

AUSTRALIAN GOVERNMENT SEEKS FEEDBACK ON ENERGY EMISSIONS TECHNOLOGY INVESTMENT ROADMAP DISCUSSION PAPER

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Australia Energy, Infrastructure, and Resources Alert

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WHAT HAS HAPPENED?

The Australian Government is seeking feedback on its *Technology Investment Roadmap Discussion Paper* (Technology Discussion Paper) which aims to provide a strategic and system-wide focus for future investments in low emissions technologies.

Submissions on the Technology Discussion Paper must be provided by 21 June 2020.

WHY IS THE TECHNOLOGY DISCUSSION PAPER IMPORTANT?

The Technology Discussion Paper follows the announcement by the Minister for Energy and Emissions Reduction on 21 May 2020 which confirmed that the Australian Government will:

- articulate its technology priorities through annual Low Emissions Technology Statements to guide investment through to 2050
- commit to producing hydrogen at below AUD2 per kilogram as the Australian Government's first "priority technology stretch goal".

The feedback provided on the Technology Discussion Paper will help inform the first *Low Emissions Technology Statement*, which is proposed to be issued by the Australian Government in Q3 2020.

The Low Emissions Technology Statement will be used:

- to guide the Australian Government's investment decisions to reduce emissions (including in the October 2020 budget)
- as the cornerstone of a proposed Long Term Emissions Reduction Strategy to be delivered ahead of the *United Nations Climate Change 26th Conference of the Parties (COP26)* in 2021.

WHAT IS COVERED BY THE TECHNOLOGY DISCUSSION PAPER?

The Technology Discussion Paper recognises that partnering with industry to support investment in the development of new technologies across energy intensive sectors is key to reducing greenhouse gas emissions and achieving a secure and low cost electricity supply.

The Technology Discussion Paper focuses on incentivising voluntary emissions reductions on a broad scale and does not commit to a further emissions reduction target.

The indicative shortlist of priority technologies in the electricity sector assessed in the Technology Discussion Paper include:

- gas generation "to firm variable renewables"
- pumped hydro
- onshore/offshore wind
- micro-grids
- next generation solar photovoltaic technologies
- large-scale batteries
- small modular nuclear reactors.

The Technology Discussion Paper focuses on investment to support the affordability, security and reliability of the electricity supply as well as reduce emissions. While renewables remain a clear focus of future investment decisions the Government has also:

- indicated that the export of LNG is global low emissions opportunity and domestic gas supply has an essential role in supporting variable renewable energy
- hydrogen remains an option if it can be produced at below AUD2 per kilogram so as to become competitive
- not excluded coal from the Government's vision for a low emissions future.

HOW HAS THE TECHNOLOGY DISCUSSION PAPER BEEN RECEIVED?

The Technology Discussion Paper has attracted a degree of criticism and controversy, including in relation to its:

- lack of targets on emissions reduction or policy on regulatory reform to achieve these ([see here for example](#))
- emphasis on gas as an essential fuel for a low emissions future (see for example, a report prepared by the Climate Council entitled [Primed for Action: A Resilient Recovery for Australia](#)).

HOW CAN I MAKE A SUBMISSION?

The Government is seeking submissions on the Technology Discussion Paper until 21 June 2020. Please [see here](#) for a copy of the Technology Discussion Paper and to make a submission.

Specific issues on which submissions are being sought include:

- challenges, trends and advantages that should be considered in determining Australia's technology priorities
- the technologies that should be prioritised

- barriers that need to be addressed to enable priority technologies to be adopted at scale in Australia
- areas where is Australia well-placed to take advantage of future demand for low emissions technologies
- suggestions for "economic stretch goals" for the cost-effective deployment of priority technologies.

Please let us know if you would like more information on the implications of the Technology Discussion Paper for your business or any assistance in preparing a submission.

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