

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Budget Estimates 2017–18

Melbourne — 19 May 2017

Members

Mr Danny Pearson — Chair

Mr David Morris — Deputy Chair

Mr Steve Dimopoulos

Mr Danny O'Brien

Ms Fiona Patten

Ms Sue Pennicuik

Ms Harriet Shing

Mr Tim Smith

Ms Vicki Ward

Witnesses

Ms Lily D'Ambrosio, Minister for Energy, Environment and Climate Change,

Mr Adam Fennessy, Secretary,

Ms Carolyn Jackson, Chief Financial Officer,

Dr Paul Smith, Deputy Secretary, Energy, Environment and Climate Change,

Mr Lee Miezi, Deputy Secretary, Forest, Fire and Regions, and

Ms Stephanie Rotarangi, Chief Fire Officer, Department of Environment, Land, Water and Planning.

The CHAIR — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2017–18 Budget Estimates. All mobile telephones should now be turned to silent.

I would like to welcome the Minister for Energy, Environment and Climate Change, the Honourable Lily D'Ambrosio, MP; Mr Adam Fennessy, Secretary, Department of Environment, Land, Water and Planning; Ms Carolyn Jackson, Chief Financial Officer; Dr Paul Smith, Deputy Secretary, Energy, Environment and Climate Change; and Mr Lee Miezi, Deputy Secretary, Forest, Fire and Regions. Witnesses in the gallery are Stephanie Rotarangi, Chief Fire Officer; Scott Hamilton, Executive Director, Renewable Energy; Paul Murfitt, Executive Director, Energy Policy; Nina Cullen, Executive Director, Biodiversity; Will Guthrie, Acting Executive Director, Land Management Policy; Matthew Jackson, Chief Executive Officer, Parks Victoria; Kath Rowley, Executive Director, Climate Change; Ian Sargent, Chief Financial Officer, Parks Victoria; Nial Finegan, Chief Executive Officer, Environment Protection Victoria; and Stan Krpan, Chief Executive Officer, Sustainability Victoria.

All evidence is taken by the committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Comments made outside the hearing, including on social media, are not afforded such privilege. Witnesses will not be sworn but are requested to answer all questions succinctly, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament, and subject to penalty.

All evidence given today is being recorded by Hansard, and you will be provided with proof versions of the transcript for verification as soon as available. Verified transcripts, presentations and handouts will be placed on the committee's website as soon as possible.

All written communication to witnesses must be provided via officers of the PAEC secretariat. Members of the public gallery cannot participate in the committee's proceedings in any way and cannot photograph, audiorecord or videorecord any part of these proceedings.

Members of the media must remain focused only on the persons speaking. Any filming and recording must cease immediately at the completion of the hearing. I invite the witness to make a very brief opening statement of no more than 10 minutes, and this will be followed by questions from the committee. Minister.

Visual presentation.

Ms D'AMBROSIO — Thanks very much, Chair, and to all of you as committee members. If I can refer people to the slides that we have, which help to focus on the key positives, if you like, the key outcomes of the budget that has just gone past, and that reflects my whole-of-portfolio responsibilities. I am very proud to share with you all that the portfolio now has an historic high investment of \$811.2 million over the next four years, and that is from the 2017–18 to 2020–21 period.

We are getting on with the task of protecting our fantastic biodiversity, addressing climate change, reducing bushfire impacts, providing secure and affordable energy, and delivering community benefits for the management of our parks, forests and zoos. It is a fantastic story, Chair. We are creating new opportunities and new jobs right across the state. All of these things matter. To do this we have drawn down on the Sustainability Fund in a record spend that sees \$166 million invested this year and a total of \$419 million over the next four years.

Victoria's biodiversity is critical to our environment, to our health and to our economy. That is why we are investing a further \$86.3 million to start implementing our biodiversity plan, *Protecting Victoria's Environment — Biodiversity 2037*. We have secured ongoing funding of \$20 million a year. A significant portion of this total investment, \$65.5 million over four years, will go to on-the-ground actions to stop the decline of Victoria's unique biodiversity. This initiative will create 200 direct regional jobs and between 1200 and 2000 indirect regional jobs. So when we do good things by our environment, we do good things for everyone in terms of regional jobs and investment in those communities.

We are also investing heavily in our Environment Protection Authority, committing \$162.5 million to modernise the EPA, expand its functions, increase its expertise, implement new legislation and improve the public's access to information.

Our waste and resource recovery sector are receiving their largest return ever from the Sustainability Fund to keep e-waste out of landfill, enhance Victoria's capacity to manage waste, litter and resource recovery and ensure Victoria continues to have the lowest litter count nationwide.

Our coasts are enjoyed by many Victorians, and they will see an injection of \$7.2 million to improve the management of Victoria's marine and coastal environments.

We will continue the award-winning ResourceSmart Schools program, with a further \$4.4 million over the next two years, with more than 600 000 students participating to date.

This budget gets started on the remediation of gun club sites across the state, making a significant contribution towards the livability of our regions.

The Andrews Labor government has committed \$122 million over the next four years within the energy portfolio, \$88.8 million is to modernise Victoria's energy system by supporting large-scale solar initiatives and encouraging the development of the renewable energy sector in Victoria. We are committed to helping Victorians reduce their energy bills, and that is why we have committed \$10.8 million to develop the comprehensive Victorian Energy Compare consumer awareness campaign, a concept study to plan the delivery of an energy data hub to increase consumer and third-party access to energy data and a pilot energy brokerage service to support hardship and culturally and linguistically diverse consumers.

Victoria will continue to lead across the nation on energy policy, and we will advocate strongly for reform at the Council of Australian Governments energy council.

Excitingly, as announced earlier this year, Victoria will begin to transform its public transport network, with \$9.5 million towards the purchasing of solar power for Melbourne's 410-strong tram fleet.

Our state forests are managed for a range of environmental and recreational values and activities, and they support industries and jobs in regional Victoria. That is why we have invested more than \$36 million to strengthen the protection of Victoria's forests and wildlife by strengthening our approach to regulation, compliance and enforcement. We have invested \$6 million to improve the quality of visitor infrastructure in state forests — barbecues, toilets, picnic tables — attracting more visitors and more visitor dollars and providing better experiences. This is the biggest investment in over a decade and will create 35 new jobs — boots on the ground — delivering on our promise to sustain regional economies and communities.

We have also invested significantly in Parks Victoria — \$31.8 million is being invested over the next four years, and \$1.5 million is ongoing to ensure our parks are safe and accessible to the public. This investment in Parks Victoria will strengthen frontline services, improve business systems, enhance communication and education programs and improve facilities. Under the former coalition government total funding for Parks Victoria fell from \$246 million in 2011–12 to \$206 million in 2014–15. We are getting on with the job of rebuilding Parks Victoria so all Victorians benefit from our world-class parks.

As Melbourne expands our natural environment must be planned for, and we have committed in this budget \$22.8 million to kickstart the process of acquiring land to establish three new parks in Melbourne's growth areas. This is the first new injection of parkland in Melbourne in a long, long time. Importantly we will also be finalising the incorporation of Anglesea Heath into the Great Otway National Park.

We know that education about our environment and biodiversity is vital. Our children will also directly benefit from continuing the Zoos Victoria kids free policy for weekends and public and school holidays.

The Andrews Labor government is committed to restoring Victoria's status as a leader in tackling climate change, providing a further \$25.4 million in climate change funding over the next four years. We are not waiting to act; we now have a comprehensive climate change act, climate change framework and adaptation plan, and we are working with government, businesses and community through the TAKE2 climate change pledges to keep global warming to below 2 degrees.

I have met with the dedicated men and women who are our forest and fire officers and project firefighters to discuss the important work they do with emergency services to keep our communities, national parks and public lands safe from the threat of bushfires. I have had the privilege of visiting many Forest Fire Management Victoria depots across the state over the last 12 months. I have attended planned burning and fuel management

briefings, as well as the 2016 Fire Awareness Awards in December last year. I am absolutely proud that our government has invested \$273.3 million through the 2017–18 budget to continue to reduce Victoria's bushfire risk and protect our communities and our environment. Our investment will create 321 new jobs in regional Victoria and will build our firefighting capacity — real jobs, important jobs.

On 1 July 2016 Victoria moved from a hectare-based target to a risk reduction target for our planned burning program, following recommendations by the inspector-general for emergency management. This risk reduction target is guiding fuel management on public land to maintain bushfire risk at or below 70 per cent. As of Monday, 15 May, Forest Fire Management Victoria has reduced bushfire fuels, grasses and shrubs on 118 842 hectares of land across Victoria in the 2016–17 bushfire high-risk period. Of these hectares, 10 450 hectares have been treated by non-burning activities, such as mowing and slashing, and 108 392 hectares have been treated through planned burning.

Importantly 17 000 hectares have been fuel managed, conducted in partnership with the Country Fire Authority across both public and private land. We are successfully delivering Safer Together, the Andrews government's approach to reducing the risk of bushfire in Victoria. Land and fire agencies are working together and with Victorian communities to deliver a reduction in bushfire risks across public and private land. Our preliminary estimate is that statewide residual risk has been maintained at 62 per cent in the 2016–17 period, achieving our target of 70 per cent or below.

Forest Fire Management Victoria is continuing to take advantage of all opportunities to conduct planned burns, so the result will not be known until the end of the 2017 autumn season and accurate and detailed mapping of planned burns is complete. While weather conditions over the 2016–17 season have not been favourable for planned burning activities, several high-priority strategic burns were completed which have contributed to maintaining Victoria's residual risk at this level and making Victorian communities safer.

For example, in March of this year over 80 forest firefighters successfully completed the Kennett-Wye Jeep Track burn, covering over 300 hectares, to provide greater protection for homes and infrastructure in Kennett River as part of an overall plan to reduce bushfire risk to coastal communities along the Great Ocean Road. This burn has been more than five years in the planning, with helicopters being used to ignite areas within the burn that crews could not access. Our investment in reducing bushfire risk is the largest investment since the immediate aftermath of Black Saturday 2009. This demonstrates our absolute strong commitment to reducing the impacts of bushfires to Victorians.

To conclude, Chair, the investment by our government in my portfolio areas through the 2017–18 state budget will create jobs and a stronger, better Victoria for every Victorian. Through the significant investment in my portfolio taking direct action on climate change; protecting our unique environment for this generation and the next; better managing our forests and parks; delivering benefits to regional communities; delivering a reliable, sustainable and affordable energy supply to Victoria; and providing one of the most significant investments towards keeping Victorians, their property and the environment safe from the threat of bushfires. Thank you.

The CHAIR — Thank you very much, Minister, for that comprehensive presentation. We will have government questions until 2.08 p.m. Minister, energy certainly seems to be the topic of conversation at the moment. I think it was Paul Keating who once said that every galah was talking about micro-economic reform, and it certainly seems at the moment, I think, that you cannot — —

Ms SHING — Not to cast aspersions on anyone here being a galah, Chair.

The CHAIR — No. It is almost like you can pick up any newspaper or you see things on Facebook in relation to energy, energy supply and affordable energy. Minister, the budget paper reference for my colleagues is budget paper 3, page 208, which is the energy output in the budget papers. I am just wondering, Minister, whether you could outline to the committee please what steps are being taken across the forward estimates in terms of action to provide individual consumers, households and businesses access to affordable energy.

Ms D'AMBROSIO — Thank you, Chair. Energy affordability certainly is and has been now for some time an area of concern for not just Victorians, business and families but certainly right across the nation. Our government has been very much committed, very strategic in our targeted support to assist families and businesses to be able to manage increasing costs. One of the key parts of that of course is to ensure that we actually get more energy supply into the market. When you get more energy supply into the market, more

supply in any market — and in this case electricity, let us say, as an example — does actually mean more competition and lower prices. So that is one thing that is very important in terms of more generation through our renewable energy target scheme, and I can talk about that a bit later, if you like, Chair.

In terms of some of the details of our budget, we have got strong programs for households and businesses. For example, we have got a very clear focus on minimising energy costs for consumers, including of course a very important tool which is Victorian Energy Compare. Victorian Energy Compare is actually producing fantastic outcomes for consumers whether they are families, whether they are single-person households or whether they are businesses. It actually is an independent website that allows consumers to confidently go to that website hosted by government knowing that they will have every market offer that is available there and actually compare their own costs and consumption patterns and look for the best prices available. And we have got testimonials, Chair, from that exercise, and we are actually going to grow the website and the marketing around it so that we can encourage more and more Victorians to access that.

The CHAIR — It is a fantastic website. I have used it on an annual basis for the last few years. It has been terrific. Sorry, I interrupted your flow.

Ms D'AMBROSIO — No, not at all, Chair. And that is actually a really good point because it is a very easy-to-use website, and I note that there are a number of MPs that have hosted community members to have a look at that website, and some of the testimonials are really indicative of the benefits. Some people have said, if I may, this is just quoting the testimonials:

I thought it was terrific, very straightforward and if I end up switching it appears I will save about \$1000 per annum.

