SESELJA: At this stage we simply do not know at all? We do not have a basic indication?

Mr Corbell: The data that we have available is in the economic analyses that were commissioned by the government as part of its examination of possible stage 2 expansion of the feed-in tariff, which was undertaken by KPMG. That suggested that an expanded feed-in tariff scheme in the short to medium term would create over 1,400 jobs in the ACT economy.

MR SESELJA: But we do not know whether those jobs have yet been created?

Mr Corbell: That analysis was based on an expansion of the feed-in tariff scheme along the lines that the government has just announced. Obviously you can extrapolate that a component of that is the current level of activity associated with the existing scheme.

MR SESELJA: Given that that work has been done, when do you anticipate that the government will be able to quantify how many jobs have been created under the scheme?

Mr Corbell: The New South Wales government looked at the economic impacts, and I will be asking my department to look at whether a similar body of work could be done in relation to the actual experience to date rather than the projections that we have at the moment.

MR SESELJA: The national generators forum said that the cost of creating each job under the New South Wales scheme is of the order of between \$130,000 and \$700,000 per year. Do we have any idea of what the cost is per job in the ACT? Will that be part of the analysis?

Mr Corbell: The terms of that investigation have not been finalised.

MR SESELJA: When will they be finalised?

Mr Corbell: In due course.

MRS DUNNE: When you are looking at finalising the terms, will that be one of the issues that you are looking at—the cost to the economy of creating the jobs?

Mr Corbell: Cost impacts generally will be of significant interest to the government, yes.

THE CHAIR: Mr Rattenbury?

MR RATTENBURY: On the feed-in tariff, has the government become aware of any problems from the public in terms of installing solar systems using the feed-in tariff?

Mr Corbell: What sorts of problems?

MR RATTENBURY: If they had problems connecting, if they had problems with perhaps companies that are not operating in a satisfactory way?

Mr Corbell: We are aware of some problems. They vary in terms of the issues involved. Certainly there have been reports of some consumer affairs-related issues with some retailers in terms of meeting contractual terms—the delivery and installation of panels. Those appear to have been resolved through the normal arrangements in place through the Office of Regulatory Services and other advocacy, to resolve what, essentially, are disputes between consumer and service provider.

There were some initial teething issues in relation to billing arrangements between ActewAGL and individual generators, in particular the payment of the premium amount. Issues were drawn to my attention that ActewAGL was, as its default position, crediting people's electricity accounts with the payment, but some consumers wanted to receive the payment in cash or deposited into their bank account. There were some administrative issues associated with ActewAGL doing that. ActewAGL had previously been advising consumers that they needed to make application every quarter for the payment to be paid into their bank account.

That issue having been drawn to my attention, I am very pleased to say ActewAGL has put in place arrangements to have a standing arrangement for payment into a person's bank account, should that be the customer's request. Those are the types of issues that have been raised. I am pleased that, generally speaking, they have been resolved.

MRS DUNNE: There were issues early in the piece, minister, with the time it was taking to have inspections done and there were issues about whether or not people needed new meter boxes if they acquired solar panels on their roof. Have those issues been addressed? Often when people got to the stage of having the inspection they met the unexpected cost of having to get a new or larger meter box.

Mr Corbell: Again, at all times we have advised consumers that they need to be aware of the full costs of installation, including changes to metering. Essentially, it has been a consumer affairs matter where the seller has not always drawn to the attention of the buyer all of the implications of purchase, including the additional wiring that may be associated with a second meter box, or indeed the provision of inverters and so on. These issues have been raised. Certainly my department has been diligent in advising consumers that they need to fully understand all of the issues at play when entering into an arrangement to have PV installed.

Mrs Dunne asked me about inspections. In relation to inspections, additional inspector capacity was put in place by both ActewAGL and ACTPLA. ACTPLA have responsibility for electrical safety and ActewAGL have their own inspection regime. We are the only jurisdiction in the country that has a mandatory double inspection for every installation. In other jurisdictions, inspections occur not even on a 100 per cent basis, let alone twice. It is more of a spot-check approach in other jurisdictions. We are fortunate, because of our size, that we can do a 100 per cent coverage double inspection. I have not had any complaints for quite some time—certainly not this year—to the best of my knowledge, of delays in relation to inspections.

MR SESELJA: Going back to your answer earlier, minister, you said that you had not said that it was six per cent from the feed-in tariff. On 21 October you told the Assembly, in relation to the 40 per cent reduction:

... is achievable in the following areas: energy efficiency, eight per cent; solar hot water, a further four per cent—and the next couple are the kickers for Mr Seselja—green power purchase, three per cent; feed-in tariff, six per cent; and modal shift, sustainable transport, vehicles and mode shift, four per cent.

When you gave this misleading information to the Assembly—

Mr Corbell: No, it was not misleading.

MR SESELJA: You just told me that it was not a six per cent feed-in tariff.

Mr Corbell: You are seeking clarification, so ask me your questions.

MR SESELJA: I will ask the question then. You just told us that we should know what it is. You told the Assembly that the feed-in tariff was six per cent. You have now told the committee that, in fact, it is not six per cent, that it is just a proportion of six per cent, which is from all renewable energy purchased, even though you separately listed green power purchase. Which is the correct answer?

Mr Corbell: You have highlighted a discrepancy. I answered the question today based on my recollection. I am happy to check the record and, if I have made an error, I am happy to correct it.

MR SESELJA: You can understand why we want clarification.

Mr Corbell: Indeed, and I am happy to.

MR SESELJA: It was in the context of your saying that we were engaging in a fraud, apparently, so you might want to clarify the six per cent and particularly the breakdown. Given you did not before take it on notice, maybe you can clarify now, or when you get a chance, what is six per cent. Is it feed-in tariff? If it is not, what is that a proportion of and how much of a proportion of the six per cent is the feed-in tariff?

Mr Corbell: Yes, I can clarify it now. My original comments in the Assembly were correct and my comments to the committee were incorrect. I apologise for that. Green power is three per cent and the feed-in tariff is six per cent.

MR SESELJA: Now that we have got the correct answer, I can go back to the question. Given that it is going to make up a significant amount, will the cap as currently outlined get us to that pretty significant amount, six per cent of the 40 per cent greenhouse gas emissions target?

Mr Corbell: I will ask Mr Traves to answer that question.

Mr Traves: Certainly, the feed-in tariff now includes what used to be the solar farm project, which represents a considerable percentage of the new scheme. So the six per cent figure is correct. It incorporates both of those activities. The solar farm is now just a new large-generator category under the feed-in tariff.

The six per cent, though, is deliverable in the time frame that it takes for the full allocation of the cap under all three components of the scheme. There is a 15 and a 15 price for micro and medium. Up to 210 is allocated to large generation, with an initial release of 40. The 40 release is to test the waters with industry, to see what technologies are out there and to let the government take advantage of new technologies as they come on track, other than invest 210 up-front in a technology which in five years time may not be state of the art any more. So over that period of time, which will coincide with the undertaking of the targets, that cap will be taken up

and it will be contributing that percentage of greenhouse reductions.

MR SESELJA: So how much will have to be taken up in order to get to the six per cent? Where does the current cap get us, as a percentage?

Mr Traves: The six per cent would be the equivalent of the cap, the 240-megawatt cap. Once that is fully committed the six per cent will be deliverable.

