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Australia's climate policy: an update

CPLC
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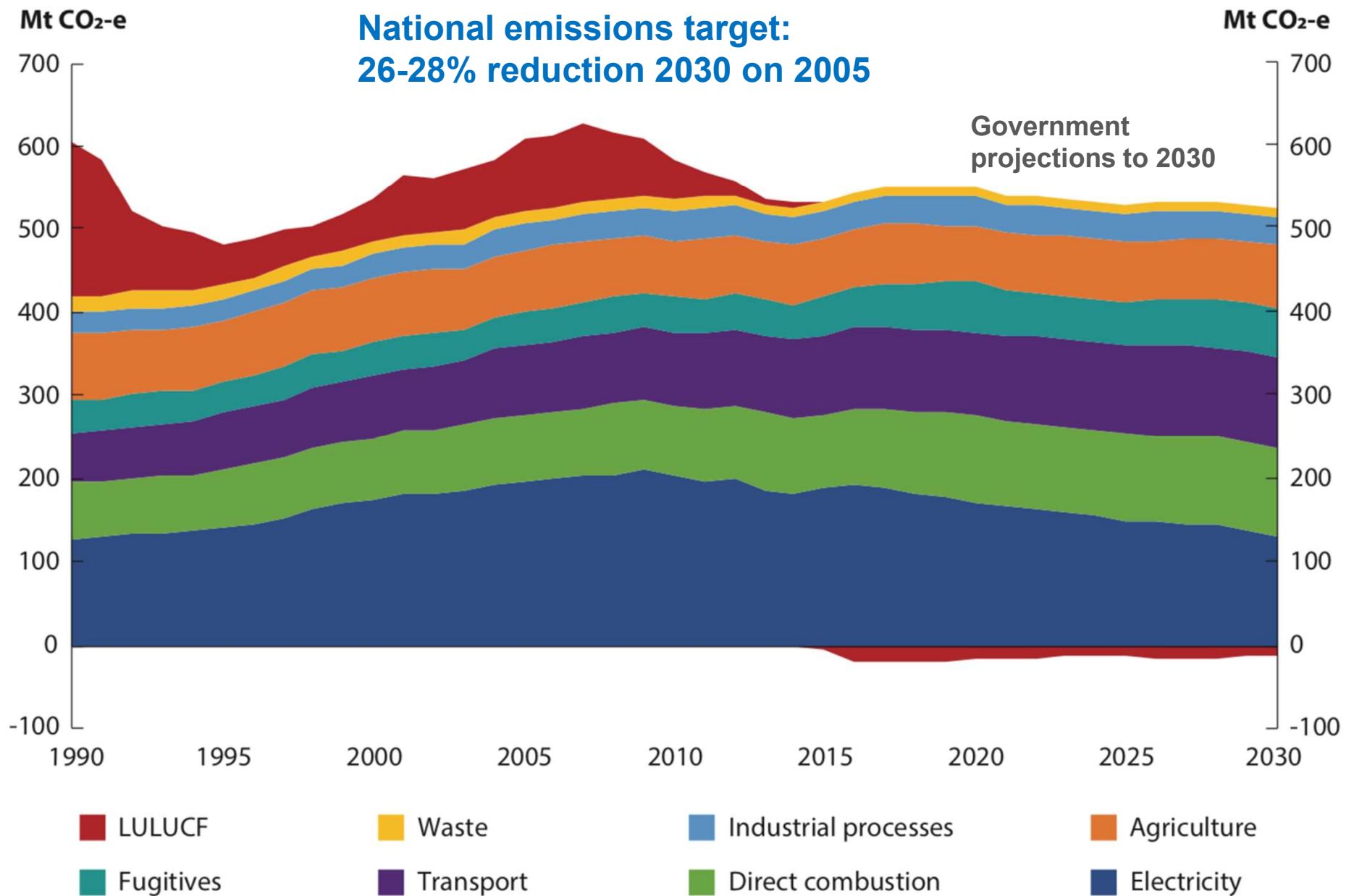
Context



- Domestic energy supply still largely fossil fuel
- Large and influential coal and gas industries
- Unlimited opportunity in renewables
- ... incl possibly for RE-based exports
- rapid investment in solar & wind
- Climate policy a ‘political football’
- Present federal government will not implement carbon pricing: “technology not taxes”