That is extraordinary. A small business said, and I quote:

It showed that I could actually save about \$400 or \$500 off my annual bill, pretty easy decision to make.

Any small business owner should use this tool because there is a good chance you're going to save some money. It's a real no-brainer.

They are just some of the examples of how fantastic this website is. There are a lot of other initiatives there, but I am happy to leave it at that.

The CHAIR — Just coming to businesses, I think often businesses can do one of two options: they can either enter into a long-term contract with an energy provider or they can take their chances in the pool and just buy off the spot market, and some of the risks with that obviously is if you are buying in the pool, you are at the variabilities of the fluctuating energy price, and if you are trying to keep a strong control on your cost base, that may not make a lot of sense. I know it has been reported that there has been talk about some businesses, when they try to renegotiate their contracts, having greater price rises as a consequence because of the volatility in the market. I am just wondering whether you could outline to the committee — again the same budget paper reference — what steps the government is taking to try to provide additional support to those businesses.

Ms D'AMBROSIO — Absolutely. Chair, this is obviously a really critical issue for many businesses in Victoria, especially those in manufacturing and large consumers. They might not be large businesses, although some are, but they are large consumers of gas or electricity. Importantly we know that it has become exceedingly difficult for them to actually get good prices because unfortunately two-thirds of our gas has been allowed to leave Australia's shore by the federal government, and that means that we have got less gas that is allowed here for our domestic use. So what we are doing as a government: of course we cannot control as a state government what leaves our country; certainly Malcolm Turnbull has some of the control and we are hoping he will start to do something proactive in that space to help consumers and businesses in particular.

I think what is really important of course is that we have got a terrific program of boosting business productivity, and what that does — and we have had that program available for a little while now — is it allows businesses to actually seek some financial support for them to do energy efficiency audits and look at what it is in terms of their business practices and processes that actually help reduce energy bills.

We also have the Victorian energy efficiency target scheme that has been in place now for a few years. Thankfully we got elected and saved that — 2000 jobs in that VEET scheme were going to be axed by the former government. That scheme is still there, backing 2000 jobs and, importantly, delivering real savings for businesses.

One of those businesses, for example, is Montague Orchards — they are Montague Fresh and Montague Cold Storage — and they operate about six cold storage facilities providing refrigerated warehousing predominantly for the food and beverage manufacturing sector. They have got an annual bill of more than \$750 000. They operate in Tullamarine. They applied for some support from Sustainability Victoria, and their assessment shows that they have got a potential saving of \$127 000 a year. That is through the support of Sustainability Victoria, which is only made possible because of our government's commitment to funds to support businesses to actually save dollars — real, important dollars that they can then put back into increasing their productivity, growing their business and growing jobs. When you look at the circular impact of government investment for business, it is not just about reducing energy bills but it is about what else the businesses can do instead with that money — it is the opportunity costs that we get back to them.

The CHAIR — Minister, I think it is fair to say that energy policy is a fairly complex area. Certainly I think trying to simplify bills or making it simple for people to understand that can sometimes be a challenge. I think if you understand how it works, it is not that hard to try to break down the information and try to make an informed decision from the point of view of the consumer, but obviously people who might come from a culturally and linguistically diverse background or alternatively might come from a lower sociodemographic cohort may struggle in terms of making more informed choices and more informed decisions about the way in which they might go about procuring an energy retailer. Can you outline to the committee, please, what steps or actions are being taken to try to support those particular cohorts of consumers to make better and more informed choices?

Ms D'AMBROSIO — Yes, absolutely. We are very committed to targeting those that find it the most difficult to be able to get affordable energy. What is important there of course is some funding that we are making available.

We have the home energy assist program that provides funding for more than 3300 Victorian homes to become more energy efficient. This funding has increased — we have increased that by \$8.1 million from this budget. This package also includes money for the healthy homes program, and that is to upgrade 1000 vulnerable Victorian homes with complex health needs. That of course targets very vulnerable households. We also have got an affordable retrofits program to support more than 800 Victorian concession card holders with home energy retrofits, appliance replacements and so on. Some of these are very clearly targeting those that can least afford it. We know energy hardship, energy affordability, is a big issue. We do not shy away from that. We do not pretend it is somebody else's responsibility, although sometimes it can be, but we do not shy away from the fact that where we can help, we ought to help — and we are helping.

The CHAIR — Thank you, Minister. I am just curious — you mentioned earlier the Victorian Energy Compare website. Briefly, just in relation to the current financial year that we are in, can you outline what has been achieved to date and across the forward estimates what you are expecting or what you are estimating the website might achieve?

Ms D'AMBROSIO — Yes. Thank you. We had the website launch back in October 2015 — so it has had a year and a half out there — and it has actually received over 320 000 unique visitors. Those are individuals that have clicked on, not duplicates, and this is a really significant number of people who have found that going to this website was something that was easy for them to do. We have had analysis done, and that suggests nine out of every 10 users can save money by switching their energy offers. Nine out of 10 Victorians, if you look at it another way, are actually paying more than what they should be — that is the other way of looking at this, and the Energy Compare website actually gives them the tool to be able to identify those cheaper offers and switch.

Seven out of every 10 users are able to save \$220 or more just on electricity alone, so that gives you a sense of how much can be saved. It is not just about saving maybe \$5; it is actually quite significant — seven out of 10 can save \$220 or more. Since its launch we have had quite a number of people taking it up and we have had a lot of people actually making that switch. The website contains over 2000 published electricity and gas offers, and we are continuously upgrading that with new offers, and of course that is now required by the legislation that we passed in government that retailers are required to provide us with that information. This is good not just for families but also for businesses.

The CHAIR — I think you may have answered this previously with your answer in relation to culturally and linguistically diverse and lower-SES cohorts, but has the government looked at ways in which the information can be conveyed to those groups more effectively? Obviously if you come from a culturally and linguistically

diverse background and particularly if you overlay that with the complexity of energy policy, access to the internet and being able to then make those comparisons — has work been undertaken in relation to that?

Ms D'AMBROSIO — Yes, absolutely. Certainly one of the important ways for us to focus on that particular part of the community is how do we actually make more accessible the understanding of what benefits are there for them so that they can equally share in the benefits that we are promoting as a government and supporting them. We need to very much think carefully about how we actually communicate the availability of the great offers that are out there and the great programs that are out there. Certainly we will be consulting with representatives of those communities so we actually get the program targeted in a way that gets the most optimal outcomes for those communities.

The CHAIR — Thank you, Minister. Again, I reckon the website is fantastic. I use it every year. It is terrific.

Mr T. SMITH — Minister, you answered the Chair's question on affordability by saying the best way to reduce the cost is to get more supply into the market. What did you do to actually stop Hazelwood closing within five months of its announcement, taking 22 per cent of the supply out of the market?

Members interjecting.

The CHAIR — Order! Mr Dimopoulos!

Ms D'AMBROSIO — Thank you for the question. What I can say quite clearly, and I think the opposition really needs to understand, is that these assets were privatised a long time ago by their predecessors, so we do not control who owns them and the timing of the closure. They know very well of course that Engie, the owners, made their decision to close the plant. What is very clear is that we need to understand what the investment environment is, and the investment environment is very clear: all moneys, all financing, now is towards renewable energy. That is the reality of it. We have got a very strong commitment to growing more energy supply into our state. It is economics 101: the more supply you have in the market, the cheaper the prices are for consumers. We know this because of course not only are we saying this, but the Australian — —

Mr T. SMITH — So it is not supply and demand. We just lost 22 per cent of our supply.

Ms D'AMBROSIO — The Australian Energy Market Commission, which themselves produce annual reports into every state in terms of energy prices, made it quite clear in December last year that as more renewable energy comes online in Victoria prices will go down — consumer bills will go down. That is what our agenda is, and frankly — —

Mr T. SMITH — On a point of order, I am loath to interrupt the minister — —

Members interjecting.

Mr T. SMITH — I am not asking about renewables, I am asking about what she did to stop — —

Ms WARD — That is a part of the answer, Mr Smith. Further to the point of order — —

The CHAIR — Order! Let Mr Smith finish his point of order.

Mr T. SMITH — It was a very specific question. I never mentioned renewables. I asked about the closure of Hazelwood and what she did to try and stop it from closing, if indeed she did try and stop it from closing.

Ms SHING — Further to the point of order, in his preamble Mr Smith talked about the need to shore up energy supply, and there was a supply and demand component to the question and the exchange that he had with the minister. If he does not like the answer that he is being given, that is a different matter entirely, but the answer itself is directly relevant to the question as Mr Smith put it.

The CHAIR — There is no point of order.

Ms D'AMBROSIO — Can I just say that others have accepted that this was a decision that was beyond any government, including the federal government. Malcolm Turnbull, our Prime Minister, himself said, 'What was there to do?'. The fact is that a decision was made on the other side of the world.

Mr T. SMITH — What did you do to stop it? Did you try and stop it?

Members interjecting.

The CHAIR — Order! Ms Shing! Mr Dimopoulos! The minister to continue.

Ms D'AMBROSIO — If I may, just in terms of reflecting on our Prime Minister's comments, he said at the time:

The cost of keeping Hazelwood going is enormous ...

He said the cost of making it safe and paying for long-deferred maintenance ran into many millions of dollars. He said keeping the plant going would be a very expensive solution and suggested the focus should instead be on job opportunities for redundant staff. He then went on to say that — —

Mr T. SMITH — Chair, I did not mention the Prime Minister.

The CHAIR — I think the minister is trying to answer your question.

Mr T. SMITH — I did not mention the Prime Minister. I asked about her.

Members interjecting.

The CHAIR — Order! Minister.

Mr T. SMITH — If the minister is not going to answer my question, can I just move on to the next question, because she has not even answered — —

Ms WARD — That is your decision, Mr Smith, but it would be helpful if you would let the minister actually answer the question.

The CHAIR — Order! Ms Ward!

Ms D'AMBROSIO — The government and myself have said on several occasions that we had many conversations with business and asked them whether they were in a position to reconsider their decision, and they absolutely ruled it out. The Treasurer visited Engie's head office premises in France and had similar discussions, and they would not be for turning. That is the reality of it. We do not own the assets. They have closed several energy generators right across the globe. In this instance Hazelwood was one of those. They continue to withdraw from coal, as all — —

Mr T. SMITH — I am not getting an answer about what you did. It is time to move on. She did not do anything, and she did not answer my question. Let the record show that.

Ms WARD — No, do not verbal the minister, Mr Smith. She gave her answer, and that is not what you have indicated it was. Do not verbal the minister.

Ms SHING — A point of order — —

Mr T. SMITH — Industrial action — —

The CHAIR — Order! Mr Smith, there is a point of order before the Chair.

Ms SHING — Mr Smith has just verballed the minister in relation to saying that the record should reflect that the minister did nothing and that that was her answer. In fact that was exactly not her answer.

Mr T. SMITH — It is exactly her answer. She did nothing.

Ms SHING — To quote the minister back onto the record, Mr Smith: 'We had numerous discussions with the company. In fact the Treasurer even went to Paris to have discussions with the company, and ultimately their decision stood'.

The CHAIR — Order! Through the Chair.

Mr T. SMITH — I asked about what she did.

Ms SHING — ‘We’ as ‘my government’.

Mr T. SMITH — No sufficient answer has been forthcoming; hence I am now — —

The CHAIR — Order! Has the minister concluded her answer?

Ms D’AMBROSIO — As I said just before and on previous occasions, I personally have had conversations with the business — their chief — on this very question. A number of us did that, including myself, personally.

Mr T. SMITH — Industrial action has been escalating over the past two years between the unions and AGL Loy Yang. In the last few weeks it has threatened to boil over, resulting in the possible shut-down of Loy Yang A and B power stations — a third of Victoria’s power capacity. Did the government consider how Hazelwood closing down would give the unions more bargaining power than ever?

Ms WARD — What is your budget paper reference to this and how does it relate to — —

Mr T. SMITH — BP3, page 208.

Ms WARD — And how does it relate to forward estimates?

The CHAIR — Order!

Ms SHING — Page 208. What is this? Sorry, again I will take you back to the budget paper reference. I am looking at page 208 of budget paper 3.

Mr T. SMITH — ‘Reliable, efficient, accessible, safe and sustainable energy services’. There we go. Thanks. Minister?

Ms WARD — How do unions affect that? Is that your question?

The CHAIR — Order!

Ms D’AMBROSIO — As I said, you are somehow making responsible the government for a decision that was made by a business on the other side of the world that was — —

Ms SHING — He was talking about Pyongyang just yesterday, so you know.

The CHAIR — Order, Ms Shing!

Ms D’AMBROSIO — And the fact is, our government — and I do commend our Minister for Industrial Relations, who stepped in very readily to seek approval from the Fair Work Commission to cease the bargaining period so that all parties could actually be forced to sit around the table and conclude their issues — is absolutely committed to a secure and reliable energy supply, and I simply point to our actions, Chair, to demonstrate that.