MR SESELJA: I am a little confused. You said the cap would be extended in order to get to that six per cent.

Mr Corbell: No, the total scheme cap is 240 megawatts across all categories.

MR SESELJA: Okay, and that—

Mr Corbell: It is 240 megawatts.

MR SESELJA: So that total cap of 240 megawatts will be sufficient in the reduction of emissions to produce six per cent of the 40 per cent reduction target?

Mr Traves: Based on the current level of efficiency of those technologies, yes, I would expect over time that we will deliver probably more emission reductions as each kilowatt of newer technology becomes more productive. We will actually be producing more clean electricity per kilowatt unit. I would expect the six per cent then to be a minimum contribution.

MR SESELJA: Is it possible to provide in some more detail on notice just exactly how all those components will operate? Obviously, there is some complex interaction between how efficiently it is delivered, how expensive it is and then how much this cap means. We have been looking at the numbers and trying to do the numbers. It is difficult to actually get to that six per cent doing the numbers. We may just be on the wrong track. Could you provide us with some information that would clearly outline the position to us so that we can look at it and say: “We can see that of the total electricity use, this much will be reduced. Therefore, it will make up six per cent or one-seventh of the overall reductions”?

Mr Traves: One thing to bear in mind is that the feed-in tariff by itself is not the only initiative to reduce electricity usage across the territory. In respect of energy efficiency itself, pricing signals will start to make people change their behaviours. There will be a number of factors operating that will all contribute towards that bulk total.

MRS DUNNE: But is it not the case that the feed-in tariff cum solar farm equation is going to provide six percentage points of the 40 per cent?

Mr Traves: That is right.

MRS DUNNE: I want to go back to the question of efficiency. This may be something to take on notice. Can you provide to the committee an indication of how photovoltaic cells have increased their efficiency—the rates at which they have

increased their efficiency over the past five years and therefore what you might be able to extrapolate about efficiency in the future?

Mr Traves: I was recently at a conference in Melbourne with the minister. I was speaking to a number of industry players there who had been in the industry for some time. They are now looking at panels that are approaching 20 per cent efficiency in terms of the conversion of the power in the panel to usable electricity. They reminisced about the days when it was nine per cent. That was about six years ago. So it is exponentially improving in terms of efficiency.

It is not to say that the feed-in tariff in five years time will still be looking at solar voltaics. We will be looking at a range of technologies and I fully expect in the large category at least we will be going towards the solar troughs and the concentrators—the large-scale things. The household level ones that we see at the moment are at the low end of the market. The efficiencies ramp up considerably when you get into large scale.

Mr Corbell: And for that reason, the government has taken the decision to focus the bulk of the scheme—in fact, the overwhelming majority in terms of the generation capacity eligible—on large-scale generation because it is more efficient. As Mr Traves outlines, the government and the legislation itself make the fit potentially available to other renewable energy technologies. Certainly, the government will be giving consideration to allocating aspects of the large generator cap to other technologies—in particular, the potential for waste-to-energy technologies, to encourage the deployment of technologies in that space to assist us with our waste challenges and also to diversify the range of renewable energy generators operating in the territory.

MR SESELJA: You said earlier that the projected cost at the moment for households for, I think, the large scale was \$30 to \$40 per household. I think that is correct. That is what I wrote down. What does that equate to? What projections do you have in relation to the cost per tonne of emissions? I think it is roughly \$400 for the very small scale at the moment. How much more efficient are we expecting to get?

Mr Corbell: I will ask Mr Traves to answer the question about cost per tonne, but in relation to the price impact, the price impact that I referred you to was the price impact of the initial 40 megawatt tranche.

MR SESELJA: So that \$30 to \$40 per household for the 40—

Mr Corbell: That is correct.

MR SESELJA: And we do not have a cost estimate for the additional 160; is that correct?

Mr Corbell: We do have a cost estimate in relation to that.

MR SESELJA: What is that?

Mr Corbell: The total for the scheme as a whole once we deploy it is \$175 per

household.

MR SESELJA: That is right through from small scale to large scale—\$175?

Mr Corbell: That is not including the 30 megawatts that we will be allocating through the AER determination, which is for 15, which the government has now allocated to micro and medium-scale generation.

MRS DUNNE: So it is \$175 for the large scale—

Mr Corbell: For the large category, yes.

MRS DUNNE: Which is more than was originally thought?

Mr Corbell: The important point to make about that is that, firstly, price impact would be over an extended period of time. That is why the government has agreed at this stage to release 40 megawatts in the large category, to assess price impacts. Overall, the additional impost for a large generator represents about two per cent of the average electricity bill.

MR SESELJA: If I could confirm the numbers I have, the \$30 to \$40 was rolled into the \$175. Then it was roughly \$50 per household. That part has already been factored in? That includes small and medium?

Mr Corbell: That is correct.

MR SESELJA: At this stage the total projected is \$225 when it is fully operational.

Mr Corbell: At the end of the scheme, once fully utilised, which could be over a five to ten-year period.

MR SESELJA: That is in today's dollars?

Mr Corbell: Yes.

MRS DUNNE: Minister or Mr Traves, could you tell us how many kilowatt hours per year you expect the scheme to provide when it is fully implemented?

Mr Traves: If I could quickly answer Mr Seselja's query as well because there were some outstanding issues, the \$175 would have to be considered the very maximum. Mr Butt referred to the reverse option process or the subsidy for the large-generation component would produce, over the years, as the renewables became more competitive with their fossil-based competitors. If a carbon tax, for instance, came in and increased the cost of producing fossil-based energy, then the amount of subsidy required to make renewable energy competitive would reduce over time. We would be expecting the great bulk of the scheme to be subject to a decreasing subsidy over time.

The \$175 is worked out on the worst possible outcome where solar power never gets any more efficient and we never introduce anything else to penalise fossil fuels. The figure over time will be less than the \$175 which is discussed there.

Turning to Mrs Dunne's question, are you interested in the number of hours—

MRS DUNNE: It would be useful to know what you anticipate the breakdown would be over the three sectors when the scheme is fully committed.

Mr Traves: Until June, the figures we are looking at in the report, the scheme, just at the household level, generated just over three million kilowatt hours. That was on an installed capacity of slightly less than six megawatts. The total scheme is aimed at 240 megawatts. You multiply that six by a minimum of 40. Bear in mind that the efficiency of the later editions will be very much higher. We are probably looking at an efficiency dividend there of about 1.6.

MRS DUNNE: Do you want to take that on notice and show us the calculations?

Mr Traves: I can do that for you. It would run into many millions of kilowatt hours.

MRS DUNNE: Can you tell us where you came with the factor of 40? You said you multiplied by a factor of 40 by six?

Mr Traves: It is 240 at the moment.

MRS DUNNE: Yes. Then you said that—

Mr Traves: We have six in place at the moment. You multiply the six by 40 to get a rough equivalent of what the scheme will produce when it is operating at full strength. But the productivity would be very much higher. We would multiply it again by an efficiency factor. We can do that calculation for you.

MRS DUNNE: The productivity on the commercial level—

Mr Traves: It will be much higher.

MRS DUNNE: Much higher than it will be on the domestic level?

Mr Traves: Yes.

