

Federal Budget 2018-19 Fast Facts



Energy & Resources

As expected in an election year, the politically sensitive issue of domestic power bills, energy security and sustainability and emissions reduction were addressed in the budget.

Most important take outs

- The average Australian household power bill will fall by \$400 from 2020 following the introduction of the National Energy Guarantee.
- The government will invest \$50.8m over four years to support a pilot phase of the Hydrogen Energy Supply Chain project. This is designed to develop an integrated supply chain for liquid hydrogen, converted from Victorian brown coal, to be shipped to Japan.
- Government to provide \$37.6m over five years to support measures to improve energy affordability, reliability and sustainability. This will include better planning and system security, and improve the functioning of the gas market.
- The emissions reduction target will remain at 26% to 28% and not the 45% previously demanded by the Opposition.
- The government will not adopt the 50% renewable energy target demanded by the Opposition.

Main impacts to your business

- Existing subsidies payable to energy sources and technologies will be phased out from 2020. In particular, the Coal Mining Abatement Technology Support Package will cease. To offset this the government will fund emerging energy priorities.
- Energy prices will continue at the current high levels in the medium term.

Maximising your opportunity

- Continue to focus on energy efficiency.
- The Hydrogen Energy Supply Chain project investment by the Federal and Victorian Governments will provide an opportunity for a new export industry to Japan, and diversify employment opportunities in the Latrobe Valley.

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