

## Regulation Economics

Where business and government interact

### Programs to Address

Here are the annualised costs of the programs (there may be some duplication because programs are sometimes announced more than once but these costs exclude other admin costs). The outcomes include a doubling of wholesale electricity prices with implications for industry competitiveness as well as directly on households.

Revision May 2026

#### Subsidies to renewables (\$ million per annum)

	Annualised Total
· LRET 33,000 GWH times \$7.25 per MWh.	\$239
· SRES 26 million to be surrendered this year times \$39.95	\$1,039
Batteries \$500 million per year (now \$1.7 billion)	\$500
· Safeguard Mechanism: 30 % emission reduction for the top 215 firms by 2030	\$906
· RERT, FCAS and system security	\$400
· <a href="#">Clean Energy Regulator</a>	\$750
· State Schemes (2019)	\$1,408
· Capacity Investment Scheme \$85B investment by 2030 (\$13B per year) 55 % of costs to govts	\$7,150

*\$12,392*

Long term (assume 15 year annualised exc. H and other Future Made in Australia)	Total	Annualised
· Hydrogen Headstart	\$8B	\$900
· Other FMA Batteries, solar and NZ tech	\$4.8B	\$488
· Expansion of transmission from \$23B to \$100B	\$77B	\$510
· CEFC	\$2.69	\$40
· ARENA		\$231
· Snowy 2	\$42B	\$2800
· <b>TOTAL</b>		<i>\$4969</i>

**\$17,361**

# Regulation Economics

Where business and government interact

## Other Support for renewables

- Commonwealth and State Departmental and other institutional staffing and their regulatory controls
- CSIRO allocation of public funds to GENCOST and other tasks that adversely impact upon hydrocarbons
- Planning regimes that use bogus warming and indigenous issues to hinder approvals involving hydrocarbons
- Inaction by States Grants Commission in not penalising those states that impede use of energy resources
- Banks, superannuation funds and other financial agencies in discriminating against coal and gas

The key approach is to remove all these measures. Their full cost is at least \$3 trillion and likely double that over the next two decades.

Some reforms are relatively uncomplicated and can be pre-announced:

- Abolish SRES on Roof-top installation subsidies since these have already been incurred for existing installations
- Abolish the Safeguard Mechanism
- Cease subsidies to batteries
- Abolish the Clean Energy Regulator
- Abolish Hydrogen Headstart
- Abolish Future Made in Australia subsidies
- Remove the transmission program
- Cease funding of CEFC, ARENA, Snowy 2

Others have long tails and may involve implicit or explicit contracts. These include:

- LRET and the Capacity Investment Scheme (note that Farage has committed to abolish the UK equivalents)
- State schemes