MR RATTENBURY: Can I come back to the cap for the small-scale systems. Minister, earlier in the conversation you indicated that on the projections at the moment we will reach that cap in 18 months to two years. What are you anticipating will happen to those installation businesses that have built up when that cap is reached?

Mr Corbell: A range of things may happen in relation to that. The first and most important point to make is that we have provided for a scheme that encourages greater opportunity in larger scale generation. So already now, with the announcement of a medium-scale generator capability, we have a significant number of installers and suppliers who are currently operating in the household space who are contemplating moving into the medium-generator space because they see opportunity in expanding or changing their business model to include that type of generation.

Over time I anticipate that retailers and suppliers will continue to move up in scale and engage with large levels of generation. Obviously in the large-scale generation, retailers and installers will, if they are smart, explore opportunities for their business to expand into that space, either in partnership with others or alone, but most probably as contractors and suppliers and in partnership with larger scale ventures. That is the economic opportunity that is presented by the large-scale feed-in tariff.

Obviously it will also depend on the price of microgeneration, which is continuing to come down. Right now it is relatively cheap to install a small system on your roof. Up-front, after REC payments, it is probably somewhere around \$1,500—maybe a bit more.

Mr Traves: Around about three would give you a reasonable-quality system.

Mr Corbell: Depending on the type of panels you choose. The price has come down significantly just in the past two to three years. That trend is expected to continue. There will remain a market for installers, even after the cap is reached, just because of the continuing improvement and affordability of the technology.

MR RATTENBURY: It strikes me that one of the challenges for the industry has always been the boom and bust cycle. It sounds like we are starting to set up a bust point in about 18 months time.

Mr Corbell: Absolutely not. Boom and bust refers to sudden changes in policy that cannot be anticipated or planned for. That is what happened in New South Wales. That is what has happened with a number of commonwealth schemes. That is exactly not what is happening here. We are getting very clear time frames and very clear end points in relation to the provision of a bid for certain categories. That allows industry to plan and to structure their business model within that framework. That is not boom and bust. That is price certainty and that is policy certainty. It is exactly what the Australian Solar Energy Society, for example, has said. This gives the industry long-term certainty. I have got industry organisations on the record saying that this is the sort of policy setting they want because it gives them the policy certainty that they are looking for and that they are not getting in other places.

MR RATTENBURY: I would dispute your definition of a boom-bust cycle. We have seen a number of programs where the tap suddenly gets turned off and the program comes to an end.

Mr Corbell: I simply direct you to Mr John Grimes from the Australian Solar Energy Society. He is on the record as supporting the government's policy settings as ones that give the industry policy certainty.

MR RATTENBURY: Has the government not considered a more soft landing in terms of simply using the available mechanism of adjusting the premium rate in order to wind back the program?

Mr Corbell: The premium rate will continue to be adjusted. The legislation provides for that, and it will need to continue to provide for the premium rate to be adjusted for

new entrants as the relative cost of installing the technology and manufacturing the technology continues to decline. That is still required.

In relation to adjustments, if that is the issue you are wanting to pursue, the government has indicated that it will propose in the revised legislation that will be introduced later this year that there will be a mechanism for elements of the cap to be reallocated if the minister determines that that is necessary. For example, if there is greater take-up in one area compared to another you can reallocate elements of the overall cap, the overall 240 cap, to different categories. You might put more in the medium and take some out of large, or you might take some out of medium and put it into small, depending on what is happening in the market.

MRS DUNNE: Could I go back to the issue of the falling price of domestic-size installation. What are the factors? Is it lots of cheap panels from China?

Mr Traves: That is one of the factors. We have got a relatively strong Australian dollar, which means what we are buying overseas is relatively cheap. It is very much an industry where you get what you pay for. If you pay a lot for good-quality panels you can expect them to last. If you buy something that is cheap, they may delaminate or they may lose their efficiency at a faster rate than others.

MRS DUNNE: Is anyone warning consumers out there that not all solar panels are the same?

Mr Traves: Certainly industry have been quite vocal in doing that through the trade magazines. At their recent conferences that point was being made quite vocally.

MRS DUNNE: Yes, but does the average consumer who picks up the local paper and sees that you can get it on your roof for \$1,500 know what they are getting? Is there any activity either by DECCEW or you, minister, with your other hat on, the Office of Regulatory Services, to inform people that not all solar panels are the same?

Mr Traves: We are not saying that these panels are below Australian standards. They all meet Australian standards. Some of them do not have the long life of others.

MRS DUNNE: What sort of information is getting out to the consumer about that?

Mr Traves: It is not something that I am currently involved in.

Mr Corbell: The government itself does not see its role as providing that level of detail. What we do is advise consumers to make sure they are informed. There are a range of forums that make that information available, such as organisation magazines like *CHOICE* and others who provide feedback to consumers. As with any purchase, we encourage consumers to be informed and understand all of the issues that they need to be aware of before making their purchase decisions.

THE CHAIR: Have we finished our questions on the feed-in tariff, because I think there are some other areas?

Mr Corbell: Can I make one last comment on the feed-in tariff, if I may, because the

issue often comes up about the impact on electricity prices. I think it is worth advising the committee of a recent decision by New South Wales to scale back its feed-in tariff and the reason given for that, which was the so-called impact on electricity prices. The average impact on electricity prices in the ACT of our feed-in tariff is currently about two per cent of the total electricity bill. In New South Wales, the impact of the feed-in tariff was about 3½ per cent of the electricity bill.

The significant increase that we are seeing in electricity prices has overwhelmingly been driven by factors other than the feed-in tariff. In fact, in the most recent advice I have received from the Australian Energy Regulator, the overwhelming driver is the need to renew existing infrastructure, particularly lines and wires. That is the most significant factor that is influencing electricity prices. Indeed, the ACT is better placed than most because of the relatively modern age of our network. We will not see the flow-through of price increases to the same magnitude as in New South Wales because we have a more modern network and therefore modernisation costs are lower at this point in time.

What we are seeing, essentially, in relation to electricity prices is a cyclical investment process. We are in that part of the cycle where, because of the relative age of electricity infrastructure—it is about 50 or 60 years since the last major boost in infrastructure, in the 1960s and 1970s—it is now needing to be renewed and, unfortunately, that is being passed through in electricity prices to customers. The ACT is not immune from that, but the impact is more modest at this point in time because of the relative modernity of our electricity infrastructure.

MRS DUNNE: So what provision has been made to keep our electricity infrastructure up to date?

Mr Corbell: That is the responsibility of the asset owner, which is ActewAGL. ActewAGL undertake their maintenance regime in accordance with their obligations as a listed company that manages all of its assets in accordance with what you would expect a company of its size to do. The costs of infrastructure upgrades have to be assessed and the desirability of those upgrades in terms of whether or not the costs should be passed through to customers has to be approved by the Australian Energy Regulator.

MRS DUNNE: Can I clarify: ActewAGL owns the infrastructure, not Actew?

Mr Corbell: It is owned by the various partners within the ActewAGL facility, which includes Actew but it is not exclusively Actew.

MRS DUNNE: I thought that Actew owned the wires in the ACT, not ActewAGL?

Mr Corbell: No.

MRS DUNNE: ActewAGL provides the maintenance?

Mr Corbell: No. My understanding is that Actew and the other partners in the ActewAGL consortium together are the owners of those assets.

