

**Portfolio Supplementary  
Additional Estimates Statements  
2017–18**

Appropriation Bill (No. 5) 2017-2018  
and  
Appropriation Bill (No. 6) 2017-2018  
Environment and Energy Portfolio

Explanations of Supplementary Additional Estimates  
2017–18

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**THE HON JOSH FRYDENBERG MP  
MINISTER FOR THE ENVIRONMENT AND ENERGY**

PARLIAMENT HOUSE  
CANBERRA 2600

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

I hereby submit these Portfolio Supplementary Additional Estimates Statements in support of the additional appropriations sought for the Environment and Energy Portfolio, through Appropriation Bill (No. 5) 2017-2018 and Appropriation Bill (No. 6) 2017-2018.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the Portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in blue ink that reads 'Joshua Frydenberg'.

Josh Frydenberg

## Abbreviations and conventions

The following notations may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

## Enquiries

Should you have any enquiries regarding this publication please contact the Chief Finance Officer in the Department of the Environment and Energy on (02) 6274 2203.

A copy of this document can be located on the Australian Government Budget website at: [www.budget.gov.au](http://www.budget.gov.au).

**USER GUIDE  
TO THE  
PORTFOLIO SUPPLEMENTARY  
ADDITIONAL ESTIMATES  
STATEMENTS**



## USER GUIDE

The purpose of the 2017-18 Portfolio Supplementary Additional Estimates Statements (PSAES) is to inform Senators, Members of Parliament and the public of the proposed allocation of additional resources to government outcomes by entities within the portfolio.

The PSAES facilitate understanding of the proposed appropriations in Appropriation Bill (No. 5) 2017-2018 and Appropriation Bill (No. 6) 2017-2018. In this sense the PSAES is declared by the Appropriation Acts to be a 'relevant document' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

Appropriation Bill (No. 5) 2017-2018, which follows on from *Appropriation Act (No. 1)* tabled at Budget and Appropriation Bill (No. 3) tabled at Additional Estimates, will provide additional expenditure authority for the ordinary annual services of government in respect of the 2017-18 financial year.

Appropriation Bill (No. 6) 2017-2018, which follows on from *Appropriation Act (No. 2)* tabled at Budget and Appropriation Bill (No. 4) tabled at Additional Estimates, will provide additional expenditure authority in respect of the 2017-18 financial year for capital works and services, payments to or for the states, territories and local government authorities, and new administered outcomes not authorised in specific legislation.





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# DEPARTMENT OF THE ENVIRONMENT AND ENERGY

## Overview of additional appropriations

The Department of the Environment and Energy is receiving a net increase in appropriations in 2017-18 of \$6.6 billion.

As part of the Great Barrier Reef 2050 Partnership Program, the Department is receiving additional funding of \$443.8 million in 2017-18 to support a Reef Trust partnership with the Great Barrier Reef Foundation. This funding will support water quality improvements, crown-of-thorn starfish control, science for reef restoration, community and Indigenous engagement in Reef protection, and improved Reef monitoring and reporting. This forms part of a measure that will continue to 2022-23. Details are reported in the 2018-19 Portfolio Budget Statements.

As part of the measure Powering Forward - delivering more affordable, reliable and sustainable energy, the Department is receiving \$7.6 million in 2017-18 to provide seed funding to the Australian Energy Market Operator to implement actions arising from the *Independent Review into the Future Security of the National Electricity Market* (the Finkel Review) recommendations. The funding will help establish a register of Distributed Energy Resources and improve systems for consumer data services to support affordability and retail competition. This forms part of a measure that will continue to 2021-22. Details are reported in the 2018-19 Portfolio Budget Statements.

The Department will receive \$6.1 billion in 2017-18 to enable the Commonwealth Government to take full ownership of Snowy Hydro Limited. The funding will be provided to the New South Wales and Victorian governments to acquire their equity shares in the company. The payments are expected to be finalised by 30 June 2018.

The Department supports environmental health through pursuing national approaches to manage hazardous wastes, substances and pollutants. The Department is receiving \$0.2 million in 2017-18 to develop environmental policies for chemicals, including Per- and poly-fluoroalkyl substances. This forms part of an ongoing measure. Details are reported in the 2018-19 Portfolio Budget Statements.

Refer to the 2018-19 Portfolio Budget Statements for more information on the Environment and Energy Portfolio's programs and financial statements.

## ENTITY MEASURES TABLE

Table 1.1 summarises new Government measures taken since the 2017-18 Additional Estimates. The table is split into revenue, expense and capital measures, with the affected program identified.

**Table 1.1: Department of the Environment and Energy 2017-18 supplementary additional estimates measures**

	Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
<b>Expense measures</b>					
Great Barrier Reef 2050 Partnership Program (a)	1.1				
Administered expenses		443,303	-	-	-
Departmental expenses		545	-	-	-
<b>Total</b>		<b>443,848</b>	-	-	-
Per-and Poly-Fluorinated Alkyl Substances - research and associated activities (b)	1.6				
Departmental expenses		189	-	-	-
<b>Total</b>		<b>189</b>	-	-	-
Powering Forward - delivering more affordable, reliable and sustainable energy (c)	4.1				
Departmental expenses		7,581	-	-	-
<b>Total</b>		<b>7,581</b>	-	-	-
<b>Total expense measures</b>					
Administered		443,303	-	-	-
Departmental		8,315	-	-	-
<b>Total</b>		<b>451,618</b>	-	-	-
<b>Capital measures</b>					
Snowy Hydro Limited Acquisition (d)	4.1				
Administered capital		-	-	-	-
<b>Total</b>		-	-	-	-
<b>Total capital measures</b>					
Administered		-	-	-	-
<b>Total</b>		-	-	-	-

Prepared on a Government Finance Statistics (fiscal) basis.

