



Australian Government

Department of the Prime Minister and Cabinet Office of Best Practice Regulation

Reference: 16306
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Mr Martin Hoffman
Deputy Secretary
Department of Industry

Dear Mr Hoffman

Final Assessment Regulation Impact Statement – Repeal of the Energy Efficiencies Opportunities Program

Thank you for forwarding the Regulation Impact Statement (RIS) for the above proposal for final assessment on 9 May 2014. I note that you have formally certified the RIS as required by the best practice regulation requirements.

The Office of Best Practice Regulation's (OBPR) final assessment is that the Department of Industry is compliant with the Government's requirements. This assessment is based on:

- the regulatory costs having been agreed with the OBPR;
- the Department of Industry having twice submitted the certified RIS for the OBPR's assessment prior to a decision being taken; and
- your letter of 9 May 2014 certifying the RIS responds to the OBPR's formal comments on the RIS on 6 May 2014.

In addition, I note that the RIS:

- answers the 7 RIS questions
- does not contain obvious errors;
- explains how the EEO program operates; and
- considers three options.

The OBPR notes the RIS outlines that the Energy Efficiencies Opportunities Program has provided genuine benefits. However, the rationale for the program is no longer the same since it commenced in 2006. Rising energy prices have driven companies to better consider energy use and the program has successfully embedded energy management practices in many companies.

In addition we note that the RIS estimates that repealing the scheme will save businesses around \$17 million annually in compliance costs. In the context of falling benefits, the RIS examines the cost effectiveness of continuing the program, particularly in light of the

Government's strong commitment to removing the red-tape burden on businesses. The RIS compares repealing the scheme to retaining the current regulatory scheme as well as to an option to alter the current scheme to be more streamlined, and concludes that repealing the Energy Efficiencies Opportunities Program is the preferred option.

Publication requirements

The Office of Best Practice Regulation (OBPR) maintains a RIS website and the Government requires that RISs be posted within 5 business days of a regulatory decision being publicly announced. We would appreciate you advising us when a decision on this proposal is announced, and forwarding a final copy of the RIS in *Microsoft Word .doc* format in a form meeting the Australian Government's *Web Content Accessibility Guidelines*.

We suggest liaising with your web services team to ensure these guidelines are met. The OBPR should be consulted if the RIS is amended. It is the agency preparing the RIS, not the OBPR, which is responsible for the content of the published RIS.

The website provides a public comment facility on RISs posted on the site. The OBPR moderates this facility for offensive content but does not moderate debate. Please retain this letter as a record of the OBPR's advice.

Our reference number for this issue is 16306. If you have any further queries, please do not hesitate to contact me.

Yours sincerely



Jason McNamara
Executive Director
Office of Best Practice Regulation

9 May 2014