MRS DUNNE: Can we clarify that?

Mr Corbell: Actew owns the water assets.

MRS DUNNE: Yes, I know that.

Mr Corbell: But the electricity assets are partly privatised.

MR HARGREAVES: Who did that?

Mr Corbell: The Carnell government did that.

MR HARGREAVES: Oh, did they? Fancy that.

MR SESELJA: Are you planning on buying it back?

THE CHAIR: Minister, I want to ask about an outreach program.

MR HARGREAVES: Undo your mistakes?

THE CHAIR: Mr Hargreaves, Mr Seselja, thank you. Minister, I want to ask about the outreach program that was being trialled around the energy efficiency initiatives for low income families. When will the evaluation be completed? Do you have any comments at this stage about successes?

Mr Corbell: I am sorry; which page was that?

MR SESELJA: Page 114.

THE CHAIR: It is an outreach program trial. It is at the top of page 114, left-hand column. It was involving, as you can see, those community agencies. How is that trial going?

Mr Corbell: That was the trial that I was referring to earlier, Ms Hunter, when I was answering your question about assistance to low income households when it comes to their energy and, indeed, their water costs.

THE CHAIR: Will there be an evaluation to look at the savings that they are making in energy particularly? It does talk about draught sealing, ceiling insulation and so forth.

Mr Corbell: Mr Traves can assist you with that.

Mr Traves: Mr Lewis would normally be doing this, but he is not with us today. I do know about this program. Some \$1.4 million is provided, as the minister said previously, split between Housing ACT and some front-line welfare organisations. It is on the basis that Housing ACT deals with government tenants but has really nothing to do with anybody else in the community, and there was a small group in the community who were unaddressed through our normal programs. All of that money has now been expended. A review is currently underway through the programs unit to

assess the effectiveness of how well it was delivered, what issues came about in terms of employing welfare agencies to deliver this type of thing, because they are not used to it, and also to assess what the outcomes were. If we had spent this money ourselves, we would assess it in terms of water savings, emission savings, and we will do exactly the same thing with this program. I would anticipate that this program would be reviewed within—we have a draft report there.

THE CHAIR: Is there any time line on when that might move through and be completed and publicly available?

Mr Traves: Once we are happy with the draft, we will provide the minister with a brief.

THE CHAIR: I also want to ask about the monergy campaign which appears on page 106. Overall, how much money was spent on that campaign? Again, has the department done any analysis of the effectiveness of the campaign?

Mr Traves: The monergy campaign was a behaviour campaign and an awareness raising campaign to bring to a number of members of the public an unknown world of programs that are available through the ACTSmart suite of programs from the government. We spent just over \$75,000 on that program. We are currently doing an assessment to see what impact that had on take-up rates on individual programs that were promoted during the program. I do not have that information with me at the moment. That is work which is being done. Once you change someone's behaviour, you do not necessarily change it on the spot, so we are looking to see what the long-term trends are on the impacts on the take-up of the programs over time, since that program was completed.

THE CHAIR: So you do have some sort of ongoing evaluation program or framework in place?

Mr Traves: We have data on every program that we deliver, in terms of how many people take it up and in what months they take it up. We then can overlay the monergy program over that and say, "We promoted during this period this particular aspect of programs." We will then track to see what the changes from the norm were in the take-up of those individual programs to see how effective that promotion was.

THE CHAIR: In that, are there particular groups that you are targeting at different times or is this just an overall education and awareness—

Mr Traves: It was an overall awareness raising one. We were trying to promote it as the ACTSmart suite, which was previously switch your thinking, which never really caught on. But ACTSmart has, and that includes 21 different programs, I believe. So we are trying to keep track of the impact it had on all of them. I would expect most of the impact to have come from the HEAT and ACT energy wise programs, which are the larger and more popular ones, and aimed at the general public rather than niche markets like small businesses. I do not have that data yet but that is work which is underway.

THE CHAIR: Will the monergy campaign continue?

Mr Traves: There are no plans to continue it at this stage. We need to do an assessment first.

MR HARGREAVES: Minister, I want to go back to something I heard you say earlier on—that the government is now taking up 32.5 per cent green power and it is on its way to huge figures.

THE CHAIR: You are right, Mr Hargreaves.

MR HARGREAVES: I was right; so I was listening. I would be interested to know what the rates are, if we know them. Maybe I should have asked ActewAGL this. What are the rates for the commercial sector at this point and also the domestic sector? I am not sure whose job it is to try and convert the domestic sector, for example, to take up green power. I am sure every member of this committee is on green power. There you go: 100 per cent.

THE CHAIR: As part of that, I would also be interested to see if you have any sense of whether there has been a change with requiring Actew to offer green power. Has there also been some movement due to that change in the program?

Mr Corbell: The first requirement is, I understand, having some impact. I do not have the exact figure in my head but it is having an impact, I am advised, in encouraging more Canberrans to choose green power. We certainly have the highest per capita purchase of green power of any jurisdiction. Again, I do not have the exact figures so I will have to take those on notice. In answer to your question, Mr Hargreaves, I have not seen any breakdown between different types of energy customer, between households and businesses. But that may exist. We would have to get that information from ActewAGL but I will take it on notice and provide as much detail as I can for you.

MR HARGREAVES: I do recall, in terms of the waste reduction strategy, that is how we divided up the figures so that we could get a handle on where the targeted campaigns had to be headed. We know the commercial sector is the one dragging the chain on attitude to waste reduction because of other things. I would be interested in that.

Those interstate comparisons would be very helpful. A few years ago, apart from Tasmania, I worked out we had the cleanest power supply than anywhere else in the country. I do not know how up to date I am with that. Do we have that kind of a picture?

Mr Corbell: In terms of per capita, yes. The take-up of green power in the ACT is higher than in other jurisdictions. I think the Tasmanian figure you refer to is also an issue of government operations. How much of a percentage is government renewable power contributing? Certainly, the ACT is the highest of all jurisdictions in that regard as well. I will give you a bit of a breakdown of that as well.

MR HARGREAVES: There was a conversation some years ago around whether or not the government of the day ought to have embraced the opt-in, opt-out concept.

Studies suggested that people ought to have to opt out of green power. There was a conversation about its impact on low income earners, if I remember the conversation correctly. Has there been any further thinking or conversations around this possibility?

THE CHAIR: I think this is linked to the change, where it is offered first.

Mr Corbell: That is different.

MR HARGREAVES: That is different to opt in, opt out because there is no choice.

Mr Corbell: The government's policy is to have a first offer obligation on the part of retailers. It should be the first offer. Obviously, it is a consumer's decision.

MR HARGREAVES: I believe there may be a link between the recalcitrants and an opt-out perspective. If we have those figures about the commercial, the domestic and the metal, then we can, in a strategic policy sense, consider whether to do an opt out for one of those sectors and not the others. It would need to be a policy decision and it would need to be supported by them on evidence-based research and all that.

THE CHAIR: Mr Rattenbury, I believe you wanted to ask some questions around the natural resource management plan?

MR RATTENBURY: Yes, if I could, on page 105, I want to ask about the ACT's natural resource management plan. A bush capital legacy was released this financial year with the support of the department. The plan outlines a number of targets which it describes as community targets. I am interested to understand how these targets translate into the ACT government or whether they are ACT government policy.