Mr T. SMITH — Right. This is to the department: since Hazelwood’s closure, has Victoria been predominantly an importer or exporter of power in the national energy market? That is to you, Secretary.

Mr FENNESSY — Through the Chair, thank you for the question. I will ask our deputy secretary, energy and environment contracts, Paul Smith, to go to some of the detail of your question.

Dr SMITH — Sorry, could you please repeat the question?

Mr T. SMITH — Since Hazelwood’s closure has Victoria predominantly been an importer or exporter of power in the national energy market?

Dr SMITH — It remains a net exporter.

Mr T. SMITH — A net exporter; thank you. Like South Australia your government is pursuing a state-based renewable energy target of 40 per cent by 2025. South Australia has also announced that they are

going to build a new fossil fuel-fired power station to help their energy crisis. Will Victoria end up doing the same and will the government consider planning for baseload power to support Victoria's energy security?

Ms D'AMBROSIO — Thank you for the question. The situation in South Australia of course is very particular to circumstances in South Australia, where they are at the end of a grid, the national grid. They have a lack of diversity in terms of their energy supply. Victoria has one of the most robust energy systems and energy supplies in the world, frankly, and that is the reality of it. We are very clear about the fact that we are, we have been and we will remain a net exporter of electricity. Victoria is in a very strong position with four interconnectors crossing into three neighbouring states. In fact those states would not be able to do what they do without Victoria's energy supply, and we will continue to be a net provider to them.

In terms of the future we are absolutely clear about the fact that we have more than sufficient capacity to meet our needs. But we are not going to stand still, absolutely, and that is why we are encouraging more generation to come into the mix, and of course that means that we are also making sure that we have reliable supply. Energy storage is going to be a massive game changer in terms of the integration of new energy technologies into our mix so that Victorians can continue to rely on not just affordable energy but secure and reliable energy.

Mr T. SMITH — So how are you going to replace that 22 per cent we have lost from Hazelwood?

Ms D'AMBROSIO — Well, as I said to you, we have already seen more energy supply that is coming into our mix. We have got a plan to grow renewable — —

Mr T. SMITH — Base load, Minister.

Ms D'AMBROSIO — I do not think you understand the modern energy market, with due respect.

Ms WARD — I think that is quite clear, Minister.

Ms SHING — That is correct, Minister.

Mr T. SMITH — Minister, you can use condescending language as much as you like. How about you answer my question?

Members interjecting.

The CHAIR — Order! Ms Pennicuik until 2.25 p.m.

Ms PENNICUIK — Good afternoon, Minister, and good afternoon to the secretary, deputy secretaries and all the staff. Thank you for coming today. If I could ask some questions about biodiversity, which is mentioned not only in your presentation but also in budget paper 3, pages 65 and 66. There is \$86.3 million over the forward estimates, it says, to:

... protect our vulnerable environment through targeted on-ground actions such as predator, herbivore and weed control, revegetation and the re-establishment of shellfish habitat in Port Phillip Bay —

and also some particular amounts that you have in your presentation on page 5 with regard to biodiversity actions. There is nearly \$6 million for measuring progress and also for native vegetation regulations and reform. I wonder if you could provide some actual detail as to what these mean. What are the biodiversity actions, for example, and when will the biodiversity implementation plan be expected?

Ms D'AMBROSIO — Thank you very much for your question. We are really proud of this budget. This is a record investment in biodiversity, absolutely. I do not think Victoria has actually seen this level of investment in real on-the-ground change and support for endangered species, flora and fauna. What it does is sit alongside our very clear biodiversity plan, which is our *Protecting Victoria's Environment — Biodiversity 2037*, which was released not long ago. That actually describes what our plan is to actually work towards protecting, supporting our unique biodiversity. This money is an injection to actually bring to life that plan in real terms.

In terms of on-the-ground support, as I said, of that 86.3 million you mentioned some of the programs in there. Sixty-five and a half million will be for targeted on-the-ground biodiversity actions, and I am happy for my department to perhaps elaborate — —

Ms PENNICUIK — Explain what they are.

Ms D'AMBROSIO — Yes, to specify that. Also of course you mentioned the support for native vegetation regulations reform and reporting. Obviously we are doing a lot of work in terms of native vegetation regulations — we are updating those; we have not concluded those, but they are near complete — and of course measuring and reporting on progress against key targets. For the first time ever we will know what is working and what is not working, and that is why we need to have a complete understanding of what is the state of our flora and fauna so that we can actually measure success and therefore better target the resources that we are providing, but I will allow Adam Fennessy to elaborate.

Ms PENNICUIK — Thanks, Mr Fennessy.

Mr FENNESSY — Through the Chair, thank you for the question. Two points I will make in terms of the critical implementation side, which I think goes to your question. We did extensive consultation for the biodiversity plan, which was very important because we went to many of the groups who would then partner with us to implement. In terms of how we are going to deliver, as well as our own department staff who are in our regions and report through to Lee Miezi, we work very closely with Landcare groups, friends of groups, Trust for Nature, local government, catchment management authorities and other environment groups. So some of the funding will then flow through directly to them through some of our ongoing funding programs into things like Landcare or through into CMAs.

What that has allowed us to do is not only develop the overall framework with those who are going to deliver it, but invest in that capacity across regional Victoria and across our catchments, so it is very much predicated on the idea of putting in investment as close to the delivery as possible and also acknowledging that governments do not have all the insights and all the knowledge about local environmental priorities. So by investing and co-investing with friends of groups, local government, Trust for Nature and other such groups it makes it more targeted.

Ms PENNICUIK — I notice that the word habitat does not appear. I think it does in the actual document, but it does not appear in the budget papers or anything in your presentation with regard to habitat protection. Of course you might be expecting me to raise this issue with regard to we know what is threatening many of our emblematic species, such as Leadbeater's possum, which is habitat loss, so if you could comment on that.

Ms D'AMBROSIO — You are absolutely right. Habitat is a key to success in terms of protecting our unique species, and when you have a look at our biodiversity plan it is absolutely clear that we will adopt a landscape habitat approach to protecting our fantastic and unique species. So that is very important and the money will be targeted accordingly.

Ms PENNICUIK — Thank you, Minister. I hate to cut you off. It is just that we do not have much time. We have only about 30 seconds left. What I wanted to raise is something different but related. I saw a report about the threats to the common or weedy sea dragon in New South Wales. That is almost extinct and it is, along with the Leadbeater's possum, one of our faunal emblems. You may have to take this on notice, but I wonder if the department is looking at the status of the common or weedy sea dragon, which is our marine emblem?

Ms D'AMBROSIO — I do not have that information to hand, but I am happy to provide more information if it is there.

Ms WARD — Minister, I am sure you share the astonishment that I have to see that none of our Liberal Party colleagues are here at the moment and obviously are not interested in anyone else's inquiries or questions here.

Minister, if I could get you to go to page 21 and also page 20 of your presentation. I understand that you are not the Minister for Emergency Services so are therefore not in a position to answer any questions regarding the CFA, but we have spoken about climate change and the effects it is having on our communities and on our environment. A part of that is also the obvious case that our fire risk is growing. Could you explain to us how we are helping communities plan for this?

Ms D'AMBROSIO — Obviously this is a growing area of concern as we start to see in greater and real terms the impacts of climate change. We are seeing far more extreme weather events — flooding, storms and of

course bushfires — and that means for the first time ever there is so much more pressure on our own firefighters, if you like, those who go out and protect us, to protect not just lives but property. So what we have seen in this budget is we have got the biggest investment ever since the 2009 Black Saturday period — \$309.4 million. This will mean that we are able to significantly expand the program to reduce bushfire risk across Victoria.

We are also going to be refurbishing our forest-based assets including roads and bridges, and also that means more jobs, more people on the ground actually doing the work of protecting communities. We are doing very well. Our planned burning regime is doing very well. We have also got great recruitment of a lot of staff — project firefighters. There is a great willingness for people to come forward and do this fantastic work, and to support them as we are with significant new money really is an important part in ensuring they are successful and that they are also equally protected in the work that they do protecting all of us.

Ms WARD — Can I get you to have a look at budget paper 3, page 65, the output initiatives. It gives us the details of the forward expenditure. Can you or anyone in front of us today give us an outline on what this money is going to be spent on and how it will help protect Victoria, particularly given how we can keep risk of fire at a minimum?

Ms D'AMBROSIO — Yes, of course. As I mentioned, the funding will allow us to create an extra 200 roles, and that will be in forest management of course and include road and bridge construction. Hazardous tree removal is very important in terms of protecting people, and also firefighters too, and fire tower upgrades. Traineeships are very important, as is community-based bushfire management. We have learnt one thing is for sure — and sometimes we learn these things the hard way — ensuring that we engage early with communities is so important, because the knowledge that they have about their local environment goes so much towards us understanding and targeting optimally the resources that we have, whether it is the actual hard assets or whether it is the boots on the ground. Therefore community-based bushfire management is terrific.

Our stronger together program, our agenda for including communities in planning for the burns that we need to do, the more mechanical clearing to keep people safe, and understanding their knowledge is so important to managing all of this. Of course bushfire risk planning is so critical in all of this too. Managing data and intelligence to support frontline operations is critical. We have done fantastic work in being able to also provide great equipment, vehicles to protect firefighters too, because they do dangerous work and we have got to make sure that they have got every chance of being able to get home as the rest of us do.

Ms WARD — They do indeed, and we do appreciate all of the work that your firefighters do, including those who presented on Black Saturday. Minister, why has Victoria adopted a risk reduction target?

Ms D'AMBROSIO — We know definitely that risk reduction is about optimising the effort that you put into managing bushfire risk. We know that hectares are not all the same in terms of how they present in terms of bushfire risk. The recommendation of the IGEM, which suggested that we actually move towards a risk-based approach, means that the effort that we put in produces greater protection for communities. That is why we moved to a risk-based approach.

Hectares of course are always going to be part of that because you actually have to manage the fiscal landscape, and the size of that is part of the consideration. It is not one or the other, but when we say risk-based approach it is about being clever and understanding that some areas are more vulnerable to bushfire risk than others — one particular hectare is not the same as another particular hectare. So understanding that puts the value of community ahead of a cookie cutter approach to thinking, 'Well, we have done the hectares and that'll do, and that'll mean communities are saved'. It won't necessarily mean that.

A risk-based approach means that we set targets based on clever planning and understanding of the environment and landscape, and working to that. I am really pleased to say that we are actually keeping our bushfire risk below the 70 line that we said we would, and we are actually doing very well equally this year in this current bushfire season.

Ms WARD — Terrific. About a month ago, I think it was, up my way and around the east, wherever you went you were smelling fire — you could smell bushfire. There was a considerable amount of burn-off that was going on around the place, which was good, but in an area like mine you are always unnerved when you smell smoke. But there was actually very good communication across my community explaining that there were

burn-offs, which was excellent. Both the local CFA brigades as well as other forms of social media, including DFES, were very good at helping. There was signage up and everything. So minister, I hope you do not mind the feedback, but for communities like mine it is good to have that reassurance that there is a reason for them smelling smoke.

So could you talk us through the amount of planned burning that there has been and what the residual risk has been?

Ms D'AMBROSIO — Thank you for that. If I may, I would like to ask our chief fire officer to perhaps answer that question. Can I just say before that that we have got a fantastic woman, and I say that without hesitation. She has just come through fantastic years of experience, and it is a great pleasure for us to have someone who has got so much knowledge and expertise coming to actually run our show in Victoria.

Ms SHING — New Zealand's loss, Minister. Victoria's gain.

Ms D'AMBROSIO — Absolutely; that is absolutely correct. So perhaps if I could ask Stephanie Rotarangi to come to the table.

Ms ROTARANGI — Just elaborating on what the minister has already described in terms of planned burning, we have now moved to a risk target. That really is about measuring our effectiveness as opposed to a measure that is arbitrary such as hectare targets. It has never been more important than this season. An extremely wet spring leading into higher growth and one of the wettest April on record has really meant that the risk reduction tool has enabled us to prioritise our approach to planned burning.

Importantly, that means even though we have only delivered 110 000-odd hectares of planned burning, the impact that has had for Victorian communities means that we will go into this season maintaining risk levels at 62 per cent. Our target is to maintain those at 70 per cent or below. If I can elaborate on the risk reduction target further: 100 per cent means no planned burning — 100 per cent is the risk that Victorians live with by living in Victoria, one of the most explosive fire environments in the world. So through planned burning we try and reduce that by approximately a third. We are very pleased this year to maintain residual risk at 62 per cent.

Ms WARD — That is a terrific outcome. Thank you.

Ms SHING — Can I just add something? Obviously we cannot predict wind movement. And in the Latrobe Valley, for example, planned burns have meant that smoke haze has been an issue. What are the mechanisms for communicating with communities about that?