- (a) This measure provides a total of \$500.0 million over seven years from 2017-18 with \$10.2 million ongoing from 2024-25 to the Environment and Energy Portfolio. Full details are reported in Table 1.2 of the 2018-19 Portfolio Budget Statements.
- (b) This measure provides \$16.8 million over five years from 2017-18 with \$4.4 million ongoing from 2022-23. Full details are reported in Table 1.2 of the 2018-19 Portfolio Budget Statements.
- (c) This measure provides a total of \$41.5 million over seven years from 2017-18 with a further \$4.9 million every three years ongoing. Full details are reported in Table 1.2 of the 2018-19 Portfolio Budget Statements.
- (d) This measure provides \$6.1 billion in 2017-18 to enable the Commonwealth Government to take full ownership of Snowy Hydro Limited. This acquisition does not have a direct impact on underlying cash or fiscal balance. The agreed purchase price of \$6.2 billion (NSW's share \$4.1 billion and Victoria's share \$2.1 billion), includes interim dividends payable from Snowy Hydro Limited in respect of their profits for the half year period to 31 December 2017 of \$117.5 million.



## ADDITIONAL ESTIMATES AND VARIATIONS

The following table details the changes to the resourcing for the Department of the Environment and Energy at Supplementary Additional Estimates, by outcome. The following table details the supplementary estimates and variations resulting from new measures and any other variations (if applicable) since the 2017-18 Additional Estimates in Appropriation Bills (No. 5 and No. 6).

**Table 1.2: Supplementary additional estimates and variations to outcomes from measures and other variations**

	Program impacted	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
<b>Outcome 1</b>					
<b>Administered</b>					
<b>Annual appropriations</b>					
Great Barrier Reef 2050 Partnership Program	1.1	443,303	-	-	-
<b>Net impact on appropriations for Outcome 1 (administered)</b>		<b>443,303</b>	-	-	-
<b>Departmental</b>					
<b>Annual appropriations</b>					
Great Barrier Reef 2050 Partnership Program	1.1	545	-	-	-
Per-and Poly-Fluorinated Alkyl Substances - research and associated activities	1.6	189	-	-	-
<b>Net impact on appropriations for Outcome 1 (departmental)</b>		<b>734</b>	-	-	-
<b>Total net impact on appropriations for Outcome 1</b>		<b>444,037</b>	-	-	-
<b>Departmental</b>					
<b>Annual appropriations</b>					
Powering Forward - delivering more affordable, reliable and sustainable energy	4.1	7,581	-	-	-
<b>Net impact on appropriations for Outcome 4 (departmental)</b>		<b>7,581</b>	-	-	-
<b>Total net impact on appropriations for Outcome 4</b>		<b>7,581</b>	-	-	-

## BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the Department of the Environment and Energy through Appropriation Bills (No. 5 and No. 6).

**Table 1.3: Appropriation Bill (No. 5) 2017-2018**

	2016-17 Available	2017-18 Budget and Additional Estimates	2017-18 Revised	Supplementary Additional Estimates	Supplementary Reduced Estimates
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Administered items</b>					
Outcome 1 (a)	426,045	395,114	821,356	426,242	-
Outcome 2	5,608	3,678	3,678	-	-
Outcome 4	-	16,477	16,477	-	-
<b>Total administered</b>	<b>431,653</b>	<b>415,269</b>	<b>841,511</b>	<b>426,242</b>	<b>-</b>
<b>Departmental programs</b>					
Outcome 1	231,435	239,782	240,516	734	-
Outcome 2	52,484	51,177	51,177	-	-
Outcome 3	123,446	118,693	118,693	-	-
Outcome 4	-	62,556	70,137	7,581	-
<b>Total departmental</b>	<b>407,365</b>	<b>472,208</b>	<b>480,523</b>	<b>8,315</b>	<b>-</b>
<b>Total administered and departmental</b>	<b>839,018</b>	<b>887,477</b>	<b>1,322,034</b>	<b>434,557</b>	<b>-</b>

(a) The Appropriation Bill (No. 5) is net of appropriation reductions recognised at Portfolio Additional Estimates of \$17.1 million. This appropriation is available to the Department in 2017-18 to fund the expense measure Great Barrier Reef 2050 Partnership Program.

*Department of the Environment and Energy Supplementary Additional Estimates Statements*

**Table 1.4: Appropriation Bill (No. 6) 2017-2018**

	<i>2016-17 Available</i>	<i>2017-18 Budget and Additional Estimates</i>	<i>2017-18 Revised</i>	<i>Supplementary Additional Estimates</i>	<i>Supplementary Reduced Estimates</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Non-operating</b>					
Equity injections	144,782	146,656	146,656	-	-
Administered assets and liabilities	-	-	6,113,550	6,113,550	-
<b>Total non-operating</b>	<b>144,782</b>	<b>146,656</b>	<b>6,260,206</b>	<b>6,113,550</b>	<b>-</b>
<b>Total other services</b>	<b>144,782</b>	<b>146,656</b>	<b>6,260,206</b>	<b>6,113,550</b>	<b>-</b>