Mr Corbell: The plan does not represent government policy.

MR RATTENBURY: In which case, who owns those targets?

Mr Corbell: The council does.

MR RATTENBURY: The plan also outlines targets for reducing the ACT's ecological footprint. Does the government have any plans to integrate those ideas into government objectives? It lists a number of them. I am sure you know them.

Mr Corbell: The government is using the range of targets and issues outlined in that plan to form its own policy. It is quite a comprehensive document that the NRM produced. The government will draw from that as it looks at its own policy development. Whether that is climate or water, whether that is land management, whether that is nature conservation, we will have regard to the issues raised in that document as we develop our policies in the form of legislation and so on.

MR RATTENBURY: At page 4 of that report there is specific mention of Lake Burley Griffin and the Molonglo River as one of the two natural assets that are at risk and need a concerted effort to remedy the situation. What conversations has the ACT government held with the NCA or the federal government with regard to their

resourcing of the natural assets in the parliamentary triangle?

Mr Corbell: That is probably a question best directed to land management of territory services. They are responsible for on-the-ground activities in relation to land management and coordinating land management activities with the commonwealth where national land is involved. I think it would be best to direct your question to them.

MR RATTENBURY: Lastly on this topic, the plan talks about engaging the community heavily in sustainability. I am interested in what ideas the government has to work with the council to pick up that point where there are new programs or initiatives that are arising out of that specific component of the plan.

Mr Corbell: The government continues to provide resourcing in a range of areas to encourage an ongoing community discussion and to raise awareness of the challenges of sustainability and the need to develop a more sustainable community in our city. That has most notably been done through matters around the environment grants programs where a broad range of community education type activities have been funded, whether that is through organisations such as SEE-Change, whether that is through spinoffs from the Australian sustainable schools initiative or whether that is through a range of other community-based organisations. The government is providing funding to support that awareness-raising in schools, in communities, amongst young people, about the challenges of sustainability and the ways we can all contribute to creating a more sustainable Canberra.

It is also worth highlighting the fact that the government, through the time to talk initiative, has been putting the sustainability of built form, in particular, front and centre in a discussion with the community about the challenges that present.

MR RATTENBURY: In that same part of the annual report, I note that the department is set to undertake development of a draft pest animal management plan. Given this would presumably require a high degree of cooperation with TAMS—and the two departments have now been separated for over a year—how is the cross-departmental cooperation operating? Is it a joined-up piece of work?

Mr Corbell: There is a very strong level of coordination between policy and land management practice and implementation. Mr Papps can follow up that further but certainly from my experience it is quite clear there is a close level of alignment. A good example that I would give you is in relation to waste. TAMS are responsible for the delivery of waste services to the community and the management of waste but my department is responsible for waste policy and the overarching framework within which those services are delivered to the community.

The development of the new draft waste policy has involved very close liaison with ACT NOWaste, which is the relevant area in TAMS. Their decision making about delivery of new services and expansion of services and new directions in delivering services has been closely informed by the development of the new waste strategy which is currently in draft form and about to be released for comment, and vice versa. I think the relationship overall is a very good one. Mr Papps can highlight that better.

Mr Papps: Just really to confirm it, and particularly around the natural resource management space, we manage pest management. There are very strong connections at officer level, so the people who are doing the drafting work are working with their colleagues within TAMS, and then there are regular meetings at a senior manager level. I also meet regularly with the chief executive of TAMS, Gary Byles, and his relevant executive director to ensure that the work that is being undertaken at a lower level is supported at the most senior levels. In my view, it is working very well and getting better over time.

MR RATTENBURY: From reading the annual report—perhaps I am misunderstanding something—I was left with the impression that the draft would be released in the latter half of 2010. Is that correct?

Mr Corbell: Which report are you referring to?

MR RATTENBURY: The draft pest and animal management plan.

Mr Papps: That was our ambition. I am not sure where it is up to at the moment. I know we are working on it. We will need to get back to you on the time frame.

MR RATTENBURY: I want to comment on your annual report this year. I thought some of the new information was particularly helpful. I must comment, though, that on page 105 there is another photo of Mr Rutledge. There are an extraordinary number of photos of Mr Rutledge in both last year's and this year's annual reports.

Mr Corbell: He is just such a good role model for the department.

MR RATTENBURY: Clearly.

Mr Papps: It also clearly demonstrates that the chief executive's ego is not reflected in the number of photographs.

MR HARGREAVES: Or someone is after your job!

MR RATTENBURY: I do have another question, and it relates to the section around procurement and government contracting on page 183. I note on that page that these are the small contracts which together exceed \$20,000. There are four separate line items for American Express which in total amount to over \$103,000. Can you indicate to me what the department spends that amount of money on using American Express?

Ms Hargreaves: Unfortunately I do not have that information available, but we can provide that to the committee.

MR RATTENBURY: I note that it is a whole-of-government contract, but I am quite interested in the fact that it is a large amount of money for what one might imagine is the provision of a few corporate credit cards.

Mr Corbell: I am advised that it is part of the whole-of-government travel budget.

MR RATTENBURY: That might explain it then, thank you.

THE CHAIR: Mr Seselja?

MR SESELJA: Following on from an earlier answer in relation to the cost of the process for the solar facility, you indicated in that that there was no additional cost, and then Mr Rattenbury pointed out that there was a contract. Page 102 says that there is a decrease in expenditure which is partially offset by an increase in expenditure resulting from the solar facility in the commonwealth solar reduction project. Are we able to get some clarification and detail on how much it cost? If so, can we have a breakdown and reconciliation and why it increased?

Ms Hargreaves: Yes, we can provide that information.

MR SESELJA: It is not clear to me from the minister's two answers to my question and Mr Rattenbury's question. Does the department examine how much this process costs in terms of departmental resources and the like?

Ms Hargreaves: Yes, we do. When we are talking about increases in the solar facility, we had rollovers from 2008 into 2009-10. You are on page 103, is that correct?

MR SESELJA: Page 102. If you could provide the breakdown of those costs and the rationale for why those costs increased, that would be great. I was out of the room for a little while, so I apologise if this question has been asked: page 50 of the report indicates that \$582,000 has been spent on subscriptions and advertising. How much of that is in relation to monergy and how much is in relation to other advertising?

Ms Hargreaves: I do not have that information at hand, but we can provide that.

MR SESELJA: When you provide that information, could you provide a detailed breakdown of exactly what has been spent and how much is for production and how much is for other aspects of that advertising and subscriptions budget?

Ms Hargreaves: I am not sure that I would have that level of detail, but we will do our best.

THE CHAIR: Mrs Dunne?

MRS DUNNE: I have a couple of sets of questions but I ask one in passing. How many bikes do we have? Have we got to Xanthorrhoea yet? How many bikes does the department have? Has it got to Xanthorrhoea yet?

Mr Corbell: No, it has not got to Xanthorrhoea.

Mr Papps: I think the answer is eight.

MRS DUNNE: So what are they called?

Mr Papps: Bikes.

MRS DUNNE: They had names at one stage.

Mr Corbell: They do have names.

MR HARGREAVES: And how many of them have training wheels on them, minister? Could you give Mrs Dunne the training wheels?

Mr Corbell: Mrs Dunne is very welcome to come and hire a bike.