Ms ROTARANGI — Actually, you can predict wind movement to a certain degree. However, I must say this is world-class technology.

Mr T. SMITH — This question is to the secretary. If Loy Yang A and B power stations were shut down, according to your advice would Victoria be able to meet its energy demand?

Mr FENNESSY — Thanks for the question. In terms of our approach to energy supply and security, consistent with the earlier answer of the minister, Victoria has been working in a privatised context in terms of the ownership of supply for quite a few decades. We have also worked within the national regulatory space, working with the Australian Energy Market Operator. So to any question about supply relating to any of our generation — we work with AEMO.

The first point that was made earlier is that we do have an electricity oversupply, and we are continuing to be a net exporter of energy. But in particular, we work very closely daily — weekly — with AEMO to maintain system security and to make sure that we have secured supply, particularly during the summer period, which is when the pressure comes on to Victoria. AEMO's most recent analysis shows that our current resource and supply availability exceeds the capacity of Hazelwood. So with Hazelwood coming offline, and the 1600 megawatt capacity, we have got supply that covers that exit from the underlying baseload.

As the minister mentioned before, we also have the augmented interconnections with Tasmania, New South Wales and South Australia. So Victoria is in a better geographic space in that we have connections going to other jurisdictions rather than being at the so-called end of the line. We have 12 000 megawatts of capacity going back to 2009, which was the week of Black Saturday, one of the hottest reported periods in Victoria's

recent history. The highest maximum demand use on any particular day was 10 500 megawatts. I refer to that fact just to put in context that is the highest ever single daily demand — 10 500 — and we have just under 12 000 megawatts capacity according to AEMO, so we go to AEMO in terms of that supply.

Mr T. SMITH — If I pose the question slightly differently, when are Loy Yang A or B due to come offline? My question goes to the inevitability that they will at some point.

Mr FENNESSY — This also goes to the earlier question that given the ownership structures of Victorian infrastructure, we will work with not just the national regulator but also with those international and national companies. There is no forecast date within the department for when they will go offline. At the moment they are part of our security base, and we will have ongoing conversations with those companies, as will AEMO, as to the ongoing security.

Mr T. SMITH — Just to confirm, Mr Fennessy, you are saying that there is no life cycle end date for Loy Yang A or B at the moment that you are aware of?

Mr FENNESSY — As a department the way we approach that issue is rather than life cycle end dates for any particular input of supply, it is more the security of supply that we work through with AEMO, whether that is the expected increased generation of our peaking plants and all the other aspects around supply on a season-to-season point of view. Rather than working out what is the end of life for Mortlake or Loy Yang A or for aspects of our hydro, it is more about the continuing annual supply that we work on with AEMO.

Mr T. SMITH — No. This is a very simple question: if Loy Yang A or B comes offline, which I am hearing is possible, what is the capacity for Victoria to meet its energy needs without either of those power stations being operable?

Mr FENNESSY — I think at the moment our role is to make sure that we work with AEMO and advise the minister that we have ongoing security of supply. Hypothetically we could ask the same question of our hydro energy suppliers, our gas suppliers or our coal fired, and we do not need to answer that question as a department because we work with AEMO, who has to ensure security of supply.

Mr T. SMITH — On an average day how much do wind and other intermittent energy generation sources contribute as a percentage to Victoria's overall electricity generation?

Ms SHING — What do you mean 'an average day'?

Mr T. SMITH — I am asking the secretary that.

Ms WARD — No, you need to define what an average day is. What are your parameters?

Ms SHING — Have we got a budget paper reference here? Again this is just ridiculous.

The CHAIR — Order!

Mr FENNESSY — We certainly have our understanding of statistics of different sources of supply coming in. It does, through the Chair, go to the previous answer: that the role of DELWP, as the energy department, is to make sure that we work on AEMO to ensure supply. Of course we know at the current point in time what the make-up is of renewables, wind, hydro, gas, brown coal. The question for us is: can AEMO work with us and New South Wales, South Australia, Tasmania to ensure south-eastern Australian security of supply? While we have information and we can give a snapshot, the role of the department is to make sure we are working closely with AEMO, to make sure that the national electricity market — —

Mr T. SMITH — I suppose my question is about the daily energy mix in Victoria.

Mr FENNESSY — There is certainly for every given day a snapshot mix, and clearly in Victoria we will have a higher level of brown coal, but the mix continues to change whether we are investing in gas or whether indeed the commonwealth government looks to invest in new hydro or whether we are investing in our own battery storage. In a sense we have got lots of different figures but — —

Mr T. SMITH — Would you take that on notice perhaps?

Ms D'AMBROSIO — If it exists — the way you have phrased the question.

Mr FENNESSY — I could give you an example of electricity generation in Victoria by source of shares. These are percentages for 15–16: 82.8 per cent brown coal, 2 per cent gas, 5.4 per cent hydroelectricity, 6.0 per cent wind, and other renewables, which includes solar, 3.7 per cent.

Ms SHING — There is an app that will tell you all of this, Mr Smith.

Mr FENNESSY — That is the 15–16 electricity generation, Chair.

Mr T. SMITH — Minister, you visited Germany earlier this year. Was that a taxpayer-funded trip?

Ms D'AMBROSIO — That was what, sorry?

Ms WARD — I am sorry, what budget reference is that, Mr Smith? Point of order.

Mr T. SMITH — You visited Germany earlier this year. Was it a taxpayer — —

Ms WARD — Point of order: can you think this through, Mr Smith, and work out what the budget reference is and where it fits into the forward estimates as to how the minister's previous travel reflects on where you are going?

Mr T. SMITH — I put the question. If the minister does not want to answer it, that is her problem.

Ms WARD — No, Mr Smith. That does not address my point of order at all.

Mr T. SMITH — It is not for me to address your point of order; it is for the Chair to address your point of order.

The CHAIR — Order! Ms Ward! I am not sure whether the minister was in Germany or not and in what capacity is relevant to the estimates process, Mr Smith.

Ms SHING — Phrase it differently, Mr Smith, and have another crack at it.

Mr T. SMITH — My question stands as put. Was the minister on a taxpayer-funded trip to Germany in March this year, which I am sure will be accountable over the forward estimates?

Ms WARD — Mr Smith, the kind of question that you are seeking and the stunt that you are trying to pull is much more suited to question time than it is to the PAEC process, and you are well aware of this.

The CHAIR — Again, Mr Smith, I do not see how this relates to the forward estimates, so would you like to ask another question?

Mr T. SMITH — Are you preventing me from asking that? Are you banning me from asking that question?

The CHAIR — Order! I do not see how that relates to the forward estimates process, Mr Smith.

Mr T. SMITH — I am sure that this will be accounted for in the forward estimates. I believe the minister visited Germany. Was it a taxpayer-funded trip?

Mr DIMOPOULOS — In other words, was it a work trip? That is the emphasis, is it not? Work trip?

Members interjecting.

The CHAIR — Order! You have got 64 seconds balance. I am happy for you to ask another question.

Mr T. SMITH — You do not want to answer this question?

Ms D'AMBROSIO — I have not been given the opportunity.

Ms WARD — No, Mr Smith. It is not up to the minister whether she wants to answer it or not. The fact is that your question is not appropriate to the PAEC process.

Mr T. SMITH — I think the minister would be happy to answer the question. I mean, you guys do not need to babysit her. She is perfectly capable.

Ms WARD — No, Mr Smith. It is not about that. It is about you following due process, and the fact is that after three years you still have not figured out how to ask a question properly.

The CHAIR — Order! I do not see how this question relates to the forward estimates, Mr Smith. Unless the minister feels so inclined to provide a response, I just do not see how it relates to the forward estimates.

Ms WARD — But it would be interesting to see whether the minister can actually try and unravel your question.

Mr T. SMITH — It is a very simple question. It is pathetic. The security blanket you people are providing ministers is pathetic. It is pathetic.

Ms WARD — No, Mr Smith, it is not a security blanket. It is just asking you to adhere to the standing orders of this place.

The CHAIR — Order!

Mr T. SMITH — Do not answer the question, Minister. Let the record reflect that.

Ms PATTEN — Minister, regarding your presentation on the zero emission, climate-ready economy and community and the \$25.4 million put to that campaign, you have broken it down in your presentation, but I was just wondering if you could maybe put that into emissions. By investing this 25.4 million into the target for zero emissions, do you have any notion of how many tonnes of emissions would be reduced as a result of the work that that money will be spent on?

Ms D'AMBROSIO — Thank you. I think your question goes to government emissions; is that right?

Ms PATTEN — Well, I suppose when you are saying, 'We're going to spend \$25.4 million meeting the state emissions reductions target', how does that translate — or does it?

Ms D'AMBROSIO — Perhaps if I can take you to our commitments in terms of what it means between now and 2020, because obviously we have got a net zero emissions target to 2050, and what we have said of course is that we will be setting five-yearly interim targets, starting formally, in terms of legislative targets, from 2020, but between now and then we have set a non-legislative target, if you like, of reducing — now, I will just go to my notes on this. What we have said is that we are going to be reducing the emissions based on 2005 levels. No, that is not right — greenhouse gas emissions by 15 to 20 per cent below 2005 levels, by 2020.

Ms PATTEN — Is there are a number?

Ms D'AMBROSIO — Exactly how many? What it looks like?

Ms PATTEN — Yes, what that looks like in tonnes.

Ms D'AMBROSIO — Yes, there is. If you just allow me to go to my point on that one, I have just got some notes on that.

Ms PATTEN — I suppose, while we are looking at that, could I ask a second question, given the short time I have? There is also your solar trams initiative, which is great. You mention that 35 megawatts are to be used for the tram network. What percentage of the whole power usage of the tram network is that?

Ms D'AMBROSIO — Yes, I will just get that information for you.

Mr FENNESSY — I could start, through the Chair, to assist the member.

Ms PATTEN — Yes, thank you.

Mr FENNESSY — The first point is that it is the world's largest tram network, and in terms of the offsets from the grid, it is a complete offset of the energy requirements for the tram network, so I think in that regard it is a 100 per cent supply for energy into the tram network.

Ms PATTEN — Sorry, 1 per cent?

Mr FENNESSY — One hundred per cent — so the entire needs of the energy use of the trams.

Ms D'AMBROSIO — Absolutely.

Mr FENNESSY — It is a complete offset.

Ms PATTEN — For the 35 megawatts? I appreciate that. I guess, how many megawatts does the whole tram network use? When we talk about 35 megawatts, I know it is small steps towards us working towards this, but what is that small step of 35 megawatts as it relates to the whole network?

Ms D'AMBROSIO — So emissions you are asking, yes? In terms of emissions reductions?

Ms PATTEN — Well, I guess, when we look at the actual tram network usage, I do not know whether it is millions of megawatts or it is hundreds, and so I do not know whether 35 megawatts is a tiny bit or it is a — —

Ms D'AMBROSIO — It is more than sufficient to meet the needs of running the whole of the tram network.

Ms PATTEN — So the whole of the tram network?

Ms D'AMBROSIO — Yes. We have 410 trams in Victoria, in Melbourne, and all of those needs will be met by the 35 megawatts.

Ms PATTEN — By the 35 megawatts. And with question one?

Mr FENNESSY — If I could add, Minister, that is 80 000 tonnes of greenhouse gas emissions which will be reduced. Again, because these are large numbers, to give you a sense, that is a \$9.5 million initiative. So that is the value of that energy as well as the emissions reductions, and to give you a sense of the scale of generation: for 35 megawatts, that is equivalent to around the size of a whole new wind farm. For example, the Kiata wind farm, that is a 30-megawatt project. Now, while it all comes through the grid, that is the scale of not just energy that is created from renewables, but also from a regional economic point of view it is a significant regional energy development that then completely offsets the metropolitan Melbourne tram network.

Ms PATTEN — Sure. Just in the quick minute that I have, I noticed on looking at your website, the Victorian Energy Compare website, that your targets in budget paper 3 regarding how people use the site, you have said that your target is for 50 per cent of the users to report a better understanding of their usage costs. I have to say, I have looked at that website; it is very straightforward. I wonder why you are aiming so low. As I like to say, could you be more hopeful?

Ms D'AMBROSIO — Well, it is a new website, and we always want to make sure that we optimise where we can, so we are not underachieving or wishing to do that, but certainly our aim is to get the message out as strongly and broadly as we possibly can. So I will not settle on that; I will certainly aim for higher than that.

Mr DIMOPOULOS — Minister, I just want to talk to you a bit about energy security and reliability. BP 3, the performance measures listed on pages 208 and 209 talk about, essentially, a reliable, safe supply. Now, if I can retrace some of the conversation, the Chair asked you about affordability, including the website and other things that you talked about in your responses to the chair's questions. Then Mr Smith asked you in a very stilted and very deliberately negative way questions around supply and the quantum of — I do not know what he was trying to get at — new energy as opposed to what we use and the Chicken Little's idea of the sky falling if we do not get enough and all of those other things.

