

Energy productivity and emissions reduction

How can energy productivity help?

Gordon Weiss | 24 February 2016

energetics^o

AFSL Disclaimer



The information contained in this presentation is for information purposes only and is not intended to be financial product or investment advice or a recommendation.


Energetics is authorised to provide financial product advice on derivatives to wholesale clients under the Corporations Act 2001 **AFSL No: 329935**.

In providing information and advice to you, we rely on the accuracy of information provided by you and your company. This presentation has been prepared without taking into account the objectives, financial situation or needs of any individual. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal and taxation advice appropriate to their jurisdiction. Statements made in this presentation are made as at the date of the presentation unless otherwise stated.

Past performance Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Future performance Forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may vary materially for many projections because events and actual circumstances frequently do not occur as forecast and these differences can be material.



“The former Prime Minister, together with the Ministers for Foreign Affairs and the Environment, announced that Australia will reduce greenhouse gas emissions so they are 26-28 per cent below 2005 levels by 2030.”

Department of the Prime Minister and Cabinet

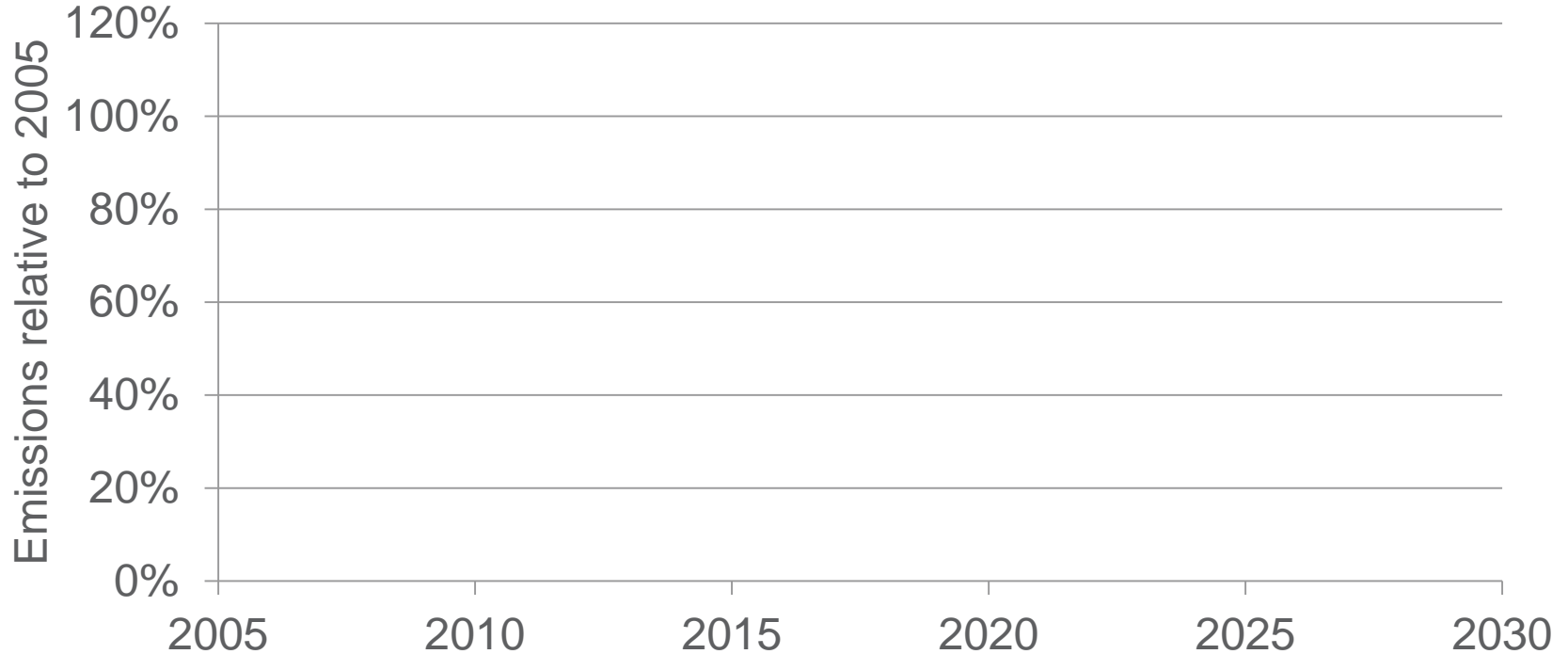
What this means



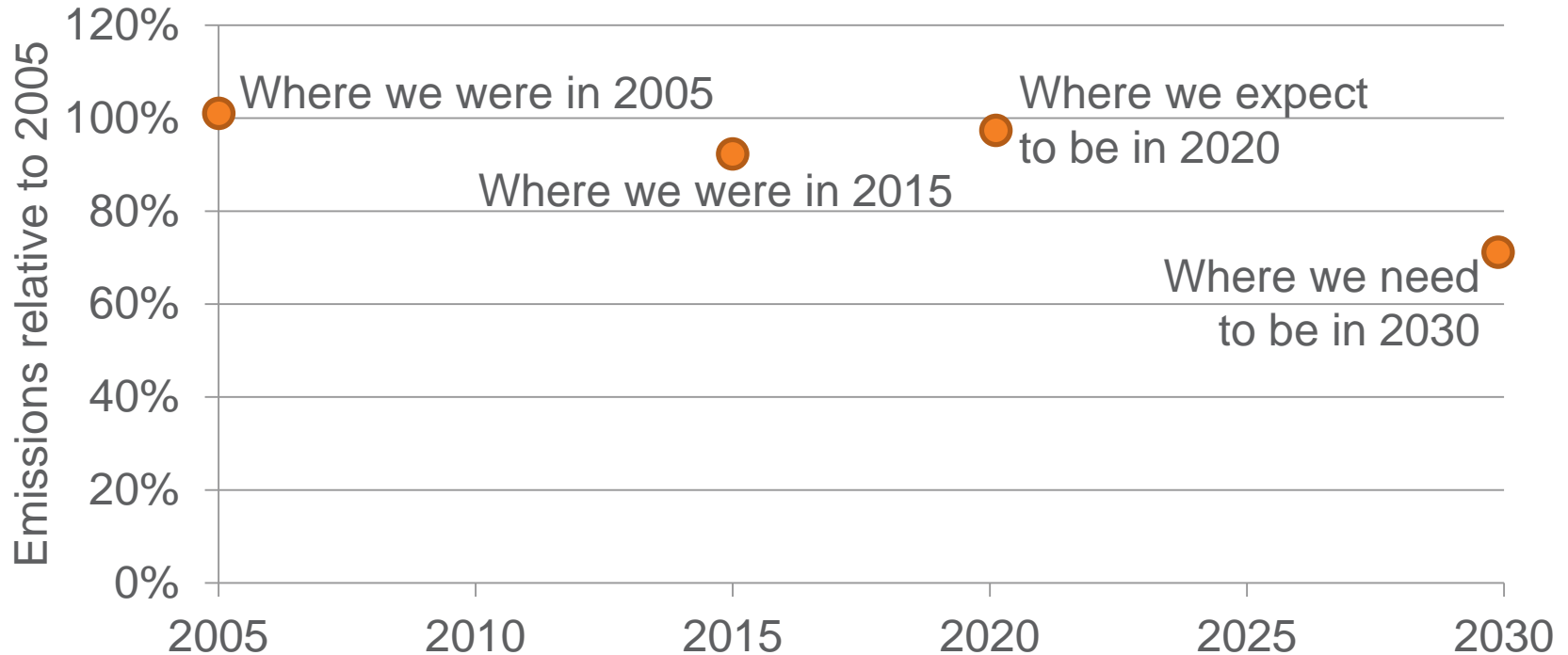
How the emissions reduction target can inform the energy productivity target

How a national focus on energy productivity works with other policies to reduce emissions