Figure 4: Australia's emissions, 1990 to 2030

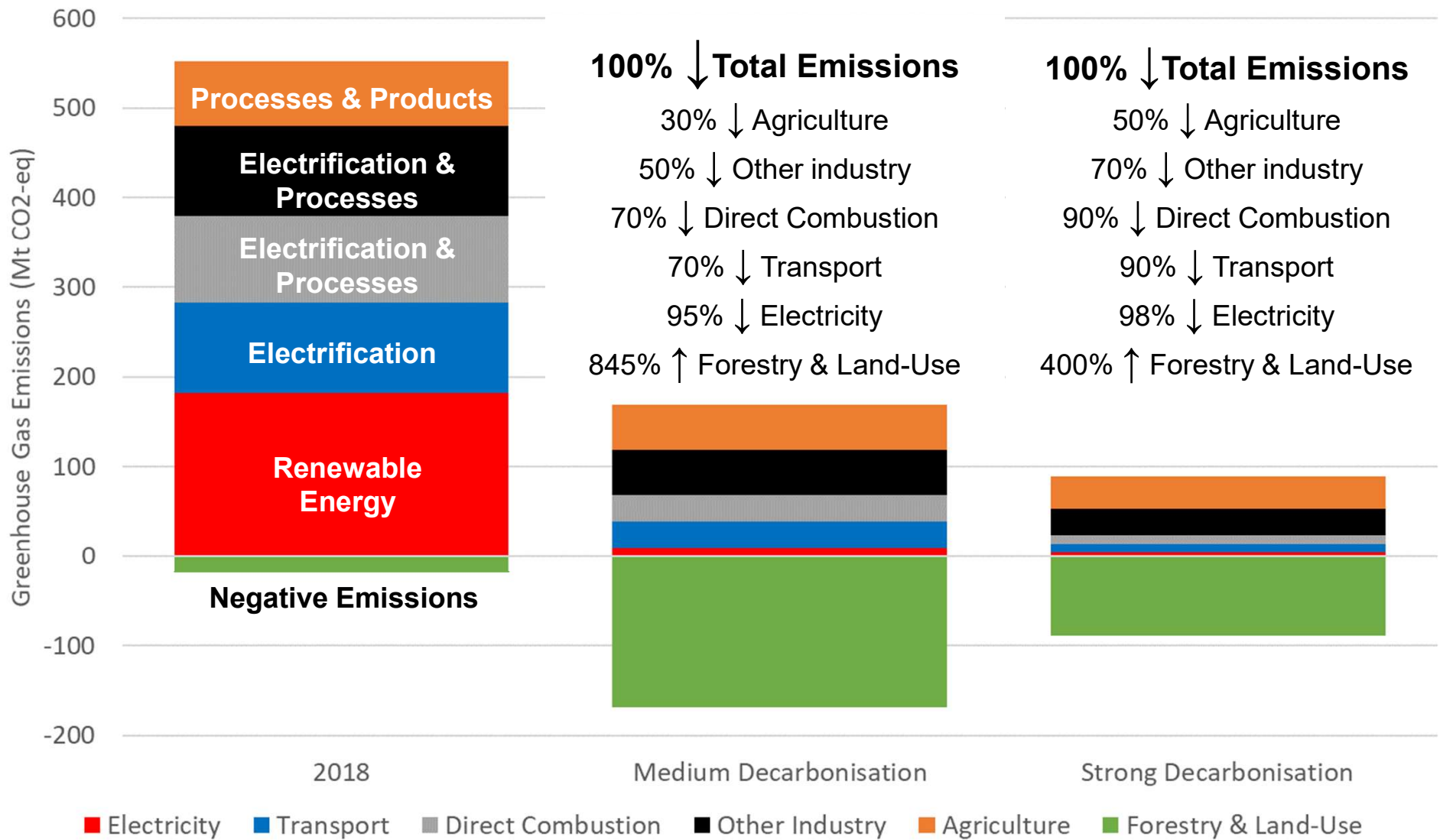


Source: Australian government (DoEE) 2019 Emissions Projections



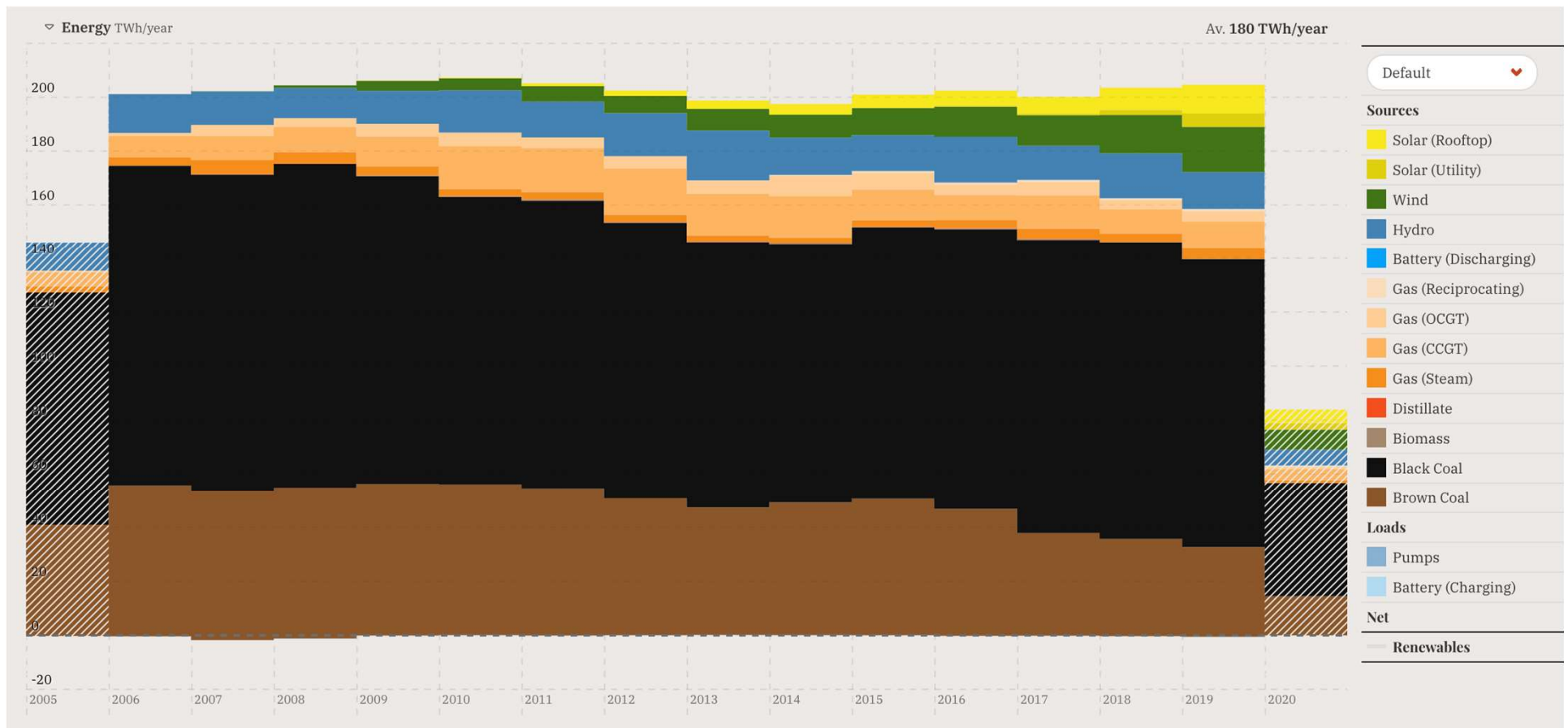
Possibilities for decarbonisation

