



The Hon Dan Tehan MP
Shadow Minister for Energy and Emissions
Reduction

Garth Hamilton
Shadow Assistant Minister for Energy, and
Emissions Reduction

20 August 2026

Dr Caralee McLiesh PSM
Auditor-General
Australian National Audit Office
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CANBERRA ACT 2601

By email: ag1@anao.gov.au

Dear Dr McLiesh

Caralee

Performance Audit of the Capacity Investment Scheme

We welcome your advice that the Capacity Investment Scheme (CIS) is a potential audit topic for 2026-27.

Further to Mr Hamilton's letter of 1 July 2026, we are writing to bring to your attention significant new revelations concerning the CIS.

On 16 August 2026, The Australian newspaper reported on the opaque social license commitments established alongside the scheme and the progress of announced and contracted projects. It was also revealed that negotiations on nine mystery projects had been terminated. We enclose a copy of the media reports.

These reports were based on documents obtained by the Opposition and represent perhaps the most significant public insight into the operation of the CIS since its establishment. The reasons for this, as reported in The Australian, is that the Government is claiming disclosure of basic details concerning the scheme might damage the commerciality of proponents and the CIS itself.

Claims that the disclosure of information about the CIS would endanger its ability to meet its objectives ought to be independently tested against whether the CIS, in spite of this defence, is in fact achieving value for money outcomes. Blanket recourse to claims of 'commercial-in-confidence' undermine public trust in the operation of CIS and the expenditure of public funds.

Notwithstanding the actual performance of the scheme against its financial and energy objectives, which remains paramount, these reports add further urgency on the need for an audit into the CIS on transparency grounds. Clearly, the national interest would be well served by just such an audit.

We trust you will keep the issues we have raised above in mind when considering whether to launch a performance audit into the CIS.

Yours sincerely

[Signature of Dan Tehan]
The Hon Dan Tehan MP

[Signature of Garth Hamilton]
Garth Hamilton