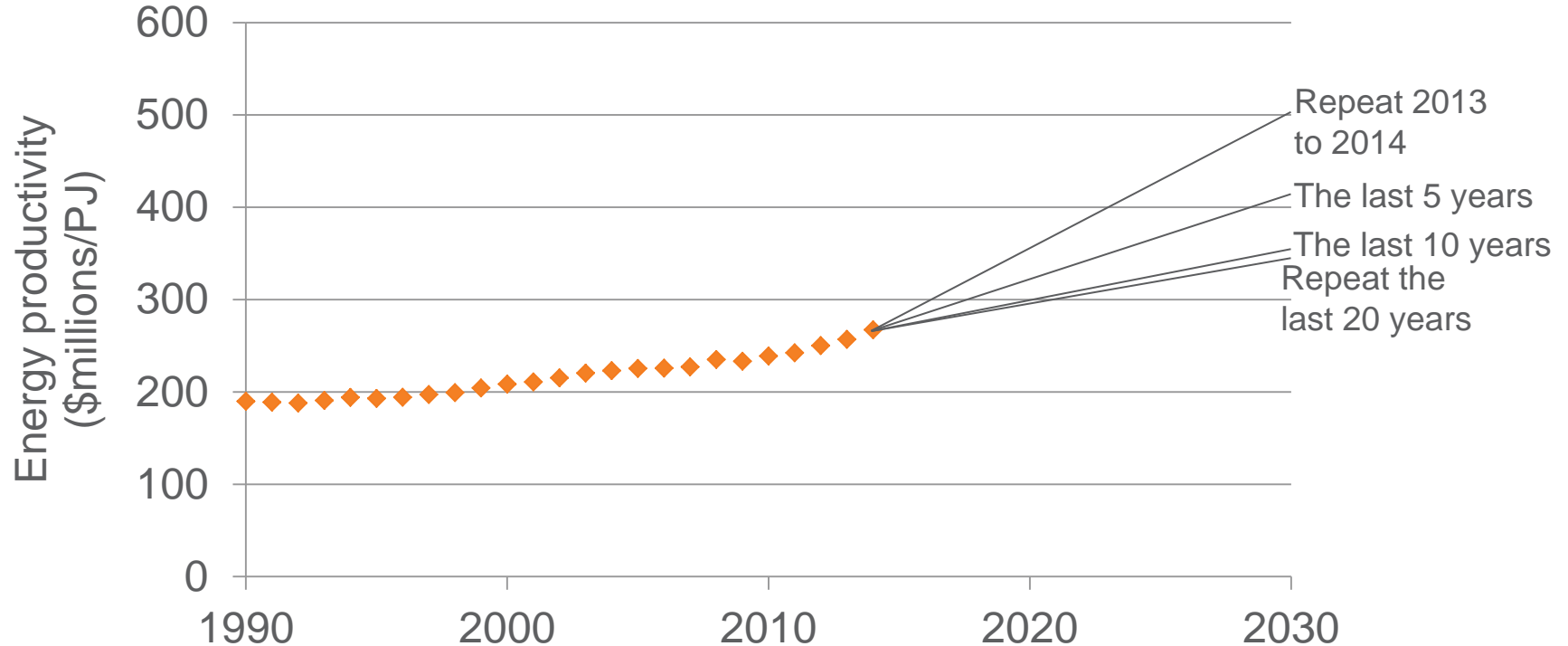
What this means



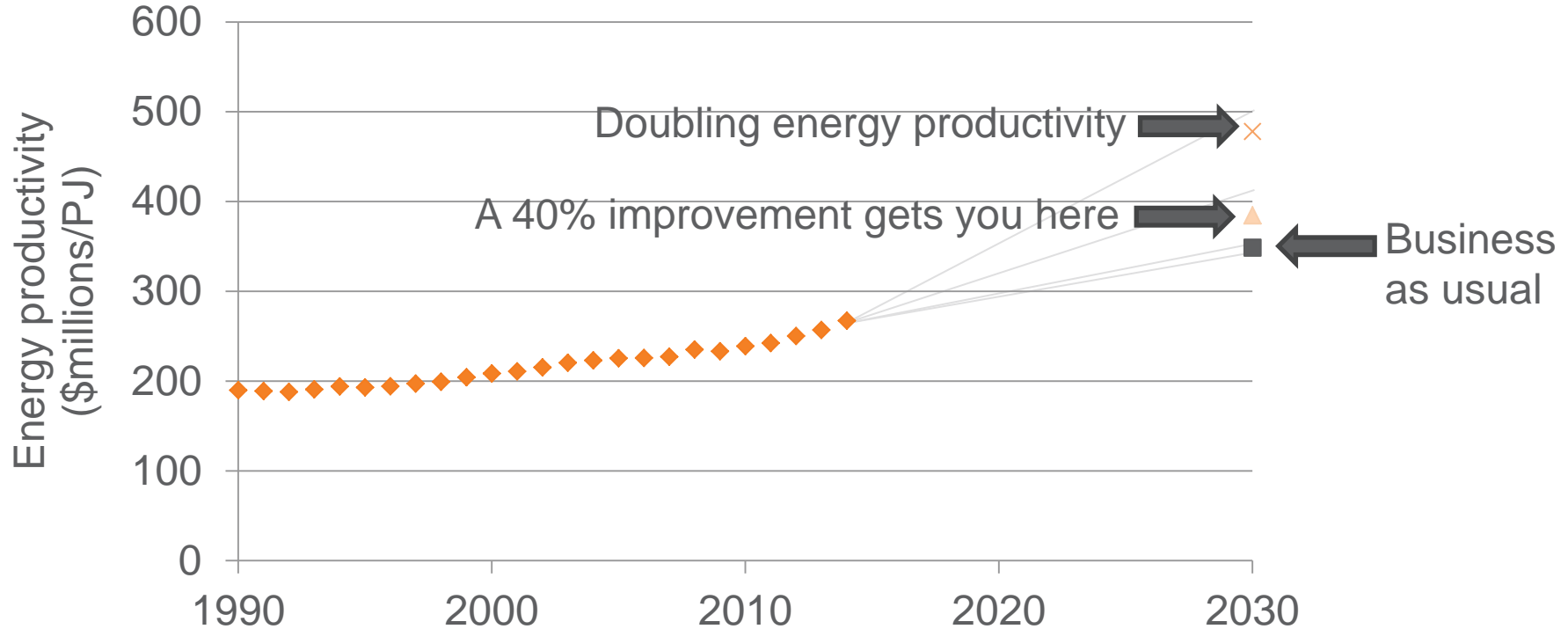
What this means



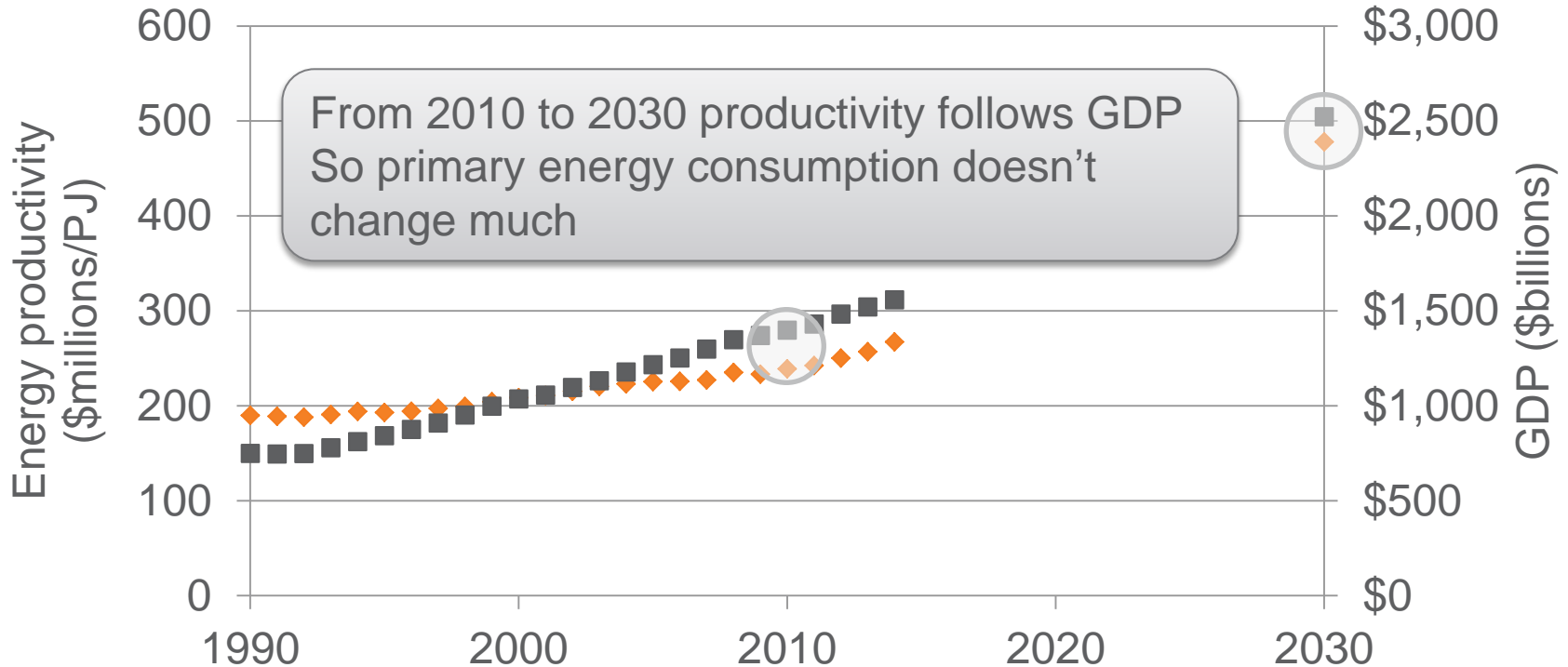
A look at energy productivity



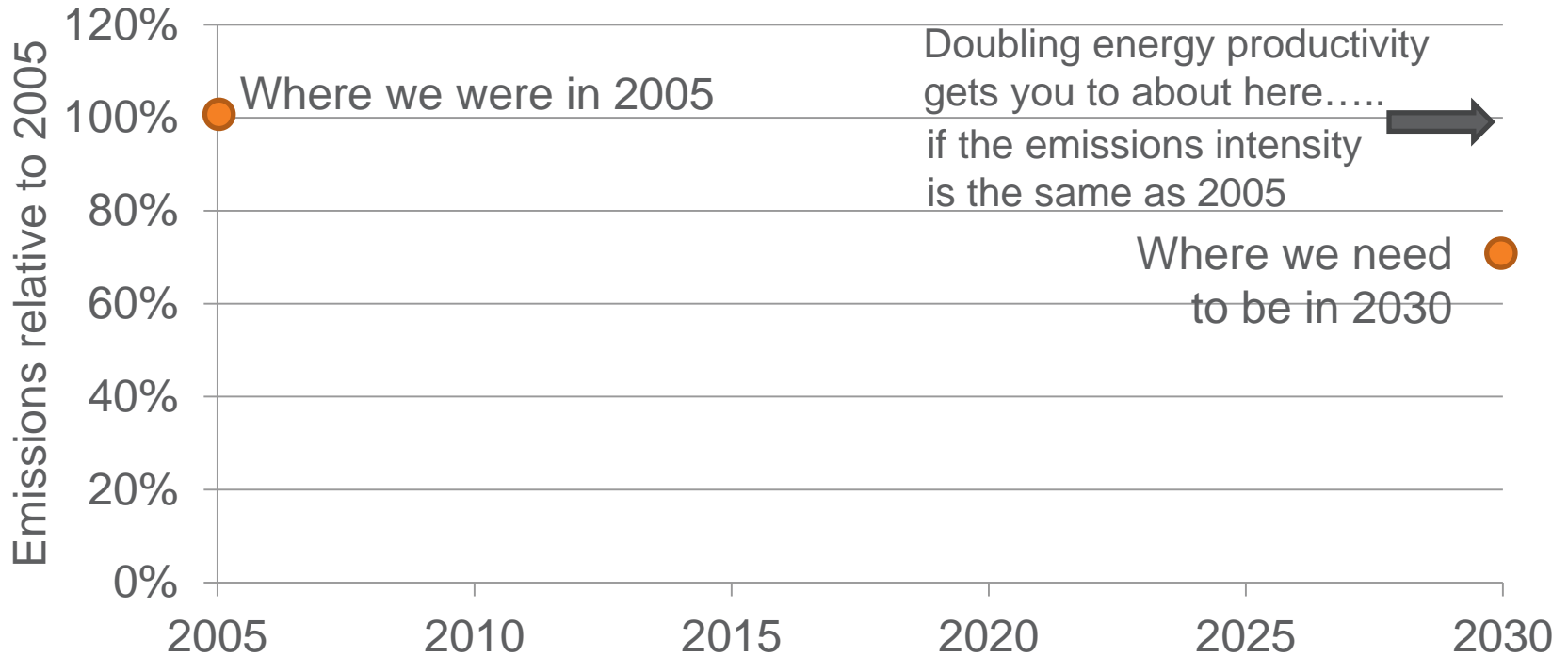
A look at energy productivity



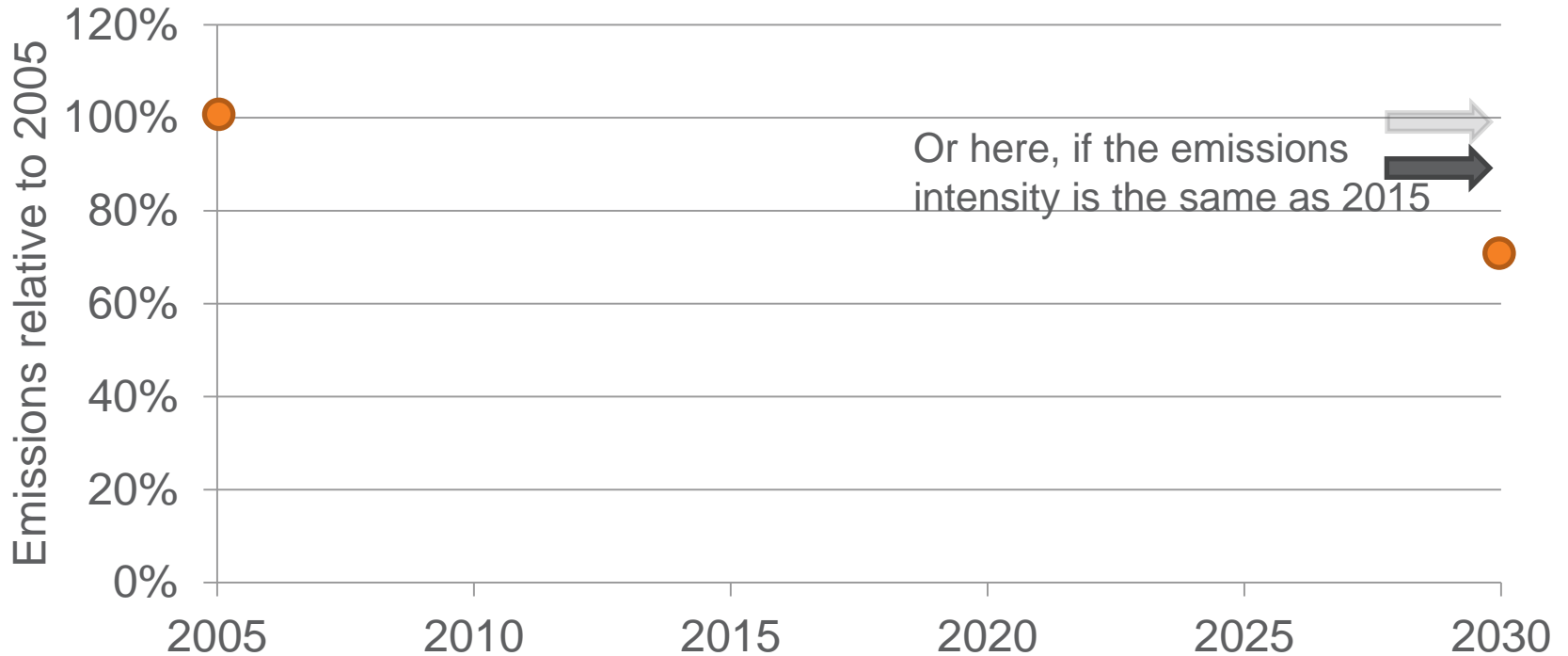