Then the secretary responded in terms of security with a few answers in relation to AEMO, but I have a very disparate understanding because of the fact that you have not been given the opportunity to in a more elaborate fashion talk about the performance measures in those two pages of the budget in relation to reliability. I know

they are all linked — affordability, reliability, supply — but I am particularly interested in how we are generating through these investments a more reliable supply for both consumers and residential and business.

Ms D'AMBROSIO — Are you talking about gas and electricity?

Mr DIMOPOULOS — Yes.

Ms D'AMBROSIO — Absolutely. We know that with the globe moving away from coal generation, for example, there is still certainly a big commitment for gas as an important fuel source, absolutely, and no less so in Victoria and Australia as an important fuel supply.

Now, in terms of security and reliability, let me put it this way. Reliability or security is measured by not just knowing that you have got enough capacity that is sitting there waiting to be used if the demand requires it, whether it is gas or electricity, so it is what you have got in reserve. But it is also about knowing that people can get it, whether they are at home or in a business or in a factory, knowing that it will come when they need it to come. Our investments go to those very points. It is about ensuring that there is enough capacity in gas and electricity and ensuring that when people need it, it is there. It is not an issue when people do not need it, but when people need it they need to know that they can flick on a switch, whatever that switch leads to, and know that it is going to be there.

What it means therefore is that how we achieve that is ensuring that we get more generation in the mix, so that is why we have got a Victorian renewable energy target scheme that we are about to introduce in legislation into the Parliament. That will deal with some of that. Our energy storage investments — \$25 million — to make sure that we firm up the availability of renewable energy, which is important. Some investments in potential for pumped hydro, which does not have questions of security, because it is a different form of renewable energy, but nonetheless it is important. So growing it, making sure that there is sufficient technology in the mix to ensure that it is there when people need it, and also of course the issue of gas is very important. We know that with the shortages and projected shortages that AEMO say, Victoria is at the better end of that. There is only a projected shortage for us in one year alone, and that is 2021 for electricity generation purposes only, because we use a lot of gas for electricity. That is something that we are addressing right now.

APA is the owner of all of Victoria's gas transmission network in this state, privately owned. They have got some constraints — I think it is at the Brooklyn substation, I think it is called. That means that they are finding it a little bit difficult for the Iona gas storage facility to be replenished more frequently. So expanding the capacity at that point — and I think I am getting that name of it soon.

Mr FENNESSY — It is Brooklyn.

Ms D'AMBROSIO — It is Brooklyn compressor station. I have written to the Australian Energy Regulator supporting APA's request for a pass-through cost, revenue raising to fix that. It is a simple fix which will mean that very readily the Iona gas storage facility will be able to be replenished more frequently, thereby ensuring that we have got that security of gas supply in Victoria in the immediate sense and of course into the future. Of course my colleague Minister Noonan is looking at growing more gas storage facilities, but in terms of the constraint that we have got in the immediate sense I have met with APA and we are working together to make sure that we can have a really quick turnaround on that very simple solution that will ensure that Iona is able to be replenished more quickly and therefore ensuring that we have got more gas coming.

Just to remind everyone, in terms of AEMO's forecast Victoria's shortfall for electricity supply from gas is in the year 2021 only, so we are really better off than most other states. It represents less than 1 per cent of Victoria's annual gas demand — very small, but still important — and we are working right now to ensure that we will not have a problem.

Mr DIMOPOULOS — It does not take much for critics to pretend the sky is falling in.

Ms D'AMBROSIO — Oh, well, crises are crises, are they not?

Mr DIMOPOULOS — Yes. That is right. Minister, thank you for that excellent information about the sector and security.

I just want to go quickly back to something you said in response to the Chair's inquiry which struck a chord. I think you said, 'Brokerage services for CALD', ethnic — —

Ms SHING — Culturally and linguistically diverse.

Mr DIMOPOULOS — Thank you. I am one of them and I cannot even say the word — people of non-English-speaking background. There was a brokerage service or something to assist them to navigate the consumer market for electricity and gas; is that right?

Ms D'AMBROSIO — Yes, there is. I will just find the figure, if I may, on what that — —

Mr DIMOPOULOS — Also, what is it actually? What will it do?

Ms D'AMBROSIO — Okay. If I may, I might ask Adam to respond to that.

Mr DIMOPOULOS — And how can I get some in my electorate?

Ms SHING — That is probably a separate conversation, Mr Dimopoulos.

Mr FENNESSY — Certainly part of our energy affordability package. We have got some specific budget and funding around that. In terms of the expertise within the department, that is in Paul Smith's area, so I might ask Paul to comment on what some of the programs go to around working with CALD communities and lower socio-economic communities.

Dr SMITH — The budget this year has provided money for an independent energy brokerage service that will support hardship and culturally and linguistically diverse consumers who struggle to pay their energy bills. They can identify the most cost-effective energy offers for their circumstances. There are a number of other initiatives in this year's budget, one including a concept study to plan the delivery of an energy data hub. At the moment everybody's energy data from their smart meters is not captured anywhere centrally, so that you can actually start to look at how best do we create markets for third-party providers to get a better result for consumers right across the board.

Mr DIMOPOULOS — So if there is a particular cohort that spends in a similar way — —

Dr SMITH — Absolutely.

Mr DIMOPOULOS — So group purchasing power.

Dr SMITH — So the whole package is there to make energy much more affordable and to make consumers who are vulnerable more able to make the right decisions for their energy mix.

Mr DIMOPOULOS — Because I have only got a minute left, can you give me a more granulated understanding of what the broker will do with CALD Victorians — what that will look like? Is that an NGO?

Dr SMITH — So through the NGOs we will be training people who are able to go and talk directly with the particular customers that we are talking about here. So they will be trained to talk directly with people who already have existing relationships, be they through church organisations or charities or other organisations at the community level, who can then work with those clients — —

Mr DIMOPOULOS — To access what the rest of the consumer market has through websites and the other things —

Dr SMITH — Absolutely.

Mr DIMOPOULOS — which is really important because I have had a couple of examples literally in the last months of pushy salespeople, although I think we have clamped down on some of those, and consumers being a bit blasé, saying, 'Oh yes, maybe'. Then they send them a letter saying, 'You agreed to exit this contract and go to this contract' So all that stuff will be helpful.

Mr T. SMITH — I refer to the output summary on page 198 of budget paper 3, and I again return to your trip to Germany where you met with representatives of RWE Power and you visited a coalmine that is a

state-of-the-art, newly built coal-fired power station that has twice the energy efficiency of Hazelwood. I am interested in how your itinerary and what you learned on this trip will be making a contribution to your policies over the forward estimates.

Ms D'AMBROSIO — Thank you for the question. Certainly I conducted some very successful visits and meetings about investing in Victoria in terms of new energy technologies. I did have a visit certainly to an area of Germany where it was very similar to circumstances in Victoria in terms of reliance on lignite.

But in particular on that occasion I was able to talk with the business about demand management responses which they have had in terms of their broader understanding and operations, and importantly also understanding how they treated the revegetation, if you like, of an environment that is really terrific now. The biodiversity that exists in the revegetated area surrounding the mine is something that really is a very good lesson in terms of how we can look after our environment, return our environment and restore our environment, if you like, to support our biodiverse species. It is something that was very important in terms of that part of the portfolio.

Mr T. SMITH — Did you visit the power station or the coalmine?

Ms D'AMBROSIO — The coalmine, absolutely. And around that, as I said, there was a fantastic reforestation — —

Mr T. SMITH — But did you go to the power station?

Ms D'AMBROSIO — As I said to you, I visited them to understand the effort that they put into reforestation of the areas surrounding the mine. It was a fantastic opportunity for us to understand the forward thinking and the planning ahead in terms of how we can revegetate areas that through whatever circumstances have been disturbed, and how to revegetate and therefore improve the biodiversity in the way that returns native species to areas where communities are supported.

Mr T. SMITH — Did you visit the power station?

Ms D'AMBROSIO — I have answered that.

Mr T. SMITH — You did not.

Ms D'AMBROSIO — I told you. I said that I visited the mining area, and I inspected the area of the reforestation and the vegetation and the biodiversity of those — —

Mr T. SMITH — No, you have not answered. Did you go to the power station?

Ms D'AMBROSIO — I think I have said no. I have answered — —

Mr T. SMITH — So you did not go to the power station?

Ms D'AMBROSIO — If you actually understand: there is no power station there. So if you actually understand that, you might actually understand that there is no power station there.

Members interjecting.

Mr T. SMITH — Did you visit it?

Ms D'AMBROSIO — I have said there is no power station at that site. Maybe if you had done your homework, you would have understood that. I have said clearly — —

Mr T. SMITH — Stop splitting hairs, Minister. You know exactly what I am talking about.

Members interjecting.

Mr T. SMITH — The minister can smirk as much as she likes. She knows precisely what I am talking about. Who paid for this trip, Minister?

Ms D'AMBROSIO — It was a ministerial visit. As I said, I had several meetings with a whole variety of stakeholders who are all very keen to invest in our state because of the fantastic offerings and opportunities that we are creating for them in new energy technologies. We make no bones about the fact that we want Victoria to be the nation's new energy technologies hub, and people are looking at us as a really important place where they can invest and grow jobs. This is fantastic, especially for regional Victoria.

Other parts of my visit went to the issue of energy markets. I visited the Ofgem people in London, who manage the energy markets there, to discuss energy retail markets. We know of course that in Victoria we instigated an energy retail market review to look at what appears to be larger retail margins for consumers in Victoria than in any other state. We need to get to the bottom of that, because frankly it has been left untouched for too many years. Our government is going to get down to it because it is about ensuring that people actually get the energy at a fair price and ensure that retailers are not gouging. That is why that was a very successful meeting over in London. I am very happy to share my full itinerary as I will be reporting — —

Mr T. SMITH — How much did it cost the taxpayer, this trip?

Ms D'AMBROSIO — I do not have that figure off the top of my head.

Members interjecting.

The CHAIR — Mr Smith?

Mr T. SMITH — It has been put.

Ms D'AMBROSIO — Sorry, what is the question again? That will be reported — —

Members interjecting.

Ms D'AMBROSIO — I am happy to provide that information if it is available, absolutely, after today, but certainly it will be reported. Every minute of my visit to Europe will be reported faithfully in the usual way, including costs.

Mr T. SMITH — Thank you, Minister. Why in DELWP's departmental objective in regard to energy is affordability not mentioned once?

The CHAIR — Is that a question to the minister or to the secretary?

Mr T. SMITH — To the minister.

Ms SHING — Sorry, what is your budget paper —

Ms D'AMBROSIO — Where is that?

Mr T. SMITH — Budget paper 3, page 208.

Ms SHING — On 208 it says 'reliable, efficient and accessible'.

Mr T. SMITH — No, affordable.

Ms SHING — What does 'accessible' actually mean to you?

Mr T. SMITH — Minister, why do you not ever mention the word 'affordable'?

Ms SHING — It is not accessible if you cannot afford it.

The CHAIR — Order, Ms Shing!

Ms D'AMBROSIO — I think you will find that 'accessible' is about being able to actually access it and that means, of course, affordability. But it is also about how people can actually get information. So if you understand what that section is about, it is about people understanding how they can go about getting the best prices possible. But I am confident that there are many other places in the budget papers that talk about affordability, so I am not sure what the real point of this question is.

Ms SHING — It is a gotcha moment attempt that has gone horribly wrong.

The CHAIR — Order, Ms Shing!

Mr T. SMITH — In 2015 the average Victorian spot price for electricity was \$30.35 per megawatt hour. In 2017 the average spot price had doubled to \$62.56 per megawatt hour, and it continues to climb. The ABS reported electricity prices in Victoria have increased by 7.7 per cent in the March quarter; that is before Hazelwood officially closed. Minister, you and the Premier said power prices would only rise 4 per cent because of the Hazelwood closure. Why was your pricing modelling wrong?

Ms D'AMBROSIO — Thank you for the question. We were very clear at the time that Hazelwood made its decision, that Engie made its decision to close Hazelwood, that we anticipated through modelling that we had that energy prices would rise by between 4 and 8 per cent. The Australian Energy Market Commission fairly much concluded a similar outcome in their pricing report for Victoria. That was released in December, at the end of last year, where they indicated that price movements over the next couple of years of I think about 8.5 per cent in the first year, then a reduction in the following year of 1.3 per cent in the second year, with more renewables coming online being the cheapest form of electricity.

The other thing, of course, is that when you talk about the wholesale spot market, wholesale spot market prices have gone up for a variety of reasons, including the fact that the federal government allows two-thirds of our gas to go overseas, which means that gas that is used, which is probably the most expensive form of fuel that goes into making electricity, is becoming more expensive. That is one feature that has impacted all states. Can I say very clearly that Victoria's spot prices remain the cheapest of all — I think it is correct, yes — of all of the states.

