



Minister for Climate Change and Energy Efficiency
Minister for Industry and Innovation

ALGA MAIL	
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Mayor Felicity-ann Lewis
President, Australian Local Government Association
8 Geils Court
DEAKIN ACT 2600

09 OCT 2012

Dear Mayor

Thank you for the letter of 3 September 2012 from your previous President Genia McCaffery, concerning the resolutions passed at your recent National General Assembly (NGA).

Local government plays a key role in assisting the delivery of energy efficiency gains and climate change resilience in buildings and public facilities. This will inevitably determine the extent of our carbon footprint, our adaptability and the sustainability of our communities.

The Australian Government has a number of processes in train that relate to the NGA resolutions forwarded to me.

Resolution Numbers: 34 & 47

The Government is working with the state and territory governments to deliver a range of building and planning measures following the Council of Australian Governments' (COAG) 2009 agreement to the National Strategy on Energy Efficiency (NSEE). To improve Australia's future building stock and provide certainty to industry and the community, the National Building Standard-Setting, Assessment and Rating Framework (NSEE measures 3.1.1, 3.2.1 and 3.3.1) will set a pathway for future increases in the stringency of the energy efficiency provisions for all new commercial and residential buildings. The Framework will incorporate the flexibility to cover broader sustainability elements over time including consideration for low and zero emission technologies (such as rooftop solar cells), greenhouse gas emissions and water consumption.

As part of assisting ongoing market transformation, the Your Home information portal www.yourhome.gov.au offers consumers cutting edge design and construction advice. *LivingGreener* www.livinggreener.gov.au also assists Australians to find a huge range of practical information on how to save energy, cut power bills, conserve water, reduce waste and travel smarter.

Resolution Number: 36

The Government recognises the importance of ensuring that planning decisions incorporate best practice in managing the impacts of climate change. Best practice planning will maximise social, environmental and economic benefits and reduce potential future costs and liabilities, for example by ensuring buildings in areas at risk of inundation are built to an appropriate standard.

The Government recognises that the state and territory governments are primarily responsible for statutory land-use planning, with some responsibilities delegated to local governments. The importance of the coastal zone for the national economy, together with the presence of significant Government assets and investments, means that the Government has a legitimate interest in engaging with the states in coastal planning policies.

The Government is actively engaging on these issues with the state and territory governments and the Australian Local Government Association (ALGA) through the COAG Select Council on Climate Change.

Resolution Number: 37

The Government recognises that the three levels of government in Australia have different responsibilities and will therefore have differing roles in helping Australia adapt to the impacts of climate change. The Government has stewardship of the national economy and is responsible for promoting Australia's national interests more broadly. State, territory and local governments, by contrast, deliver more services and manage more assets than the Government. They will therefore have a bigger role in direct adaptation action. In many cases impacts of climate change are most effectively managed by a single state, territory or local government. Local governments will be key actors in adapting to the local impacts of climate change.

The Government's interest in coastal climate change adaptation was most recently demonstrated through development of a first pass national vulnerability assessment *Climate Change Risks to Australia's Coast* in 2009; *Climate Change Risks to Coastal Buildings and Infrastructure*: a supplement in 2011; and through the Coastal Adaptation Decision Pathways projects. The risk assessments identified significant risks to coastal settlements, coastal infrastructure and coastal ecosystems, including risks to stocks of residential housing, schools, hospitals, ports and roads. The Coastal Adaptation Decision Pathways projects supported local government and infrastructure managers to develop innovative approaches to managing these risks.

Resolution Number: 38

The Government recognises that there are a number of legal and planning issues around managing coastal climate risks that would benefit from a coordinated national approach. The Government has supported the ALGA to clarify legal liability issues of concern to local government, specifically through co-funding the report into local council risk of liability as a result of climate change. The Government has also engaged a law firm to review state legal frameworks in relation to coastal planning and decision making. The resulting reports (*Coastal Climate Change Risk – Legal and Policy Responses in Australia* and *Local Council Risk of Liability in the Face of Climate Change – Resolving Uncertainties*) are now publicly available.

Resolution Numbers: 39 & 42

The Government, recognising its leadership role in supporting local governing authorities in their efforts to improve their energy efficiency, has established the \$24 million Local Government Energy Efficiency Program. Under the Program each local governing authority is eligible to make one application for funding to support the installation of solar and heat pump hot water systems in one or more of their buildings or community facilities.

It is likely applications to access funds under the Local Government Energy Efficiency Program will open shortly. Further information is available at <http://www.climatechange.gov.au/en/government/initiatives/lgeep.aspx>.

Resolution Number: 46

The Government primarily supports solar energy in areas off the main electricity grid through the Renewable Energy Target (RET) Scheme, which is designed to deliver on the Government's commitment that the equivalent of at least 20 per cent of Australia's electricity comes from renewable sources by 2020.

The RET encourages the deployment of both on and off-grid installations of small-scale systems, including solar panels and solar water heaters through the Small-scale Renewable Energy Scheme (SRES). The SRES provides upfront capital support for small-scale solar photovoltaic installations up to a capacity of 100 kilowatts (kW) by allowing eligible systems to create tradeable certificates at the time of installation. The Solar Credits mechanism under the RET boosts support by multiplying the number of certificates able to be created for the first 1.5 kW of capacity installed for systems connected to a main electricity grid and up to the first 20 kW of capacity for off-grid systems.

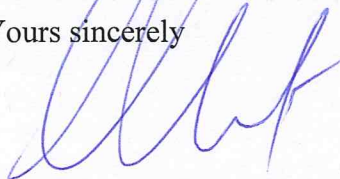
Another program supporting solar energy in remote and rural areas is the Remote Indigenous Energy Program (RIEP). The RIEP provides \$40 million over four years to support Indigenous people to make the adjustment to a clean energy future.

Resolution Number: 52

The Community Energy Efficiency Program (CEEP) was established in 2011 and provides grants to support local councils and community organisations to implement energy efficiency upgrades to buildings, facilities and lighting; and to demonstrate to others the benefits of doing so. CEEP has funding of \$200 million over five years from 2011-12. As a merit based program, all applications are assessed against the same eligibility and assessment criteria. Sixty three projects involving more than 70 councils were successful in round one. A further round is likely to be announced later this year. Further information is available at www.climatechange.gov.au/en/government/initiatives/lgeep.aspx.

Thank you for bringing your concerns to my attention.

Yours sincerely



GREG COMBET