



Zali Steggall MP

FEDERAL MEMBER FOR WARRINGAH

Mr Grant Hehir
Auditor-General
Australian National Audit Office
Barton ACT 2600

Dear Mr Hehir,

I am writing to encourage you to consider an audit of the Australian Government's *Underwriting New Generation Investment* (UNGI) program as a matter of priority.

In this current context, where the public is focussed on the immediate crisis of COVID-19, it is imperative that the Government operate with integrity and accountability in managing essential services such as electricity. The UNGI program and its potential impact to the power sector, raise many concerns worthy of your attention.

UNGI proposes to provide public financial support to new dispatchable electricity generation, with the stated goal of increasing competition in the electricity market. Support might be offered through loans, grants, guarantees or other financial mechanisms.

The Australia Institute has researched the UNGI program and identified that as of March 2020:

- there is no constitutional or legislative authority for the UNGI program,
- there are no guidelines and criteria for assessment of support, and
- program development and implementation are following no clear process.

Despite these issues, the government has already shortlisted projects, made initial agreements, advanced detailed negotiations with proponents, and entered an MOU with the NSW government to support projects under UNGI.

Detailed information is available in attached Australia Institute research brief.

The lack of transparency around the implementation of UNGI is concerning, especially in light of the recent ANAO audit into the Community Sport Infrastructure Program. Your investigation of this matter would be beneficial to the national interest.

Sincerely,

A handwritten signature in blue ink that reads "Zali Steggall". The signature is written in a cursive, flowing style with a long horizontal stroke at the bottom.

Zali Steggall, OAM MP
Federal Member for Warringah