MRS DUNNE: Thanks.

MR HARGREAVES: With the training wheels on, Mrs Dunne.

MRS DUNNE: I dropped the training wheels long ago. Minister, this is an issue that has arisen a couple of times lately. When rain falls on the roof of a private dwelling, who owns it? Who owns the water?

Mr Corbell: If it is captured in the rainwater tank, the householder owns it.

MRS DUNNE: If it is captured in the rainwater tank, the householder owns it?

Mr Corbell: Yes.

MRS DUNNE: If it is captured in a pond?

Mr Corbell: My understanding is that the Water Resources Act and the regulations under that act specify certain exemptions for the capture of rainwater by householders as long as the vessels in which the rainwater is captured do not exceed a particular size. More detail than that I would have to provide you with by taking the question on notice.

MRS DUNNE: So that means that the owner of the private dwelling has the right to use the water stored in the rainwater tank as long as it is within a certain size. Can you get back to me about what the certain size is?

Mr Corbell: Yes, I can.

MRS DUNNE: So it is the case that owners have the right to use water in rainwater tanks?

Mr Corbell: Yes, they do, within certain sizes. That is correct.

MRS DUNNE: Will the government charge the owner-occupier of the private dwelling to use water stored in rainwater tanks at those dwellings?

Mr Corbell: We have no plans to do so in relation to the exemptions that currently exist.

MR HARGREAVES: Rainwater off a duck's back.

THE CHAIR: I want to talk about an overall indicator, and that was around the goal

to raise community awareness of climate change. I was wondering whether the department has undertaken any polling or any focus groups to determine what the community's understanding of climate change was. Has any of that work been done?

Mr Corbell: To my knowledge, no. We have not undertaken specific polling or focus group analysis commissioned by the department to that end. But obviously there is a lot of research out there in the public realm that has been commissioned by other organisations, other governments, private sector non-government organisations and so on. We draw on all of that as and when it is identified to help inform our work. But, no, we have not undertaken specific polling or focus group-type work—you know, quantitative or qualitative-type polling—ourselves in relation to community perceptions around climate change.

The government does provide funding to non-government organisations primarily to raise awareness of issues about climate change and challenges on sustainability more generally. I refer you to my previous answer to Mr Rattenbury around how we do that.

MRS DUNNE: Can I ask the minister about where we go to with the guide for a plan for the Murray-Darling Basin? You said in the chamber the other day, minister, that government had already made submissions in response to the guide. What is the nature of those submissions and could you provide them to the committee?

Mr Corbell: Those submissions have not yet been finalised. In fact, they are only in their initial stages. I have made formal written representations already to the Murray-Darling Basin Authority and to the commonwealth minister outlining the government's concerns—serious concerns—about the ramifications to the territory of the proposals outlined in the guide to the draft plan.

What the territory will be doing is making formal submission to the MDBA as part of its current consultation process and to the House of Representatives committee inquiry into the guide to the draft plan. I expect that, if invited, the territory would like to appear before the committee and give evidence. We will also be pursuing other avenues through the Murray-Darling Ministerial Council and meetings directly with Minister Burke.

Indeed, I have already had a conversation with Minister Burke and indicated to him that I would like the opportunity to meet with him in the coming month to discuss these issues in more detail. He has indicated his willingness to do that. So those arrangements have been made.

The territory is very concerned about the implications of the guide to the draft plan. We are disappointed in the late release of the supporting data to enable the territory to properly assess the implications for the ACT of the decisions that have been made by the authority in its draft plan or that are implied in its guide to the draft plan.

We are concerned that the territory has been excluded from the socioeconomic analysis undertaken by the authority because, in the authority's words, it "biased the results" for the rest of the basin. We do not think that is good enough. We are the largest urban centre in the basin. We are entirely reliant on waters from the basin and we should be taken into account in terms of the socioeconomic analysis.

We are also concerned that there has been no recognition of the successful water management in the territory that has occurred to date—the fact that we are the only jurisdiction that has not over-allocated in any way and the fact that ACT water use represents just over seven per cent of water raised in the ACT. These are all issues that we will be putting firmly to both the authority and to the commonwealth minister.

MRS DUNNE: Can you provide the letters that you have already written to the authority and the minister to the committee?

Mr Corbell: I would be reluctant to do so. I think it is courteous to allow the commonwealth minister and the authority to consider the content of those letters and to reply to me before I go about broadcasting their contents.

MR RATTENBURY: On page 185 of the annual report, there is a whole list of community energy grants where community organisations have been provided with a government grant in order to, in every example bar one, install a PV system. On what basis was the amount of money granted? My reason for asking is that there is a large variation in the size of assistance. I am interested in how much money people were given to reflect the size of their system. It is on pages 185 and 186.

THE CHAIR: The PV system on the O'Connor Uniting Church is particularly inspired.

Mr Corbell: Of the 47 successful applicants, 45 were for PV installations. The cost of these individual units can vary for a range of reasons, including that some groups have taken the opportunity to provide additional funding out of their own pocket to that provided in the grant, to install a larger unit. One of the successes of this program was that it has helped to leverage additional investment outside the government grant.

Cost variation can also occur as a result of differing requirements of the building and installation. Some buildings have required rewiring; other buildings require different infrastructure to achieve the best results from the panels. To date, I am advised that all deeds have been signed and all except three organisations have received payment. Once these three organisations provide invoices to the department, payment will be processed.

MR RATTENBURY: My question is more of an observation in the sense that there is some very significant variation. For example, at the bottom of page 185, the Black Mountain rowing club installed just over two kilowatts for \$8½ thousand. On the very next line, the next group installed less than double that and received well more than double the money. It seems to be quite a significant variation. And the amounts of money for the amount of installed capacity seem to be quite high on occasion, based on my own understanding of the pricing of systems.

Mr Corbell: Mr Traves can assist.

Mr Traves: The grants came out of action plan 1 and weathering the change. There was just over \$1 million allowed. We set a total of \$25,000 per eligible applicant. They have said, “We want to install X”—sometimes it was two and sometimes it was

12—“and we would like a government contribution towards that,” of the amount that they were asking for. So we have recorded the amount of generation which is installed, facilitated by the grant itself. That gives you some idea as to why it changes.

MR RATTENBURY: I guess my concern is that—

Mr Traves: Some of the groups did put considerable amounts of their own money in and just needed a top-up from the government to get them over the hurdle.

MR RATTENBURY: And that is a very positive part of the program. I guess I am not questioning that. I am questioning it at the other end of the spectrum. There is one here—a 3½ kilowatt system for \$22,000. Private individuals that I know are putting in a 2.8-kilowatt system for under \$10,000. There just seems to be a substantial cost differential here. I am wondering whether the department feels it has got value for money from some of these installations.

Mr Traves: This says what they applied for. One thing which did become evident during the assessment was that a number of them took the opportunity to revisit their provider and say, “We can get a better deal elsewhere; what can you do for us?” and did eventually get much higher capacity given to them, as is currently recorded in this table.

Mr Corbell: It may be useful for the committee to receive advice on what was actually installed rather than what was a part of the bid.

MR RATTENBURY: That would be helpful.

Mr Traves: We can also provide you with copies of the criteria that were applied to the selection process.