Net-Zero Decarbonisation Scenarios for Australia



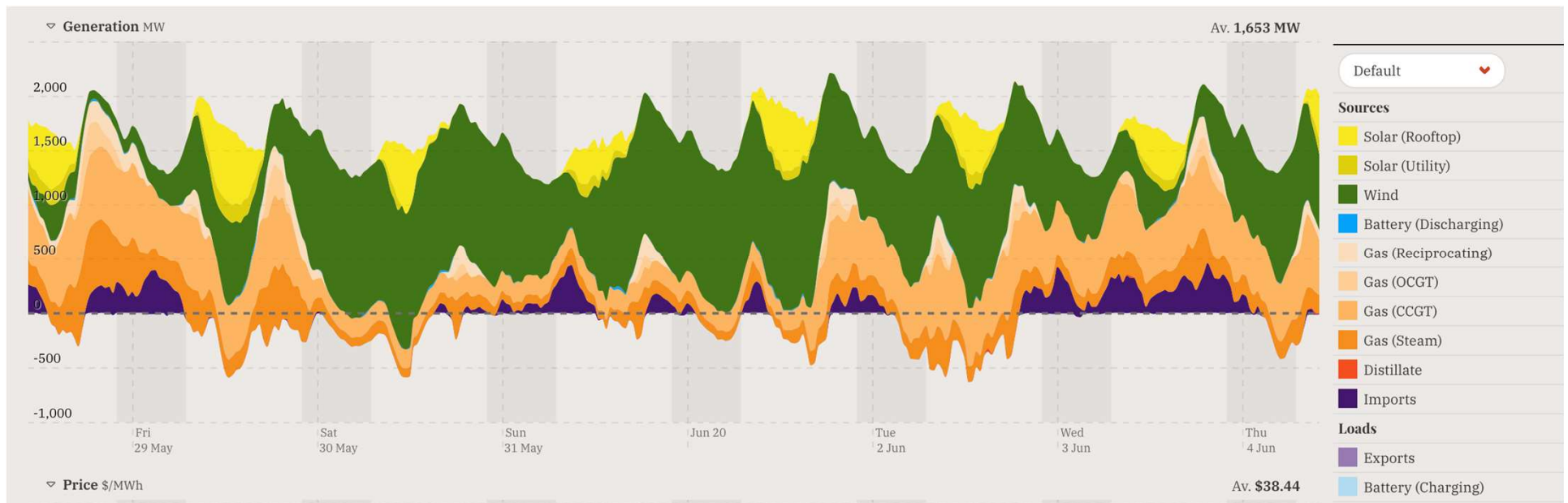


Australia's power supply mix: Renewables start displacing coal





South Australia's power supply mix: Wind+PV now avg ~60% of State's power supply



