

Mandatory Commonwealth Grants Rules and Guidelines requirements

1. Under the requirements of the *Commonwealth Grants Rules and Guidelines* (CGRGs), you have mandatory obligations associated with approving grants presented by the Department. These include:
 - a) Where you approve expenditure under section 71 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), in relation to a grant or group of grants, you must not approve the grant without first receiving written advice from entity staff on the merits of the proposed grant or group of grants. That advice must meet the requirements of the CGRGs paragraph 4.6. The Department has provided the terms and a suggested basis for your agreement.
 - b) Where the proposed expenditure of relevant money relates to a grant, where you exercise the role of approver you must also record, in writing, the basis for the approval relative to the grant guidelines and key considerations of value with relevant money. The Department has provided the terms and a suggested basis for your agreement.
 - c) Where you approve a grant situated within your own electorate, whether it is one the Department recommended, did not recommend (recommended for rejection) or deemed ineligible (recommended for rejection) for funding, you are required to provide the details of your decision in writing to the Minister for Finance at the time of approval, except where grants are awarded Australia-wide, state-wide, or across a region on the basis of a formula. Where there is correspondence to the relevant grant recipient, a copy of this letter is sufficient, except if the approval relates to a grant in your own electorate. If there is no correspondence, Ministers must write to the Finance Minister advising of the decision as soon as practicable after it is made.
 - d) Where you approve a grant the Department has not recommended (recommended as rejected) or deemed ineligible (recommended as rejected) for funding, you must provide written advice on the basis of your approval for reporting to the Department of Finance in line with the CGRGs annual reporting requirement 4.12, i.e. by 31 March each year for grants approved in the preceding calendar year.
2. In approving grant funding you are doing so under section 71 of the PGPA Act. Approval under section 71 of the PGPA Act means that, after reasonable enquiry, you are satisfied that these spending proposals would be a proper use of relevant money.
3. If your approval is not given, or is made conditional on the applicant meeting additional obligations, please advise the reasons for your decision and any conditions placed on the approval, for follow-up by the Department.
4. If a grant is approved with funding in future financial years, then the Department will arrange agreement in accordance with subsection 15(c) of the PGPA Act (which relates to the financial sustainability of the Department) that there are sufficient funds in forward estimates to support an arrangement for which an appropriation of money has not yet been authorised by the provisions of an existing law or a proposed law that is before Parliament.

Backing reliable energy for commercial and industrial users

8 February 2020

Joint media release with Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development, the Hon Michael McCormack MP, Minister for Resources, Water and Northern Australia, the Hon Keith Pitt MP and Assistant Minister for Northern Australia, the Hon Michelle Landry MP

The Australian Government is focused on supporting new electricity generation projects in central and north Queensland that will drive down power prices, improve reliability and support a stronger economy.

Through the \$10 million Supporting Reliable Energy Infrastructure program, the Government will provide support to two projects to ensure affordable and reliable energy for commercial and industrial customers, specifically for high energy-using and trade-exposed industries in central and North Queensland.

This delivers on an election commitment with grant funding including:

- Up to \$2 million for a pre-feasibility study on Renewable Energy Partners Pty Ltd's proposed 1.5 gigawatt (GW) pumped hydro-electric plant which is to be developed in conjunction with the proposed Urannah Water Scheme, located between Collinsville, Proserpine and Mackay in Queensland.
- Up to \$4 million to support Shine Energy Pty Ltd's feasibility study for a proposed 1GW high efficiency, low emissions coal plant at Collinsville in Queensland.

Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development Michael McCormack said the Australian Government is committed to supporting efforts to drive down prices and bolster system strength.

"The Liberal and Nationals Government is ensuring households, businesses and industries get a fair deal on energy, keeping our economy strong. We are supporting two promising new generation projects to deliver the reliable, affordable power that the North Queensland economy needs to grow and thrive," Mr McCormack said.

Minister for Energy and Emissions Reduction Angus Taylor said an independent strategic study has identified system strength is a real concern in central and north Queensland, and new synchronous generation is a priority to meet the energy needs of customers in the region.

"Our plan to unlock investment in new, reliable generation capacity will increase competition, keep the lights on, and lower prices to better support our commercial and industrial sector so they can employ more Australians and remain internationally competitive," Minister Taylor said.

Minister for Resources, Water and Northern Australia Keith Pitt said the commitments would help secure long-term energy supplies, which are crucial to economic development and Queensland jobs.

“This investment is laying the platform to help ensure that reliable, cheap electricity is available when it is needed, and will help drive down prices for businesses and their customers across Queensland and Australia,” Minister Pitt said.

“We are delivering on our election commitments and investing in the future with up to \$4 million to investigate the feasibility of a high efficiency, low emissions (HELE) coal plant at Collinsville.”

Assistant Minister for Northern Australia Michelle Landry said she was pleased to see the Australian Government support new energy projects in Capricornia.

“I have fought hard to see these projects come to fruition, and I’m glad to see the money to support job-creating projects will start to flow for the benefit of people in Capricornia,” Ms Landry said.

“While it is important we have reliable baseload power, projects such as these will help create more jobs and cheaper energy for hardworking families.”

The Government will also allocate up to \$1.5 million to work with the Queensland Government and industry on electrifying Curtis Island. A bilateral deal on the electrification of the Curtis Island LNG facilities is a high priority for the Commonwealth Government. Partial electrification could free up to 12 petajoules of natural gas for use in the domestic market which will reduce emissions and lower gas prices.

Today’s announcement builds on Government action already underway in regional Queensland to bring down prices and improve reliability, including:

- A \$990,150 grant towards a feasibility study for a microgrid in the Daintree region under the Government’s Regional and Remote Communities Reliability Fund (Microgrids Fund).
- A \$5.17 million grant to support feasibility work for the proposed CopperString 2.0 transmission line, connecting Mt Isa to the National Electricity Market.
- Up to \$610 million conditionally approved loan for the development of the Genex’ Kidston Pumped Hydro Project under the Northern Australia Infrastructure Facility.
- Up to \$3 million in grants by ARENA for two hydrogen feasibility studies in Queensland to Nitrates Pty Ltd and Dyno Nobel Moranbah Pty Ltd.
- A total of \$2 million in funding from ARENA for a demonstration of thermal energy storage in Queensland to Glaciem Cooling Technologies Pty Ltd.