From: Carmody, Christine
Sent: Monday, 6 September 2010 5:03 PM
To: Brine, Matthew
Cc: Horvat, Natalie; Campbell, Russell; French, Steve; Bullen, Jared
Subject: RE: RET costs [SEC=IN-CONFIDENCE]

Hi Matt,

We've confirmed with DCCEE that the MMA figures refer to an average value over the period mentioned, so your second interpretation is the right one (in most cases this is over 5 years, but there is also a reference to 2021-2030, so in that case it would be the average additional cost over the 10 year period).

Cheers Christine

**Christine Carmody** Climate Change and Environment Unit The Treasury 6263 3821

From: Brine, Matthew Sent: Sunday, 5 September 2010 1:07 PM To: Carmody, Christine; Bullen, Jared Cc: Horvat, Natalie; French, Steve Subject: RET costs [SEC=IN-CONFIDENCE]

Hi guys,

Could I just clarify one point about the advice provided last week re the cost of the RET.

The advice states that the RET will increase prices for the average household by about \$40 per year from 2010 to 2015, rising to about \$60 per year after that.

My question is - how are these price rises cumulative?

Will households face a higher price of \$40 in 2010, \$80 in 2011, \$120 in 2012, etc.

Or is it an average of \$40 per year over the first five years, rising to an average of \$60 per year over the next five year period?

Thanks - Matt