A look at energy productivity



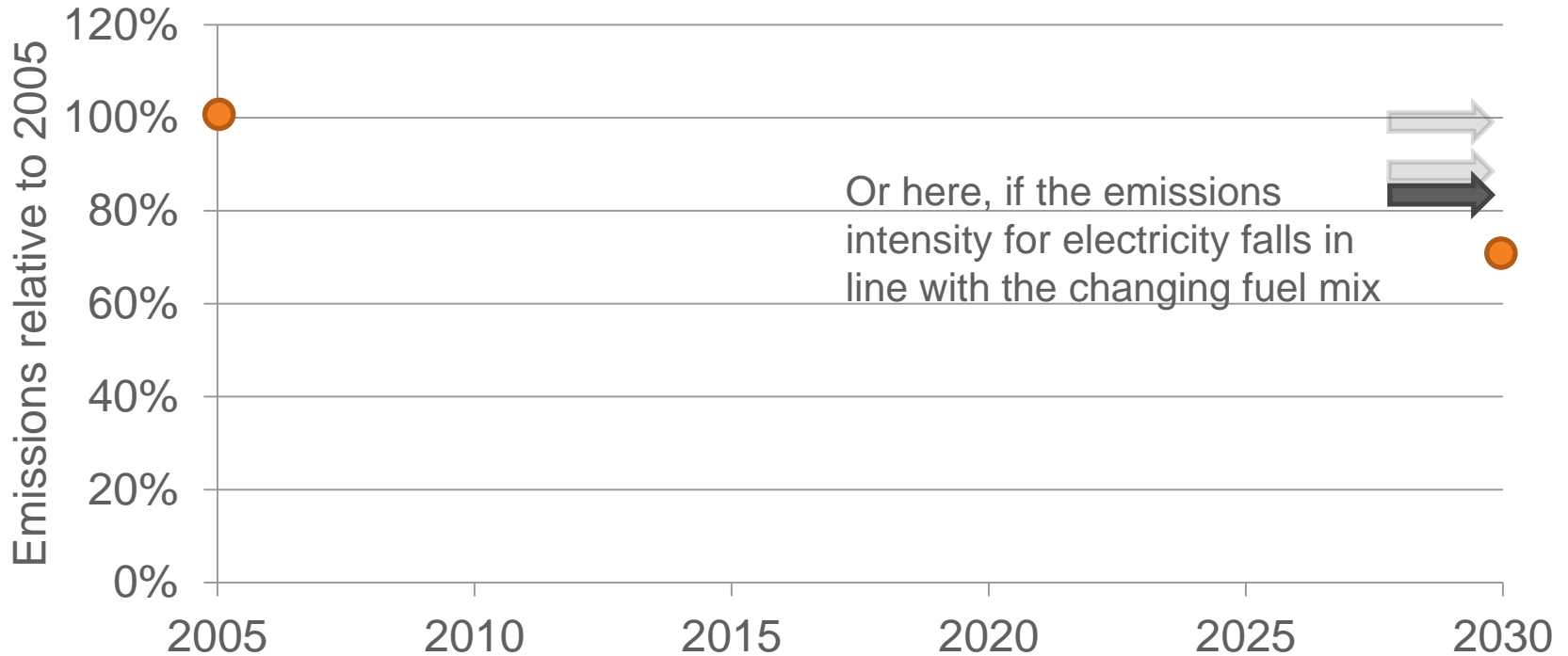
Energy productivity and emissions



Energy productivity and emissions



Energy productivity and emissions



Observations



Doubling energy productivity by itself does not contribute much towards meeting the national emissions target

