

Emissions Trading an Economic Business Perspective

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28 October 2009

better advice for a better life

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Seven Key Knowledge Areas

1. Governments Aim
2. The Trading System
3. Expected Impact
4. Liable Emitters & Non-Liable Business Segments
5. Value-Add Strategies
6. Proactive Strategies
7. Five-Year Strategies

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The Australian ETS

- The Governments Objective
 - Carbon Reduction Targets
 - The Carbon Pollution Reduction Scheme
 - System Coverage
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The Australian ETS (Cont'd)

- 2009 Thresholds for Controlling Corporations:

Facility Level Thresholds

- GHG 25,000 Tonnes
- Energy produced or consumed 100 Terajoules

Corporate Group Level Thresholds

- GHG 125,000 Tonnes
 - Energy produced or consumed 500 Terajoules
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The Australian ETS (Cont'd)

- Audit Requirements
 - Measurement Tools – NGER Guidelines
 - Income Tax Provisions
 - GST Legislation
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Expected Impact

- Emissions Intense Trade Exposed Entities (EITE):
 - 60 percent assistance – 1,000 and 1,999 Tonnes
 - 90 percent assistance – 2,000 Tonnes
- Assistance for Coal Fired Generators
- Fuel Taxes Cut
- Climate Change Action Fund & Australian Carbon Trust
- Financial Assistance to Households, Renters and Landlords

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Liabile Emitters & Non-Liable Business Segments

- Review System Impact on Financial and Non Financial Aspects of the Business
- Undertake Viability Assessment
- Key Stakeholders & Management to Keep Informed


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Value-Add Strategies

- Cost Benefit Analysis
 - Extend Research and Investment Opportunities
 - Take Advantage of Grant Funding Availability
 - Employ Strategies & Seek New Opportunities
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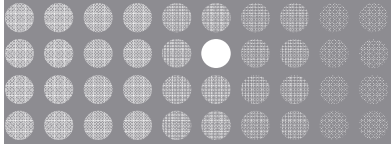
Proactive Strategies

- Impact on Balance Sheet, Earnings & Cash Flow
 - Regular Review of Government Assistance
 - Assess Current Product Lines
 - Undertake Systems Analysis Review
 - Define Goals Early
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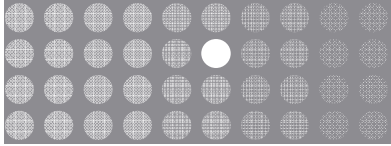
Five-Year Strategies

- Identify Future Growth Opportunities
 - Identify and Capture New Market Based Opportunities
 - Expansion Offshore
 - Linking Opportunities
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The Future

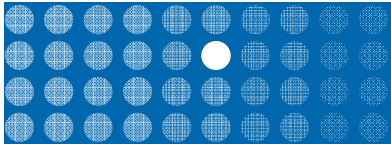
- Emergence of New Innovations and Technologies
- Carbon Reduction in Corp Values of the Business
- Green Stocks on ASX and World Wide Indices
- Changes in Corp and Social Attitudes



Conclusion

“The key to success is often
the ability to adapt”

Author Anonymous



Questions?

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