Mr T. SMITH — Minister, the prices have gone up 7.7 per cent; is that correct?

Ms D'AMBROSIO — No, that is your —

Ms SHING — You do not understand spot pricing. That is the whole point of this.

Ms D'AMBROSIO — Spot pricing is what occurs on the market in 5-minute blocks.

Mr T. SMITH — I am aware of that.

Ms D'AMBROSIO — Okay, that is great. So you would also be aware that Victoria's annual spot prices are actually still —

The CHAIR — Order! Ms Pennicuik until 3.18 p.m.

Ms PENNICUIK — Minister, I have just been looking through the budget papers and your presentation with regard to two issues. One is if we go to budget paper 3, page 65, at the top there it says, 'Investing in waste and resource recovery for a growing Victoria', which is also mentioned in your presentation, and a bit further down, 'Unlocking the benefits of parks for all Victorians', which has about \$25 million. But when I look at the descriptions of those output initiatives I notice that 'Investing in waste and resource recovery for a growing Victoria', which is some \$30 million, is being funded from the Sustainability Fund, and the other one, which is 'Unlocking the benefits of parks for all Victorians', is being funded from the municipal and industrial landfill levy. I am just wondering why waste and resource recovery is not being funded from the landfill levy and Parks Victoria is not being funded from the Sustainability Fund.

Ms D'AMBROSIO — Thank you. If I may, can I perhaps ask our Chief Financial Officer to explain how that appears in the budget the way that it does.

Ms JACKSON — Thank you, Minister, and through the Chair, both of those funding sources are from the same space, which is the landfill levy, so the way it works — it is confusing — the funds first go into the municipal and industrial landfill levy trust account and there are funds distributed from that account and that will depend year on year. Some expenditure will come, as you mentioned, from there. Whatever is left over flows through to the Sustainability Fund, and there are initiatives that are funded through there. So it is the same funding pool. It is just whether it comes out sooner or later. But it is the same revenue line, which is the landfill levy.

Ms PENNICUIK — Thanks for that. Perhaps that could be a bit better explained in the budget papers for those of us who are trying to make sense of them all the time and from which pots of money things are coming. With regard to the waste initiative, it says, ‘keep e-waste out of landfill and enhance Victoria’s capacity to manage waste, litter and resource recovery’. I was just wondering if you could give some more information about that. Even if you look at the ABC program on the war on waste we have a very large problem and probably a fairly modest amount of money being allocated to it.

Ms D’AMBROSIO — As you know, there is \$34.4 million over the forward estimates, and whilst you may say that it is a small amount, the fact is it is a record —

Ms PENNICUIK — Modest, I said.

Ms D’AMBROSIO — Modest amount. It is a record investment in waste and resource recovery. If I can perhaps just unpack that a little bit, there is about \$15 million that is going to fulfilling our election commitments — that is, for e-waste collection, to support a ban on e-waste from landfill.

Ms PENNICUIK — Going to landfill.

Ms D’AMBROSIO — I am sorry?

Ms PENNICUIK — That is not — a ban on it going to landfill.

Ms D’AMBROSIO — Going into landfill, sorry, yes. And this includes programs that will assist local governments to introduce new collection and transport measures and to bring Victoria’s transfer stations up to scratch in terms of Australian standards for that purpose. There is \$7.6 million for resource recovery infrastructure. I have visited many local government areas in regional Victoria in particular that have been very vocal on the need for greater support for infrastructure, so this is going to focus on recovery of food, organics, plastics and e-waste. The investment in infrastructure will also support reprocessing facilities to adapt to increasing volumes and new types of e-waste, and there are a few other measures of course there in terms of litter programs. I am happy to elaborate on those, if you like.

Ms PENNICUIK — It would be great if you could provide any more information. This is an issue I have raised before, way back in the day when televisions were decorating the nature strips, but I think if you are getting around, you will notice that other types of e-waste are now appearing on the nature strips. It has been a longstanding issue for councils to actually deal with this without some assistance from the state government, so I would be very happy to receive any more information you have on that. How long have I got, Chair?

The CHAIR — Ninety-five seconds, Ms Pennicuk.

Ms PENNICUIK — The other issue that I raised before was about the parks — unlocking the benefits of parks for all Victorians. I wonder if you can give some more information on that. I know it says there about ecosystems, and I wonder if that fits in with the earlier subject that I was talking to you about — biodiversity.

Ms D’AMBROSIO — As I said, this is great news. I have said that before.

Ms PENNICUIK — Yes. A lot of it seems to be administrative.

Ms D’AMBROSIO — We are actually rebuilding Parks Victoria, and this is part of actually doing the first principles: rebuilding Parks Victoria from a time when it was actually gutted under the previous government —

Ms PENNICUIK — Yes, I agree with that.

Ms D’AMBROSIO — improving its governance arrangements, and there will be more that will be said in the very near future on how we achieve that so we actually have a modern authority to actually manage our parks in a way that befits the unique diversity that we have that we are seeking to protect. If I may, can I ask to call on our new CEO, Matthew Jackson? Because he comes with fantastic credentials. Is he here yet? He will be able to give you all of the information that you need about how we are going to do this.

Ms SHING — Or it can be taken on notice.

The CHAIR — It might be better if it could be taken on notice, I think, Minister, because we are just about to — —

Ms PENNICUIK — I think our time has expired, Minister.

Ms D'AMBROSIO — Oh, well; I tried. On notice, if you like.

Ms SHING — Thanks for that. I also endorse Mr Jackson's skill set and the work that he has done at the Phillip Island Nature Parks to increase and enhance the environmental opportunities for that area whilst also encouraging the greatest possible opportunities to educate people on ecotourism and preservation of this really unique, special part of the world. And I say that without any bias whatsoever toward the Gippsland region. Minister, thank you for your presentation and for the discussions that we have had today.

I might just ask if Ms Rotarangi can come back to the table because we were in the middle of talking about how I in fact do not know what I am talking about in relation to smoke haze and the fact that it can be predicted and modelled. The discussion that was occurring was around the management of communication with people in smoke haze-affected areas when planned burns are being undertaken. What I will do from there is then go on to talk about air monitoring and EPA funding in the Latrobe Valley. If you would like to pick up where we left off, Ms Rotarangi, that would be good.

Ms ROTARANGI — Thank you for the question, through the Chair. For the record, I did not make any assumptions that you do not know — —

Ms SHING — No, no. I am prepared to concede that in fact I do not know the things that you know, which is why again your expertise is invaluable.

Ms ROTARANGI — So actually it is world-first technology that we are trialling this year. This is new technology for smoke modelling that has been designed specifically for Victorian conditions, specifically for planned burning and bushfire. I am very excited to talk to you about this. This year we have been trialling smoke modelling for the first time. We do this in conjunction with the CSIRO and also the Bureau of Meteorology and a number of other partners. This gives me the ability as chief fire officer to model smoke in a way that has never been able to be done before. So in the basic day when I approve planned burn ignitions I can now see the cumulative effect of that smoke based on the best weather forecast we can have and the best modelling tools. As I said, this is a prototype, so we have used it throughout this planned burning season, and we will meet with the EPA and their chief scientist to make sure and evaluate how effective it was.

Ms SHING — How does that work alongside measures such as the air monitoring equipment? Minister, you came to the valley at the beginning of 2015, as I recall, along with Minister Neville to launch the funding for additional mobile air monitoring equipment. PM2.5 is one of the key considerations for our communities in and around the valley. If you could just explore that further in relation to modelling and how the technology is catching up with that and to improve the overall understanding of smoke movements, air pollution and what can be done to minimise the risk and the exposure for people in those communities, that would be very helpful.

Ms ROTARANGI — Thank you. So we have had the benefit of using those portable monitoring tools this year, and we have done that in a number of ways to, firstly, ground truth the model and to see how accurate it is, and secondly, to understand the impact of planned burning through the use of the portable devices. So it has been a very useful tool for us. We also of course have the benefit of now using those portable monitoring tools in the event of a bushfire. So while we are talking about the smoke-modelling tool in the context of planned burning, to not underestimate its impact when it comes to bushfire so that we can clearly start to predict where will be the most affected communities, ground truth that with the smoke-modelling tools and the monitoring tools that we have and begin to predict impacts like we never have before.

Ms SHING — Thank you. In relation to bushfires, and noting the forest fire management role that you have as chief fire officer, you would note that there has been a fire services statement that has been issued today. The work of DELWP and DELWP firefighters and Parks Vic staff is really crucial to protecting the safety of the public and state. Does that change in any way as a consequence of the fire services statement and the operational and structural changes that have been proposed for Fire Rescue Victoria and the CFA?

Ms ROTARANGI — Thank you for that question. Forest Fire Management Victoria is made up of Parks Victoria, the department, Melbourne Water and VicForests staffing. We have the responsibility for public land under the secretary's obligations. At this stage we look forward to working with Fire Rescue Victoria along with the CFA, but the changes that have been announced today do not impact Forest Fire Management Victoria.

Ms SHING — Thank you; that is very helpful to have that confirmed, particularly in times of such significant change when we modernise the fire service from something that was last examined structurally in the 1950s to accommodate population growth and staff improvements as part of 450 extra firefighters and also to make sure that we equip and facilitate communities and volunteers as well as career staff to make and keep their communities safe.

Members interjecting.

Ms SHING — So to that end that is a good confirmation to have, and that further information as those changes are rolled out will be a big part of that.

Minister, I would like to take you back to the Latrobe Valley and to air monitoring again to look at the investment of \$162.5 million over five years into reforming the EPA. That is following on from the \$3.8 million commitment in April 2016. How are we going to make sure that the human health focus of the EPA remains front and centre as far as delivering on its statutory remit obligations and responsibilities?

Ms D'AMBROSIO — Thank you. As you have said, we have put not just significant amounts of money into providing the EPA with the necessary resources and capabilities to do a great job in terms of what people expect, but it is actually unprecedented funding. If I may, I would like to call on Nial Finegan, who is the CEO, because he is actually oversighting together with his new board the terrific work that is now underway in engaging with local communities, and in particular you will appreciate the communities in the Latrobe Valley, where there has been some fantastic engagement about what the new EPA looks like, ought to look like and how it ought to be actually delivering for communities. At the end of the day it is about communities, the community's health and about the health of their environment.

Ms SHING — Well, it is sort of do or do not do; there is no try, really, is there? Mr Finegan, go ahead.

Mr FINEGAN — It is a real privilege to be able to talk about investment into the EPA. We are 46 years old, and we are being rebuilt for the next 46 years, I like to think. We have just gone around all of Victoria. We have been to Wangaratta, we have been to Warrnambool, we have been to Bairnsdale, we have been to Morwell — —

Ms SHING — There is a song about that.

Mr FINEGAN — Yes, and I am trying not to say it. The sense we are getting is there is a lot of excitement and expectation that the EPA will be bigger, better and bolder, and that is coming from industry, that is coming from farmers and that is coming from community members. It is a great time. There is \$162 million to be invested into the EPA over the coming years, which is a full funding of the government's response to the independent inquiry. Like I said, there is a great excitement. There is an expectation on us. Now, the obligation is on the EPA, and I have the privilege to lead the EPA at a time when it has got the funding to do what it needs to do. We need to strive forward and build a strong EPA and we are doing that and the initiatives in the budget set that out. It is very important that we both listen to and hear what the community is asking for. When we say 'community' at the EPA, we include industry and community members.

Ms SHING — Does that include the chief environmental scientist as well, as part of that first appointment?

Mr FINEGAN — Absolutely. When the government announced its response to the inquiry, there was a \$45.5 million investment announced at that time over 18 months, so we have already started on this work. We have seen the public health team from the Department of Health and Human Services come across to the EPA. They are embedded. We have now appointed Victoria's first-ever chief environmental scientist, Dr Andrea Hinwood. She started with us on 1 May. She has already been out meeting people — people such as the emergency management commissioner, people such as community members, to understand what Victorians expect from us. We are now more than an environmental regulator; we are an environmental regulator and a

public health authority. We are focused on protecting Victorians from the harmful effects of pollution and waste, and importantly, I think, we have the resources we need to get on with the job.

Ms SHING — How does that get the social licence that it needs within a set of communities such as the Latrobe Valley? We have had so much change, we have had so many variables in relation to environmental health, and that is something that requires a concerted and very face-to-face approach.

Mr FINEGAN — We have worked hard to rebuild the trust of the community, particularly in the Latrobe Valley where there is a lot of disappointment with the EPA's past performance. We have undertaken a very novel and deliberative action around co-design of our new air monitoring network down there. With the funding we got from government we were able to sit down with the community and say, 'What do you expect and what do you need from the EPA?'.

Ms SHING — Thanks, Mr Finegan.

Mr FINEGAN — Thank you.

Mr MORRIS — If I can move to planned burns — budget paper 3, page 224 — I did want to just follow up something the chief fire officer I understand said earlier.