- Other than preventing a rise in energy related emissions
- A 28% reduction in primary energy use in 2030 relative to 2005 requires a 175% increase in energy productivity relative to 2010

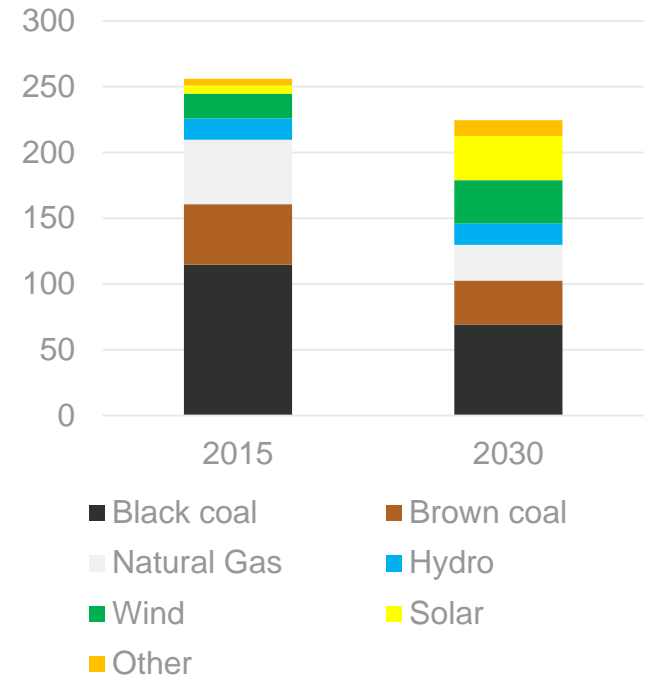
The emissions intensity of energy has already fallen 7% relative to 2005

The impact of doubling energy productivity occurs through the changes to the emissions intensity of energy

Focus on electricity

Year	2005	2010	2015	2030
Electricity generation (TWh)	229	252	256	225
Emissions due to electricity	197	205	186	130
Emissions intensity	0.86	0.81	0.73	0.58
Productivity relative to 2010	96%	100%	112%	203%

Electricity generation (TWh)



“Hunt made it clear at his briefings that Direct Action's safeguard mechanism that applies to large emitters was a nascent baseline-and-credit scheme, in which baselines could gradually be tightened to achieve cuts in national emissions.”

