

From: Sharma, Anupam

Sent: Wednesday, 10 November 2010 9:51 AM

To: Brine, Matthew; Horvat, Natalie; Bullen, Jared

Cc: Weber, Lukas; Smith, Dan; Ho, Matthew

Subject: RE: Task Group Report on Energy Efficiency - Government Response [SEC=IN-CONFIDENCE]

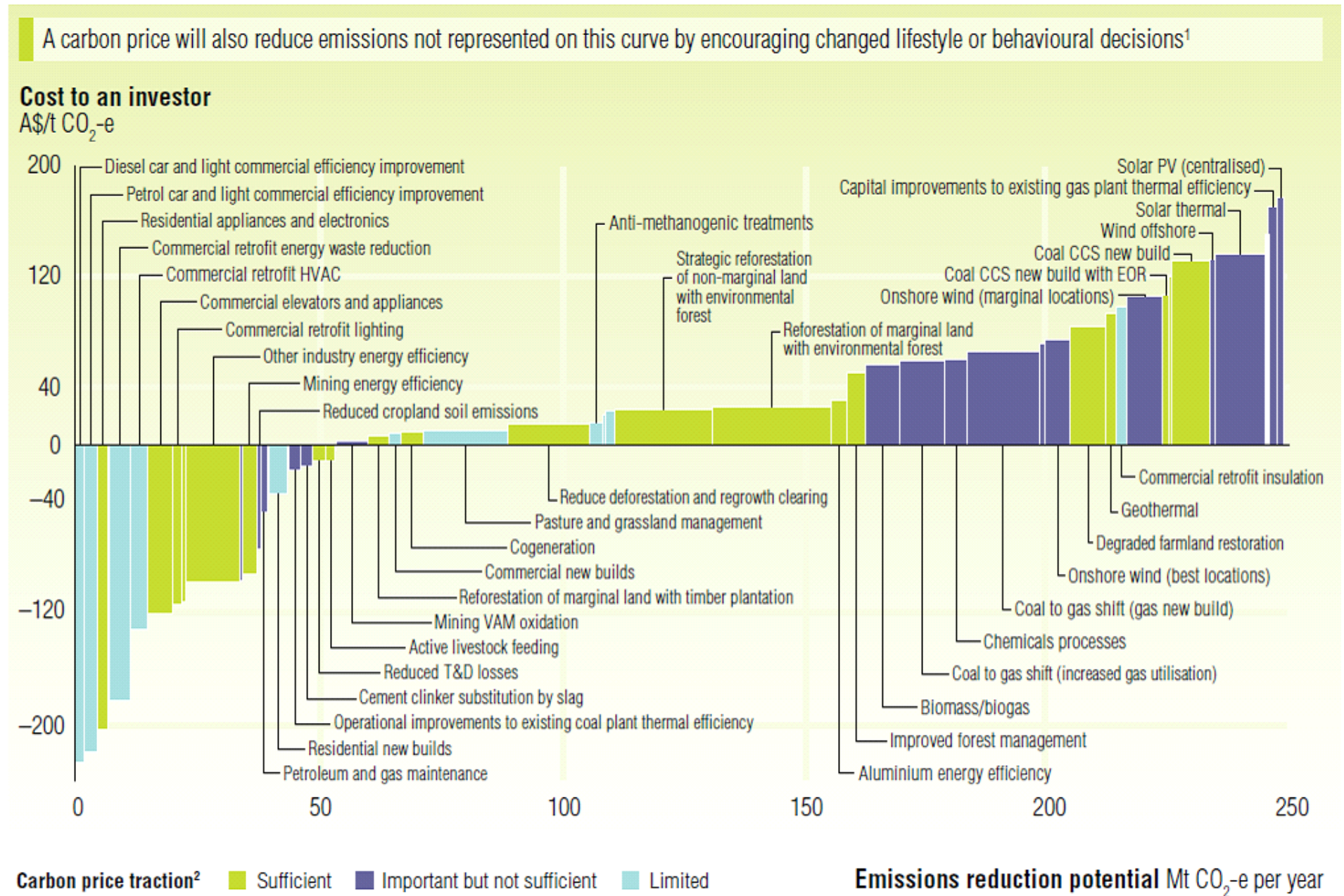
Hi Matt

As background to the discussion, thought it might be useful to send up the marginal abatement cost curve contained in the report, which underlies many of the modelling results.

Cheers

Anupam

Figure 2.6 Example of carbon price traction on a range of abatement measures



-----Original Appointment-----

From: Brine, Matthew

Sent: Wednesday, 10 November 2010 9:02 AM

To: Horvat, Natalie; Sharma, Anupam; Bullen, Jared

Subject: Task Group Report on Energy Efficiency - Government Response [SEC=IN-CONFIDENCE]

When: Wednesday, 10 November 2010 11:30 AM-12:00 PM (UTC+10:00) Canberra, Melbourne, Sydney.

Where: phone hookup

Hi guys,

Could we have a phone hookup at 11.30 to work through the minute on the need for further modelling to assess the ESI.

Couple of questions:

1. Will the modelling assess whether households generally enjoy cost savings (ie reduced demand outweighs increased price)
2. What is a negative cost and positive cost abatement opportunity?
3. How did they get the results they achieved in the report, and what would we expect to see if other (more reasonable) assumptions were used.
4. What are the arguments that are used to support the assertion that an ESI will 'unlock' negative cost and low cost energy opportunities that wouldn't be implemented due to a CPRS.

Thanks - Matt