Ms WARD — I did not think you were here for that, Mr Morris.

Mr MORRIS — There are many ways to hear what is going on in here, including being present in the room.

Ms SHING — This is why you are so wise.

Mr MORRIS — Just a couple of quick points. I just want to pick up on your comments on high growth. Does that mean that the coming fire season is likely to be the most hazardous since 2009?

Ms ROTARANGI — It is well known that there was significant growth due to that wet spring that we had that was also quite warm, so that contributed to the growth across Victoria. I do not think you need any models to know that; you can just see it. However, we talked about the risk assessment that we do when we go into our planned burning, and that has allowed us to really prioritise our burning to keep the risk down for Victorians. The way that we do that is we have a model called Phoenix RapidFire. That is a world-class bushfire modelling tool, so we can run that and we do this thousands and thousands of times under different growth models. Of course we have used high vegetation in this case. We have run those models many, many times and we are confident that as it stands today, bearing in mind that the planned burning season is not yet over, the residual risk to Victoria is at 62 per cent. Now, coincidentally — —

Mr MORRIS — Sorry, I did not quite get that.

Ms ROTARANGI — Sorry, 62 per cent; it could be an accent thing. Also, coincidentally this time last year the bushfire risk to Victoria was at 62 per cent, so we managed to maintain that level of risk.

Mr MORRIS — That is the information I was looking for, so thank you very much.

I will move on to a different subject entirely: BP4, page 54, 'Critical infrastructure', and the minister or Mr Fennessy or others may choose to chime in. We have established during past hearings that 77 per cent of the entire funding in this program was for sewerage infrastructure at the Twelve Apostles, and we have had various end date updates. We know it has been an ongoing saga and we know it is known, unfortunately, by the locals as the poo pond. The last advice we had I think was in the outcomes hearings where Dr Smith indicated that second quarter 2018–19 was the completion date for this project. I am just trying to establish why then BP4 indicates the project will have a practical completion date of 2017–2018?

Ms D'AMBROSIO — Thank you for that. If I may, I will finally give Matthew Jackson an opportunity to answer that as the new CEO.

Mr JACKSON — I do get a chance now, thank you. Thank you, Minister, and the Chair for the question. Just to answer the question, basically the funding for the Twelve Apostles toilet in its current form, \$4.4 million was funded to fix the sewerage component of that program. That program is continued, and the Parks Victoria

board has now approved the 4.4 million for Wannon Water to complete the sewerage works, plus an additional 2.5 million to do potable water in the water supply for that whole solution going back to Port Campbell.

We are on schedule now to go to Wannon Water to commence the tender program for that. As the asset owner, they are responding and doing the works on our behalf. That project is anticipated to be finished within two years, and at the completion of that program we will decommission the on-site assets to stop any form of breaches in the future and increase the ongoing support and the growing growth of the visitor economy to that area. We are comfortable that that asset will be resolved. The solution will also address the future growth in the visitor economy in that region.

Mr MORRIS — The cost of the project is now \$6.9 million, not — —

Mr JACKSON — The total cost of the project now is \$7 million — 4.4 million was originally for the sewer program and funded by the state government. Parks Victoria has put in another 2.5 million to make a suitable solution to have the potable water plus the sewerage system addressed at the same time, noting that the future master plan, which has been approved, also addresses the water supply to take capacity into the future.

Mr MORRIS — Okay. Can I just get these dates sorted out. In BP4 we have got practical completion in 17–18, but the earlier advice we had was the second quarter 18–19.

Mr JACKSON — Yes. To clarify that, the scope of the program originally that supported the 4.4 million was to resolve the sewerage connection and issues to the current facility site. In longer consultation, with some of the issues on the site, the additional 2.5 million from the Parks Victoria board was recently approved to do two things: one, to solve the sewerage program as originally planned, but to bring in tendering process and the construction process to solve the water solution for the ongoing supply on that area. That will allow us also to stop any breaching and/or finalise the increase of visitor numbers to that program. That program, due to additional scope and more synergies in the construction process, has been delayed. However, noting that the board has now approved that, it will go to Wannon Water for completion. Two years is estimated capital works, subject to the scope, and then we will decommission the current on-site facility.

Mr MORRIS — So the project is now bigger and taking longer?

Mr JACKSON — Yes, absolutely, mainly because of the scope change.

Mr MORRIS — So that footnote is not 100 per cent, but there is — —

Mr JACKSON — No. Mainly due to the scope change. Yes, absolutely.

Mr MORRIS — All right. If I can move on to a further matter, and since you are in the chair, you may wish to stay.

Mr JACKSON — Sure.

Mr MORRIS — I do want to start with some questions to the minister — the reference being BP3, page 214, the issue of credit cards. In a press release — I do not have a date for the press release but it is related to the issue arising under acting CEO Margaret Gillespie — there was an indication that an external audit would be undertaken. I am just wondering whether that audit has been undertaken, and if it is now complete, was there any misappropriation?

Ms D'AMBROSIO — Thanks for the question. As you know, this government took fairly decisive action at the time when there were reports about abnormal use, let us say, of credit cards, and certainly an audit was undertaken. My advice is that the department has received that final report from McGrathNicol and is reviewing that report and preparing a briefing to me. I have not yet received that, but I am expecting that that will be received shortly.

Mr MORRIS — Could you provide a copy of the report on notice once the normal processes have been completed?

Ms D'AMBROSIO — I will see whether that is available, but it is certainly something that I will consider.

Mr MORRIS — At this point, recognising that the briefing is still to come, do you have any staff being reprimanded for this, because we know there were iTunes purchases and pizza and Subway and KFC et cetera?

Ms D'AMBROSIO — Yes. If I may ask Matt to comment on that, given that it is his responsibility to deal with day-to-day management questions.

Mr JACKSON — Thank you, Minister, and thank you for the question. To continue on from the minister, the report has been done independently, so that was done prior to my commencement in the role. But I can note that the minister now has that report and it is probably inappropriate I comment on the outcomes until the minister has that view. There has been no disciplinary action taken, as far as anything that we believe is significant, on employees at this stage. A full review of the program has condensed the cards to less than 50 per cent. That is a recommendation that the minister made, on behalf, to Parks Victoria. In addition to that, online bookings of our transportation, holiday and so forth are consistent with now government standards, being online.

We have also moved the credit card model, going from over 500 cards to less than 200 by 30 June. That will include having national accounts with wholesale and Bunnings and other distributors to make sure our business is efficient and we have a seven-day coverage but at the same time we also get benefits of reductions and discounts because of our buying power. So we see that as a critical way we have changed the way the credit card system is being used, noting that it also reduces petty cash and other risks across the portfolio, which is a consistent risk in any business, so I am comfortable that the minister has a very robust process in place moving forward.

Ms PATTEN — Thank you, Minister. I was interested in the budget allocation of \$26.2 million that has been allocated for securing our modern energy future. Page 75 of budget paper 3 outlines what that includes, and that includes trialling microgrids, large-scale battery storage and trialling smart grids. I know you and I have spoken before about microgrids, so I was wondering if you could tell me how many microgrids will be trialled and where. And with the large-scale battery storage capital works, does that relate back to what we were talking about with the solar tram system, or is that supporting some private sector builds?

Ms D'AMBROSIO — Could you just repeat the second part of the question? I am sorry. I have got the first part.

Ms PATTEN — Yes, so I was wondering if you could expand a bit more on explaining what the large-scale battery storage relates to and whether it is the solar work that the government is doing or it is private incentives.

Ms D'AMBROSIO — Yes. If I perhaps start with that, and then I will go to microgrids, if I may. We are very excited about our government's support for the new space of large-scale storage technologies, and in particular it is becoming very important when we look at the new energies that are coming into the mix, so of course renewable energy. It means that we have got to be ready for all of that, and it means of course that we do that.

We announced not that long ago that we would run a grant system, if you like, for there to be the deployment of two large-scale batteries of 20 megawatt hours each, which I think would total about 100 megawatt hours in terms of actual energy that could be used, and that we would look at wanting to ensure that it was to be deployed around the western Victoria area, where there are particular grid constraints. So these are the types of things that you do instead of the more costly — —

Ms PATTEN — I understand, yes.

Ms D'AMBROSIO — Yes, you know all of that. So we have got the option that is open right now, and so we are in the process of receiving those and considering those. A panel obviously considers those at arm's length, and I expect that there will be some recommendations made to the department for my consideration in the not-too-distant future. We are really keen to have this deployed by the summer of early 2018, and then of course we are looking at doing more in that area. We have indicated that we would be looking at spending about \$25 million. One thing we do want to do is make sure that ARENA starts giving us some money too so we actually do some bigger things with this, but if I perhaps just go onto the microgrids.

Ms PATTEN — Yes, great.

Ms D'AMBROSIO — With the first tranche of the storage it will be battery storage, but the rest of it will be opened up. It will be technology neutral in terms of energy storage, so it is not locking in behind one particular technology.

In terms of the microgrid, it is really important for us. You have talked about where in particular they will go. What we will be doing is making sure that, where it is piloted or trialled, we actually get a really good mix of areas across the state — regional, metro, community-based, larger scale in terms of businesses involved, across the different distribution areas — and also of course different technologies potentially being in the mix, with small systems to medium scale to larger scale, precinct scale, community scale. So what we want to do is use this significant amount of money to actually get a really good picture of how dynamic the area is and how we can actually start to understand how we can use microgrids as part of — —

Ms PATTEN — So how many are you thinking to trial in this 12 months? I think I saw your targets are 100 per cent in this.

Ms D'AMBROSIO — Yes, that is right. We have not actually selected the sites. I am not sure that we have actually articulated how many we will do.

Ms PATTEN — Okay.

Ms D'AMBROSIO — But we will do sufficient numbers to ensure that we get that really good spread.

Ms PATTEN — Because you have got that one residential one going.

Ms D'AMBROSIO — Yes, there is one that we have supported over in the Mornington Peninsula, I think it is — Frankston with GreenSync — and they are doing fantastic work there. We did that and we put significant money there, and they are doing really, really well. It really just shows how our energy future is now.

Ms PATTEN — Yes.

Ms D'AMBROSIO — It is here with us now. So getting communities, getting businesses at a local or precinct level ready in terms of being able to generate electricity, store it, use it when it suits them but also be players in the market too, so they can trade it across houses and — —

Ms PATTEN — So what you are saying is it is rolling out. You are identifying the spots, and this money will be used to do that, but you do not know how many and where they will be at this stage.

Ms D'AMBROSIO — No. The important thing of this is that we want willing partners. It is no good for us to say, 'Let's — —

Ms PATTEN — Yes. I do not think you will have any shortage of those.

Ms D'AMBROSIO — No. I think you are right, absolutely, but we do want potential stakeholders and participants to come to us and say, 'Yes, this is what we'll bring to the table', so we actually maximise and get better outcomes from our investment here.

Ms PATTEN — Can I just clarify one other point that was on page 75. It seemed to be part of the 'Securing our modern energy future'. It says assistance to households and businesses will be given:

... towards the cost of energy efficiency upgrades.

Is that part of that \$26.2 million investment? If you can give me an idea of what sort of assistance you are talking about. I am assuming it is not, you know, new light bulbs.

Ms D'AMBROSIO — No, it is not. Just let me find where that is, if I may. It will not be long, Fiona.

Ms PATTEN — If time runs out, I am happy to take it on notice.

The CHAIR — Maybe take it on notice if you are not able to provide it.

Ms D'AMBROSIO — The figure that I have got, 29.4 million over four years, is that it? I think you have said 26 million, but — —

Ms PATTEN — It is interesting. In the budget paper it seemed to be all part of this 26.2, but it sounds like it is not. It is separate. You are saying 29.2 million.

Ms D'AMBROSIO — What I can say to you is that of that money I have just identified there is \$8.1 million for the home energy assist package, affordable retrofits is 6.1, then we have got 6.5 for healthy homes. I know these probably do not mean a hell of a lot until we unpack them.

Ms PATTEN — That is all right. It just clarifies that it is separate from that 26.2.

Mr DIMOPOULOS — Minister, I want to talk to you a bit about Parks Victoria and budget commitments in relation to open space recreation. In fact you mentioned — it may have been in the opening presentation or in response to a Chair's question — that the previous government removed about \$40 million from Parks Victoria.

Before I get to my point I am going to be a bit gratuitous and thank you for your leadership with the Caulfield Racecourse Reserve, the fact that it took a Labor government to get an inquiry going there. I do acknowledge the good work of my neighbour, the local MP for Caulfield, in that endeavour, but it was you and Minister Neville that initiated that, so thank you.

In relation to open space and land accessible to all Victorians, it is an area that is not particularly sexy, to be frank with you. Unless it is taken away it is one of those things like public libraries — the minute you take it away it is a problem. We are not only keeping and embellishing the existing reserves but we are actually creating new parks. With that long-winded intro, Minister, what was the impact of that \$40 million removal from Parks Victoria? Was it in a very frontline way or was it internal cuts? What was the experience that people felt or interfaced with with those cuts in relation to parks where they recreated?