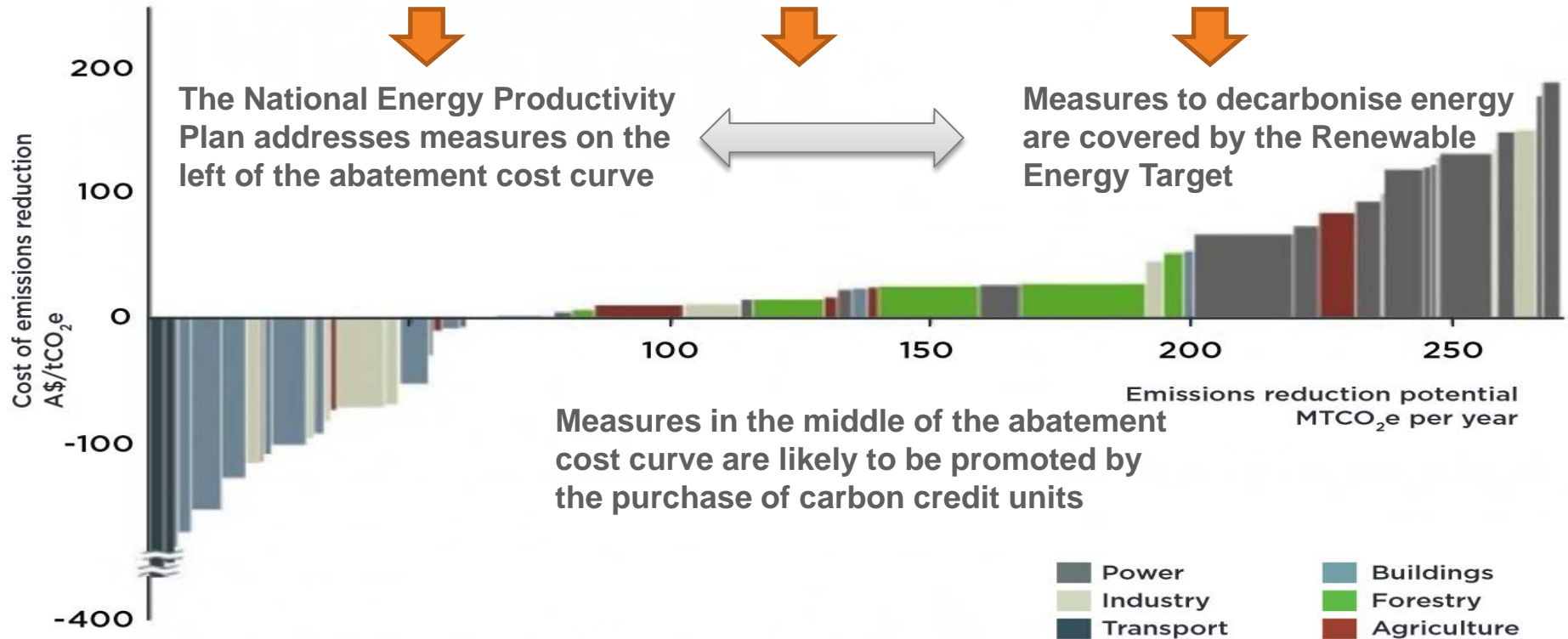


FOOTPRINT, Feb 18, 2016




Policies to drive energy productivity and emissions reduction



The Safeguard Mechanism works to constrain total emissions





Meet our people	Brisbane Canberra Melbourne Perth Sydney
Follow us	
	@energetics_au
	Linkedin.com/company/energetics-pty-ltd
Join our group	Australian Energy and Carbon Forum
Subscribe	www.energetics.com.au
	Energetics' free newsletter provides companies with insight into energy and carbon issues.



energetics^o In the
business of
climate change