



Australian Government
The Treasury



Ms Joanna Abhayaratna
Executive Director
Office of Impact Analysis
Department of the Prime Minister and Cabinet
1 National Circuit
BARTON ACT 2600

Email: helpdesk-OIA@pmc.gov.au

Dear Ms Abhayaratna,

Impact Analysis – Hydrogen Production Tax Incentive – Second Pass Final Assessment

I am writing in relation to the attached Impact Analysis (IA) prepared for the 2024-25 Budget measure, the Hydrogen Production Tax Incentive (HPTI).

I am satisfied that the IA addresses the concerns raised in your letter of 26 October 2024. Specifically, the IA now provides further analysis of the net benefits and how each option will achieve the Government's objectives. Furthermore, the IA now clarifies the problems being addressed and outlines how the policy will be evaluated.

The policy is expected to impose a medium overall regulatory cost, comprising a medium implementation impact and a low increase in ongoing compliance costs. The options are expected to cost \$100,000 per claimant for implementation, and \$12,000 per year for ongoing reporting requirements.

Accordingly, I am satisfied that the IA is consistent with the six principles for Australian Government policy makers as specified in the *Australian Government Guide to Policy Impact Analysis*.

I ask that commercially sensitive and confidential information is redacted or removed from the version that is published. We will provide you with a separate copy to note these sections.

I submit the IA to the Office of Impact Analysis for formal final assessment.

Yours sincerely,

A handwritten signature in black ink that reads "Diane Brown".

Diane Brown
Deputy Secretary
Revenue Group
The Treasury