Ms D'AMBROSIO — This is a really good example of you do not know what you have got until it is gone. This is a classic example of that. We are now rebuilding. We are starting to rebuild Parks Victoria, and it is not just the organisation but it is the assets so that people can enjoy them and we get the most tourism dollars out of this that we can, because that is fantastic for regional communities.

In 2011–12 the appropriations fell from \$122 million roughly to a low of \$76.8 million in the 2014–15 period. What does that mean? How does that impact on the people that actually maintain our parks? Staff numbers dropped from 1097 full-time staff in the 2009–10 period to 903 in the 2013–14 period. That is a significant drop. That is about 10 per cent I think from my maths. Really, what does that tell you? It tells you that it is not just about having the staff but it is what they do every single day in making sure that the experience people have at their parks, the health benefits that they get, the enjoyment with families, and actually the tourists that come and want to experience our world-class parks really is diminished. So you can see that all levels of our community are impacted by what really are short-term cuts to spending, to support for the maintenance of our world-class parks.

Mr DIMOPOULOS — So it is largely infrastructure? I suppose it relates to recurrent as well, because you have got people to clean up the parks, but are we talking about embellishments like barbecues and seating and that kind of stuff — signs?

Ms D'AMBROSIO — That is right. We have got a situation where a significant number of assets are not in a great condition, absolutely, and we are needing to rebuild that and we are starting that really heavy lifting. It is heavy lifting that has got to be done, and we are getting all of the things right. We are getting the governance arrangements at Parks Victoria right. We are giving them extra funds, and we are starting to put the building blocks together to really make sure that the full enjoyment of our wonderful assets can be enjoyed by everyone in Victoria but also our visitors to this state.

Mr DIMOPOULOS — Just to confirm, you said also in your presentation that the funding in this budget will prefer to make embellishments or improvements to the visitor experience. Is that the same group?

Ms D'AMBROSIO — They are our priorities.

Mr DIMOPOULOS — So it is the same group of things you have just talked about in terms of where the cuts have been made.

Ms D'AMBROSIO — Absolutely. So in terms of the building blocks, as I said, you have got to start from where is the most need. The most need of course is in identifying those assets that are in the worst condition but importantly impact on the regional economy because of the tourism experience. Understanding those and tackling those first, so that is our first focus. Then of course improving the capability and capacity of Parks Victoria through new modern governance arrangements is an important feature of our commitment, so we will grow this and these are really important first steps, significant first steps for us to rebuild. I will ask Paul Smith to give you a little bit more info.

Dr SMITH — I think it is worthwhile just noting that in the 15–16 budget year there was a 56.5 million allocation into the parks system. That was followed by a \$38.7 million injection in last year's budget, so there is quite an accumulated investment in Parks Victoria over the last couple of years. So the \$31.8 million in this budget over four years actually provides a significant injection back into the asset base and the capability and the staffing of that very important organisation.

Ms WARD — Minister, I will come back to ask some questions regarding Parks, but if I can bring you back to where I was earlier regarding planned burns and firefighters, how many new roles have been created as a result of the budget announcement regarding appointing firefighters?

Ms D'AMBROSIO — In terms of our record investment what this will do is allow us to create — in terms of our risk reduction targets and threats of bushfires, it includes funds for around about 266 new roles. I believe that is the case.

Mr MIEZIS — It is 231.

Ms D'AMBROSIO — Sorry, 231 new jobs. That is a really significant boost to our capacity. If memory serves me correctly, and my deputy secretary will say otherwise, I think it actually exceeds the numbers that were on the ground and available during the 2009 Black Saturday bushfires. Is that correct, Lee?

Mr MIEZIS — That is correct, Minister. When we think about forest and fire operations officers on the ground, in 2009 we had about 225.

Ms WARD — Who were deployed on that Saturday?

Mr MIEZIS — That was the total number that we had available. As a result of this budget, for the coming fire season we will increase our numbers up to about 340, so that is significantly above a 10-year average and certainly much higher than the 225 that we had in 2009.

Ms WARD — Terrific. Thank you. With these new appointments, what kind of work will they be doing?

Mr MIEZIS — The 231 jobs that the minister talked about are a range of roles, so certainly front line — forest fire management roles, not only supporting the delivery of the planned burning program that we have talked about and the fire response but also the management of our state forest. There are a number of jobs in risk planning — working with communities to better plan for bushfire management. So it is a broad range of jobs right across regional Victoria that really go to the implementation of Safer Together.

Ms WARD — Can you talk us through the trend in terms of the firefighting workforce?

Mr MIEZIS — Yes. If I think about the total number of staff that we have available within DELWP, Parks Victoria and our partners, and if I go back to 2011–12, we had about 3172 in total. Now, that includes a combination of project firefighters and others. If I come to 16–17, we are at about 2767, and it is projected that for 17–18 it will be 2900. So we are starting a rebuild of our total capacity.

Ms WARD — What work are you doing to promote these roles to women?

Mr MIEZIS — We have very active campaigns. We are really reaching out to increase general diversity, including more women in our workforce. Certainly having a female chief fire officer assists in that — that role model. We have seen an increase in interest from females right through our ranks from on-ground firefighting

staff through to people who work in policy, fire management and risk planning. We certainly look to really create a fire management workforce or a forest and fire management workforce that is reflective of the communities that we are here to serve.

Mr T. SMITH — Electricity prices increased by 7.7 per cent in the March quarter according to the ABS. According to the 2015–16 DHHS annual report, public hospitals and health services spent \$67.3 million on electricity. According to the Department of Education and Training’s website, they have estimated that Victorian government schools spend \$36 million on electricity per annum. Do you expect public hospitals, health services and government schools to spend at least an extra 7.7 per cent in their electricity contracts, which represents an extra \$5.2 million and \$2.8 million respectively over the forward estimates? I am happy to table the two documents that I quoted from.

Ms WARD — Can you tell us what in the budget this relates to?

Mr T. SMITH — I am talking about — —

Ms SHING — No, no. You are talking about tabling documentation.

Ms WARD — Yes, that is fine. Table your documentation.

Mr T. SMITH — This is the projected increase in electricity bills.

Ms WARD — How does that relate to the department of the minister?

Mr T. SMITH — Well, she is the energy minister. I am asking about electricity costs for the government. I would have thought that was pretty reasonable.

Ms WARD — Well, it would be if you had a budget paper reference.

Members interjecting.

The CHAIR — Order! The question is in order because Mr Smith is referring to expenditure across the forward estimates for the education and training, and health and human services portfolios, so that stands. I am not sure whether the minister is going to be in a position to be able to answer the member’s question, because that would come down to the individual services — as we heard with Minister Hennessy’s comments in relation to health purchasing in Victoria and what deal they may negotiate with the provider — but I am happy for the question to stand.

Ms D’AMBROSIO — If I may actually just ask what the question was — I am sorry; I am just not sure what the question was. You have referred to tables.

Mr T. SMITH — I am happy for your department to take this question.

Ms D’AMBROSIO — No, no. I am happy to.

Mr T. SMITH — Do you expect public hospitals, health services and government schools to spend at least an extra 7.7 per cent on their net electricity contracts?

Ms D’AMBROSIO — I am not really sure what the basis of the question is. The fact is it really depends on what their throughput is — how many patients they treat, how many new students they see through, what programs they run in terms of energy efficiency. But what I can say to you is that we have a very clear commitment in terms of our climate change policy — reducing emissions across government. That is one that is mandated. Energy consumption and therefore energy bills will be an important component of that, and we are very committed to ensuring that we use less emissions-intensive energy. That means of course a combination of sourcing energy from different places and using different sources of energy but also being more clever and more energy-efficient and therefore ensuring that we get the benefits that come out of that in terms of cheaper prices and cheaper bills.

Dr SMITH — I may just refer you to some announcements that were made previously, and this is the renewable certificate purchasing initiative. The government has allocated 38.7 million over four years as part of a broader initiative here. What this is trying to do is use the procurement power of government to cause

renewable energy projects to be developed in Victoria. Through the initiative the government can save up to \$67 million over 10 years compared to its business-as-usual electricity procurement. So far the initiative has successfully contracted two wind farms that are currently under construction: the 30-megawatt Kiata wind farm, which is 50 kilometres north-west of Horsham, and the 66-megawatt Mount Gellibrand wind farm, which is located near Winchelsea. I might just note that the Mount Gellibrand wind farm has actually expanded from 66 to 132 megawatts because of the investment certainty that is being provided through the initiative.

Mr T. SMITH — Dr Smith, sorry to cut you off, but I am short of time. My question was about energy price rises across various different — —

Dr SMITH — The point that I have made there is that through this procurement process, using the whole-of-government purchasing power, we have been able to purchase electricity cheaper through renewable sources and save the government up to \$67 million.

Mr T. SMITH — Okay. Moving on, this question is to the secretary. The *Herald Sun* reported on 15 December 2016 that the Victorian Energy Compare website was ‘confusing and misleading’ due to the default filter settings. Will any of the \$10.7 million that you have allocated to this program go into fixing these settings?

Ms D’AMBROSIO — The Victorian Energy Compare website is a very, very popular one; it is a very successful one. I did mention in an earlier question about the fact that a lot of testimonials have come through where people, say businesses, families, are saving hundreds of dollars every year. Now, what I said also earlier was that it is really important that the Victorian Energy Compare website is kept up to date. Where there are ways that we can improve the website, we do that. That is why we have got significantly more money, of course, to ensure that the website stays relevant and becomes more accessible to more people, and is as accessible — that is, as easily navigable as it needs to be so that people actually get the best outcomes from it. Certainly if there are any issues where there is room for improvement, absolutely — this is about making it work for consumers and getting them cheaper prices.

Mr T. SMITH — Minister, you said that you would review these errors in this program — —

Ms D’AMBROSIO — Yes.

Mr T. SMITH — Have they been fixed and how much did it cost?

Ms D’AMBROSIO — You want to know how much they cost.

Mr FENNESSY — Through the Chair, I could add that since the website was first launched in 2015 — that was with a different department in government — we very closely monitor the feedback. In fact we expanded the website from there, from electricity alone to other energy sources, which is what it currently does. The minister mentioned we have got a broader allocation under this budget for consumer awareness. That allows us to continue to invest in this site, and we get a lot of positive feedback. If we get negative feedback, we put it back in. I do not think we have a particular dollar figure against the improvements because it is a continuous improvement process. We know that the growth year on year of website usage continues to expand.

Mr T. SMITH — There was a problem. Has the problem been fixed?

Mr FENNESSY — As far as I am aware, it has, because we continue to get positive feedback from users. I will check with Paul Smith. Is there anything to add on that?

Dr SMITH — No, I am next to certain that the work that we have done in recent months has addressed any of those usability issues that may be things that people have experienced. But certainly from the point of view of the *Herald Sun*’s reporting of that, I would be confident we have resolved those issues.

Mr T. SMITH — In the time I have got left, Minister, would you indicate what funding has been provided in the 2017–18 budget to your Victorian renewable energy target?

Ms D’AMBROSIO — As you know, we have committed to a program of getting more generation into Victoria, so we have been clear about — —

Mr T. SMITH — I have got a minute and 20 left, Minister. Where is it?

Ms WARD — Your rudeness has no bounds.

Ms SHING — For the first time Mr Smith is interested in renewables.

The CHAIR — Order! Government members!

Ms D'AMBROSIO — What we have said is that we would spend a series of months actually inquiring and working with industry to look at the design of the scheme. We are at the tail end of that, and we will be making an announcement of the design of the scheme and introduction of legislation in the not-too-distant future. Once that is clear and once the design of that is known, we will be clear about what budget implications, if any, will need to be associated with that. But let there be no misunderstanding — —

Mr MORRIS — Can I just put a quick question on notice, seeing we are running out of time: BP 3, page 214, which is the parks reference. Can you provide the committee with the latest Parks Victoria asset report, which details the asset condition from best to worst. I understand it is a fairly lengthy report, but it is also an internal report that is easily accessible. I am very happy to have it electronically. Can we please have that on notice?

Ms D'AMBROSIO — I am certainly happy to take it on notice. If I am able to provide that, I certainly will.

The CHAIR — Order! I would like to thank the witnesses for their attendance: the Minister for Energy, Environment and Climate Change, the Honourable Lily D'Ambrosio; Mr Fennessy; Ms Jackson; Dr Smith; Mr Miezis; Ms Rotarangi; Mr Hamilton; Mr Murfitt; Ms Cullen; Mr Guthrie; Mr Jackson; Ms Rowley; Mr Sargent; Mr Finegan; and Mr Krpan.

The committee will follow up on any questions taken on notice in writing — I believe there were three. The response answering the questions in full should be provided in writing within 10 working days of the committee's request.

Witnesses withdrew.