MR RATTENBURY: Thank you. While we are on the topic of climate-related matters, I note that the ACT’s emissions fell from 2006 to when the 2008 greenhouse gas data was released, earlier this year.

Mr Corbell: By about 500 tonnes.

MR RATTENBURY: Nonetheless, it certainly reflects a change in the trend, which has been a steady increase. What is your understanding of why this happened? Is this part of refining the measurement process or do you believe it is a turnaround in our actual emissions profile?

Mr Corbell: I am advised it is due to improvements in data collection and methodology. In particular, the new requirements now in place for collection of fuel data have enabled us to get a much more accurate picture of emissions associated with transport fuels. That has enabled a more accurate picture to be presented.

MR SESELJA: So, once that methodology changes and allows you to get a more accurate picture, presumably you do not go back and revisit the old data—it would still stay the same—or do you have some sort of formula that would actually take account of and estimate what the difference would have been in 1990 as a result of

what you know now?

Mr Corbell: My understanding with the greenhouse gas inventory for each of the equivalent years, if new factors come to light in the most recent inventory period, those are applied to the previous inventory periods so that comparisons are appropriate across the inventory years.

MR SESELJA: Through some sort of appropriate modelling—

Mr Corbell: There is a backcasting occurring for the previous inventories.

MR SESELJA: It is presumably done through—

Mr Corbell: For the purposes of comparison.

MR SESELJA: Maybe Mr Traves can answer this: it is presumably through some sort of model that, again, estimates or supposes how that would have changed the earlier emissions?

Mr Traves: It would have to be an estimate. It is a more accurate estimate than we previously had but it would still have to be an estimate. The fuel collection data works upon the accounting for every litre of petrol brought into the territory. Obviously, we cannot go back and say, “What did you bring in in 1990; could you please tell us?” whereby you could then do an estimate of that. If you would like to go into some of the details, the relevant manager is here. She may be able to shed some more light on that.

MR SESELJA: It would certainly be interesting to know some of the methodology and perhaps where some of the methodology may be able to improve going forward.

Ms Tomlinson: With the methodology in the greenhouse gas inventories, we are trying to continually improve that. As you know, we do not like to rely on the national inventory because, for example, with the treatment of electricity, it is based on where it is generated, whereas we like to look at what our responsibility is for consumption of the electricity. So that was really what triggered us doing our own ACT greenhouse gas inventory. Then there are continual improvements like the fuel data. We thought we could improve our fuel data by going direct to survey petrol stations. Each time there is a new greenhouse gas inventory done, the calculations for previous years are recalibrated. So you do not look at previous inventories, and that allows a methodology to be compared, and data to be compared.

With respect to the reasoning for the reduction, with the current contract with the greenhouse gas inventory, it really is an analysis of the data. So they just tell us what the changes are. Therefore, there is not a thorough analysis of trying to understand exactly the movements. And it is a very hard job to do because there are lots of factors making those changes. There are a number of programs at the commonwealth and the territory level that would be impacting on those things, like the commonwealth renewable energy target. We think that has probably been a major factor. In the greenhouse gas legislation, as you know, there will be continual improvements in reporting. We are going to get the ICRC to pick up this inventory work and included

in that is a better understanding of the reasoning for the changes in the inventory.

MR SESELJA: I have a couple of follow-on questions. You talked about the national inventory and that we are not relying on that because of the way they calculate emissions from electricity generation. Presumably when the national inventory is done it takes that into account and we do not see a double accounting of these emissions in the sense that we are counting them when we consume the electricity and presumably they are also at some point being counted when the electricity is generated in other states?

Ms Tomlinson: Yes, there is no double counting. You either look at the national inventory, and that is looking Australia wide, or you look at the ACT inventory. So you do not bring the data together at all.

MR SESELJA: A follow-on in terms of methodology is how whole-of-life emissions are treated. You talked about when we consume electricity here, we count it here, even though it is not produced here. But there are lots of other things like concrete, for example, which we use for buildings, but many of the emissions associated with the concrete would be produced outside the territory. How is that treated?

Ms Tomlinson: The inventory really does electricity, gas, petrol and waste. So there are some things that are out of the scope of the inventory. That is another thing in looking at working with the ICRC to see if there is any potential to improve the methodology.

Mr Corbell: Embedded energy is still an emerging area in terms of auditing, nationally and internationally as well as locally. I am not aware of any jurisdiction in Australia that tries to account for embedded energy in its audit of emissions. It is a very complex area.

MR RATTENBURY: I want to ask briefly about smart meters. I know we have discussed this before. There is reference on page 121 to implementing reforms considered by the Ministerial Council on Energy. In particular, it refers to the rollout of smart meters. When we have discussed this before, there has been some uncertainty about the rollout. Could you give us an update on where the government is currently up to?

Mr Corbell: Currently, there is a small trial being undertaken by ActewAGL which is being funded by them. About 200 households, if I recall correctly, are utilising smart meters currently as part of that small-scale trial. The Ministerial Council on Energy is currently considering the results of the Victorian experience in implementing smart meters and some of the lessons that can be learnt from that. If I recall correctly, ministers are awaiting a report from officials from across jurisdictions about what issues need to be addressed as part of a further deployment of smart meters in other jurisdictions and what lessons are to be learnt from that. Mr Butt might like to come to the table and tell me if I am wrong and provide some further details.

Mr Butt: The minister is correct. ActewAGL are conducting a trial and we are awaiting the results on how that trial is going at the moment. At the ministerial council level, jurisdictions are moving ahead on trials or on implementation. For

example, Victoria is rolling out its smart meter program. There is a lot of work being done to try and ensure that there is consistency across those programs, so that is consistent with the national market becoming a national market rather than a conglomerate of several jurisdictional markets. The other aspect that is impacting on it is a commonwealth program about smart grids where we are starting to look at how we can make the whole grid more effective at a transmission distribution level and then how the smart meter information can feed into that. There is a view that there will be a significant benefit from linking those two programs up. The forthcoming ministerial council will be brought up to date on the latest information as to where all of that is up to, with a further report from officials.

THE CHAIR: Mr Seselja, any further questions?

MR SESELJA: I have a range of questions but they are more at the detail level. I think Mr Hargreaves indicated it would be his wish that some of them be placed on notice. Given the nature of them, I am happy to do so. I will place a few extra on notice.

THE CHAIR: There may be other questions that are placed on notice. The committee office will inform you of the time lines on those questions. Thank you very much, Mr Corbell, for appearing this afternoon, and to your officials. We will finish this part of our annual reports hearing this afternoon and move on to the Conservator of Flora and Fauna.

Appearances:

Conservator of Flora and Fauna

Papps, Mr David, Conservator of Flora and Fauna

Department of Territory and Municipal Services

McKeown, Ms Helen, Planning and Conservator Liaison Officer

THE CHAIR: I welcome Mr Papps, the Conservator for Flora and Fauna. Thank you for appearing this afternoon again. Earlier we went through the privileges statement, and you indicated that you understood the obligations under that statement, so we will move on. Do you want to make an opening statement?

Mr Papps: I am happy to attempt to answer as many questions as I can.

THE CHAIR: Thank you. Mr Rattenbury?

MR RATTENBURY: The conservator's role is obviously best known in the context of trees. Can you tell us about your role as conservator in terms of EISs? I am interested in whether you currently have any role in the EIS process.