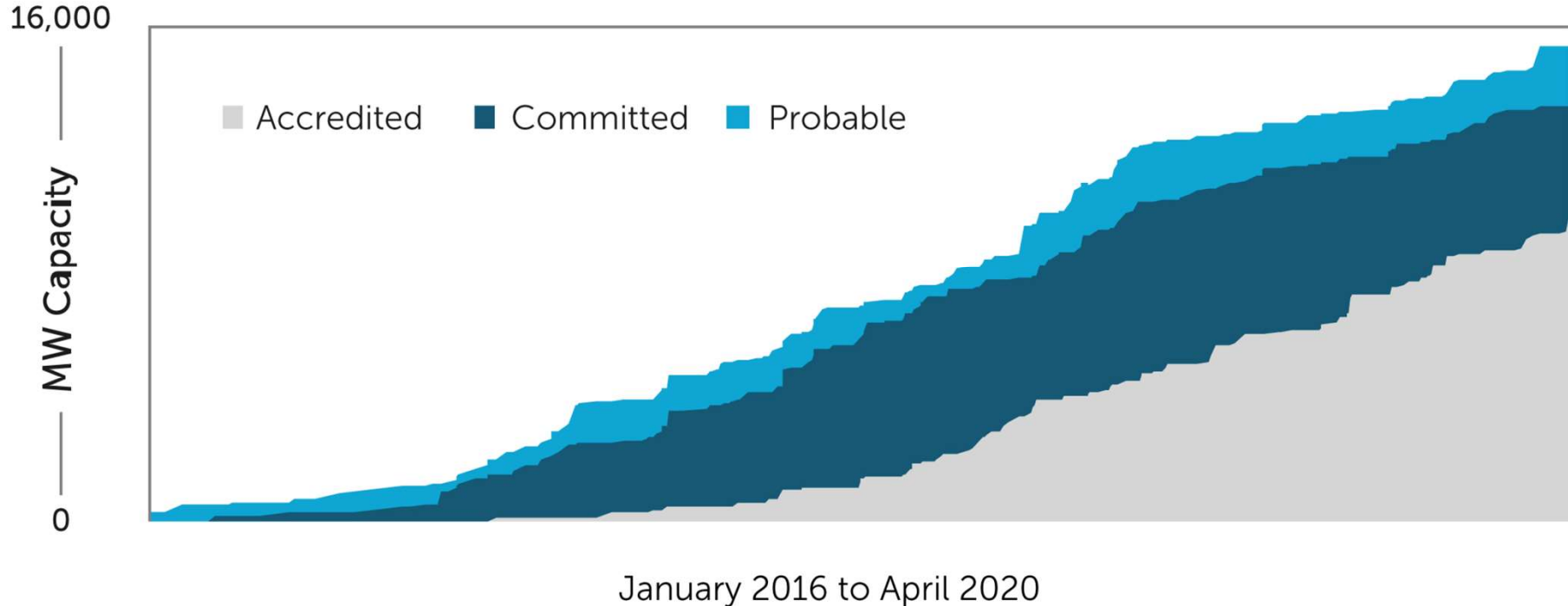


Renewable energy investment pipeline

Huge wind/PV investment boom

Renewable Energy Target scheme runs out in 2020, but RE investments are now commercially viable

