



**EnergyAustralia**

9 June 2020

Brad Archer  
Chief Executive Officer  
Climate Change Authority  
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Dear Mr Archer,

### **EnergyAustralia's comments in support of the Climate Change Authority's 2020 Review of the Emissions Reduction Fund**

We welcome this opportunity to provide comments in support of the Climate Change Authority's 2020 Review of the Emissions Reduction Fund (the ERF), known Federally as the Climate Solutions Fund (the CSF).

EnergyAustralia is one of Australia's largest energy companies, providing gas and electricity to 2.4 million household and business customer accounts across Eastern Australia. EnergyAustralia controls over 5,000 MW of electricity generation, including around 850 MW of renewable energy and 80 MWh of grid scale batteries.

EnergyAustralia operates one of the largest certified<sup>1</sup> carbon dioxide offset programs in Australia. Since 2016, EnergyAustralia has provided our residential customers with the ability to fully offset the emissions associated with their electricity use at no cost to them. We have recently extended the offer to offset gas use emissions and subscriptions are growing rapidly. Over 220,000 customers have opted in to 'Go Neutral', our offset program, and by the end of 2019 we had voluntarily purchased cumulative offsets equivalent to almost 1.6m tonnes of carbon dioxide.

Our goal is to achieve carbon neutrality by 2050. You can find out more at [energyaustralia.com.au/Carbon-Neutral-by-2050](http://energyaustralia.com.au/Carbon-Neutral-by-2050).

### **We must ensure we have a thriving offsets sector**

EnergyAustralia is one of a growing number of leading Australian companies committed to net zero carbon emissions by 2050. As we progress towards this goal, it is critically important that we are supported by a thriving and stable domestic carbon offset production sector. We must ensure that there is growth in domestic production of offsets to meet growing demand over time, and that producers can build long-term businesses in the absence of boom-bust conditions.

Carbon offsets have an important contribution to make as we pursue the lowest cost means of delivering carbon abatement. Beyond the importance of the local offsets market to companies motivated to offset their emissions, production of certified offsets should provide important economic opportunities to a broad range of producers, with particular relevance

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<sup>1</sup> Certified under the NCOS Carbon Active program

for our regions. With the quality of Australian Carbon Credit Units recognised globally, production could be fostered to deliver growth in offset exports.

#### **6.1 “What role could the ERF play in future economic recovery efforts?”**

We see significant potential for offsets to support regional economic growth. Beyond the existing ERF architecture, we see a role for support programs and the alignment of agencies that help bring regional offset projects to market to promote growth in offsets and employment. These regions might be selected following natural disasters or to build a region’s resilience to economic changes that we might expect in future years as the economy decarbonises.

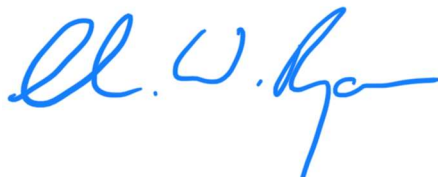
Programs that provided long-term support in the form of information sharing, mentoring, sponsored accreditation and audit and other administration services would help increase offset production and grow the offsets economy in regions more broadly.

#### **4.3, “What are your views on method prioritisation, method development and method review processes in the ERF?”**

It is important that the highest potential, most transformative and cost-effective carbon dioxide abatement projects are promoted to success under the CSF. Consistent with the consultation now confirmed to advance a new method to recognise Carbon Capture Utilisation and Storage, we recommend that parties that bring forward new concepts to develop new offset methods receive full administrative support to take them forward. We recommend transparency as concept new methods are prioritised.

For further information please contact Anna Hancock on 03 9976 8798 or at [anna.hancock@energyaustralia.com.au](mailto:anna.hancock@energyaustralia.com.au)

Yours sincerely,



**Chris Ryan**  
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