Mr Papps: My role in that regard is largely advisory. There are matters that are referred to me through the planning process, through EISs, large estate planning and the like, DAs and those sorts of processes under the planning legislation that come to me where I am charged with providing advice to ACTPLA.

MR RATTENBURY: Does your advice often get ignored? Are decisions taken contrary to your advice on occasions?

Mr Papps: Because it is just that—advice—sometimes it is accepted and sometimes it is not accepted. In many cases it is negotiated—in other words, I provide some initial responses and ACTPLA in most cases provides me with a response. There is then quite often a level of discussion and negotiation.

MR RATTENBURY: When ACTPLA propose an exemption to an EIS, do they consult with you?

Mr Papps: They do. I will introduce Helen McKeown, a liaison officer in TAMS who works very closely with me.

THE CHAIR: Ms McKeown, I remind you as a witness of the protections and obligations afforded by parliamentary privilege. I draw your attention to the card that you are reading. Can you confirm for the record that you understand the privilege implications of that statement?

Ms McKeown: Yes.

MR RATTENBURY: Following on, Mr Papps, on the exemption occasions, I presume it is the same role that you have—it is the provision of advice and then ACTPLA make a decision whether to proceed with the exemption or not? They take

that advice into account, or not, as they see fit?

Mr Papps: Essentially that is correct.

MR RATTENBURY: As to tree protection, when you give approval to damage a protected tree under the Tree Protection Act, how do you ensure that people have sufficient time to appeal that decision before the tree is actually damaged?

Mr Papps: There is an opportunity for a reconsideration of a decision. Because I am aware of it being raised with me under these circumstances, that provides neighbours, in particular, with an opportunity to provide advice or input.

MR RATTENBURY: There are obviously appeal rights under the Tree Protection Act, and ultimately a review of the decision is available under the Administrative Decisions (Judicial Review) Act. That is my understanding. That is of no use to anybody if the tree is knocked over very quickly after the initial decision is made. Is there a legislated time frame?

Ms McKeown: I would have to take that on advice. I have not gone through a decision under the Tree Protection Act. I presume that you would not be allowed to take the tree out for 28 days. That is the usual, standard thing, but I will check that and take it on notice.

THE CHAIR: I want to move on to offences under the investigations section on page 210 of the annual report. Were any of the offenders in those investigations warned more than once for an offence?

Mr Papps: I do not have that detail; I will have to get back to you.

THE CHAIR: If you could take that on notice, that would be good. You may need to take this on notice as well: if that did happen or if it were to happen, what is the next course of action that is taken?

Mr Papps: Again, simply because I want to make sure that the relevant legal officials have an opportunity to provide advice—rather than me just referring back to what is the practice, I want to make sure that I have an opportunity to get it checked legally—I will take that on notice.

THE CHAIR: I look forward to that response. The other question is around import and export licences. What kinds of applications do you get for the import and export of native animals into the territory? There seems on both counts to be quite a marked increase in this last year, so could you give us an explanation of what is going on there?

Mr Papps: Sure. Import and export licences are issued to allow non-exempt species to be brought into or taken out of the ACT. They are frequently issued to the National Zoo and Aquarium and Tidbinbilla to allow the transfer of animals between institutions or to private keepers who are purchasing animals, mainly reptiles, from interstate or taking them out of the ACT.

I imagine, although I have not had any formal advice and again will check, that the fluctuation reflects probably more often than not the private market and the private collectors and the trades that they are undertaking, and in that case it is probably just simply a matter of year to year changes in interest from private collectors.

THE CHAIR: Do we have a significant number of private collectors in the ACT and how is that monitored?

Mr Papps: I am not aware that we monitor the number—

Ms McKeown: I can possibly answer that. There is a licensing compliance section. There are quite a few people who have reptiles—a few have more than one or two—and the compliance officers do go around and check to make sure that animal welfare issues are taken into consideration, that the animals are housed correctly and fed correctly, all those sorts of things.

Mr Papps: You cannot just go off the number of licences; as Helen says, an individual may have more than one.

MR RATTENBURY: On what basis is approval given for a native animal to be exported from the ACT and what criteria are there?

Ms McKeown: I cannot remember if there are specific criteria. The licensing compliance area issues those licences. As you said before, there are exempt animals, which are obviously cats, dogs and things like that. There are animals that have special protection status and protected status, so you would not be able to import or export those unless you were like Tidbinbilla or the zoo; the zoo would probably do those. The licensing compliance area gets information or special conditions from the conservation planning and research area where it is required, so if it is a native animal it will get information from the ecologists as to what the conditions should be.

Mr Papps: One of the principal concerns about this, which is sort of self-evident, is that in allowing the importation of fauna, in particular, there are biosecurity issues you want to be reasonably confident of. For example, when importing species, should they be able to escape—even if they are native, they may not be endemic to the ACT—could they establish wild populations and have an unfortunate ecological impact? I think that is particularly true for fish and perhaps to a lesser extent for reptiles. They are some of the considerations that have to be taken into account.

THE CHAIR: Is there an issue around flora? Has there been a lot of activity in that area?

Mr Papps: In native plant licensing?

THE CHAIR: Or exotic plants coming in.

Mr Papps: I am not aware of any specific circumstances pertaining to the time that I have been conservator, but that is only since August this year. So, again, we will get back to you. Clearly from a conservation perspective—so in terms of my role as Conservator of Flora and Fauna—subject to the sort of restrictions of the legislation,

my overriding concern is to protect the native flora and fauna of the ACT. When you are moving species around, be they plant or animal, it raises biosecurity issues once again if you are bringing in something that is going to get away and become another pampas grass or another invasive species that has a deleterious impact.

THE CHAIR: Or Paterson's curse. Has that sort of checking been done on the trees coming into the arboretum?

Mr Papps: I am not aware of that; I will have to get back to you. I will get you a specific response to that, but I have to say that, to the extent that I have had any interaction with the arboretum and the National Zoo and Aquarium, they are very professional. They have a very strong commitment to ensuring that the conservation needs in the ACT are met, so I do not expect there to be any issues. I am not aware specifically of the arboretum, so I will provide you with that answer later.

MR RATTENBURY: One last question on the advice that you give: when the conservator comments on a plan of management such as Tidbinbilla or Jerrabomberra wetlands, where do those comments go? Are they made public? I presume they go to the person conducting the draft?

Mr Papps: Yes. There is a planning process for a reserve land like Tidbinbilla that has to be gone through that involves the exhibition of a draft, the consideration of comments and then the production of a final plan. I am asked, as conservator, to provide comments on the draft plan and they are taken into account in constructing the final plan. I am not sure whether they are made public. I really do not know the answer to that question. I do not see any reason why they ought not be, but, again, I will have to let you know.

Ms McKeown: Until the new Planning and Development Act came into being, the conservator was responsible for preparing plans of management under previous legislation, so it is only the last couple of plans that have been prepared by the custodian with a mandatory referral to the conservator. I am assuming—I have not actually looked into it—that when you go out for public notification you have to do a report on all comments provided, and I am assuming that that would be a part of that and that it would be publicly available.

THE CHAIR: Thank you, Mr Papps and Ms McKeown, for appearing this afternoon. That completes the annual report hearings into the Conservator of Flora and Fauna.

The committee adjourned at 5.06 pm.