Renewable energy project pipeline progress



Existing climate policy (Australia 2020)

- Project-based crediting and government purchasing
 - ‘Emissions reductions fund’
 - Prices so far ~A\$14/tCO₂, total amount available ~A\$4.5b
 - Mostly agriculture & avoided deforestation, now to be expanded to industry
- Industry benchmark scheme
 - ‘Safeguards mechanism’ defines maximum emissions intensities
 - Largely ineffective – few penalties for exceeding benchmarks
 - Govt considering to provide subsidies for businesses below benchmark
- Clean energy support
 - R&D: Aus Renewable Energy Agency (ARENA)
 - Green Bank: Clean Energy Finance Corporation



Existing climate policy (Australia 2020)

[no carbon price]

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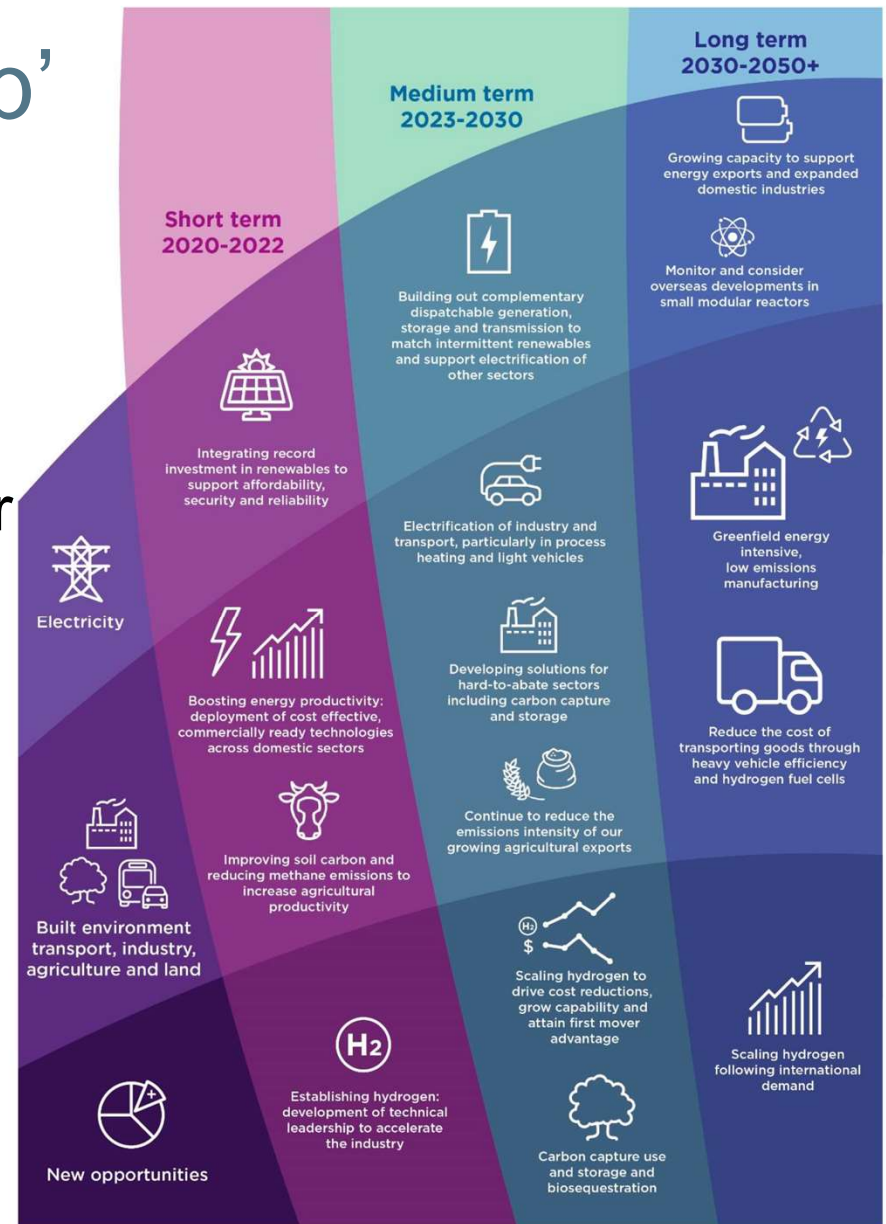
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‘Technology Roadmap’

- Roadmap process underway
- Will be heart of Australia’s Long Term Emissions Strategy
- Identify priority technologies for future energy system
- Discussion paper: wide range of options canvassed
- Renewables, storage; gas, CCS for industry; (not coal)



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