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The Research Director
Environment, Agriculture, Resources and Energy Committee
Parliament House
George Street
BRISBANE QLD 4000

RE: Strategic Cropping Land Bill 2011

General Electric (GE) acknowledges the Queensland Government's recognition that:

> "a strong resources sector creates an opportunity for the proceeds to be funnelled into the education and skilling of the people of Queensland but we do not, and have never, supported resource development at any cost.... [and] the challenge for Queensland is to ensure economy-wide growth and development, and this includes ensuring that agriculture maintains its most precious and scarce resource—its strategic cropping land."[1]

GE has participated in the consultation rounds undertaken for the development of the policy, including the recently released draft State Planning Policy (SPP), the Government's Policy Framework and the *Strategic Cropping Land Bill 2011* ("the Bill").

To date, GE has raised the lack of clarity in the Government's consultation papers on the status of and "exempt developments" or those providing "essential services", or "developments to which this Act does not apply".

Exclusions from this Act - Section 6

Section 6 of the Bill details developments exempt from the Bill, "due to their nature and benefits to the community and State".

These include:
• infrastructure and existing strategic port lands under the *Transport Infrastructure Act 1994*;

[1] The Hon Rachel Nolan, "Strategic Cropping Land Bill 2011: Second Reading Speech", Hansard, October 25 2011

• certain infrastructure under the *Electricity Act 1994*;
• identified functions, powers and developments under the *State Development and Public Works Organisation Act 1971*, except for significant projects under Part 4 of this Act.
• other identified developments, including for key resource areas and developments of a prescribed and relatively small size, including for many farm diversification developments, are provided for by amendment of the *Sustainable Planning Regulation 2009*.

The Bill should reflect the exemptions provided for in Annex 1 of the draft Strategic Cropping Land (SCL) SPP and that it "does not apply to infrastructure that is required to deliver essential services to the community where the infrastructure is being developed under the *Transport Infrastructure Act 1994* and the *Electricity Act 1994*".

While GE acknowledges the Bill seeks to prescribe developments deemed as being exempt from the SCL restrictions, it should be clarified to include those providing energy, water, transport and other essential services.

Under the *Electricity Act 1994,* electric lines are defined as "works" or as "anything used for, or in association with, the generation, transmission or supply of electricity".

The *Transport Infrastructure Act 1994* refers to a "priority infrastructure plan, of a local government, means the local government's priority infrastructure plan under the Planning Act".

The *Water Act 2000* Section 25B(3) defines "essential water supply needs means for water supply for – (a) domestic purposes; or (b) essential services, including the generation or distribution of electricity; or (c) processing or refining minerals or petroleum in the local government area of the Gladstone Regional Council".

The *State Development and Public Works Organisation Act 1971* Section 76E(4) refers to "critical infrastructure project" as a project "If the Minister considers the undertaking of the project is critical or essential for the State for economic, environmental or social reasons, the Minister may, in the gazette notice, declare the project to be a critical infrastructure project".

GE also notes the Bill seeks to legislate for circumstances "where a project is likely to have permanent impacts on SCL in a Protection Area, the project cannot proceed unless it demonstrates exceptional circumstances".

Provision for prescribing major renewable energy projects as development in exceptional circumstances - Section 285

Section 285 of the Bill seeks to prescribe "major renewable energy projects as development in exceptional circumstances" without a specific regulation.

GE welcomes the acknowledgement of renewable energy generation through this Section.

As stated above, previous Government consultation materials have proposed "exemptions" from SCL State Planning Policy (SPP), and "not apply to infrastructure that is required to deliver essential services to the community where the infrastructure is being developed under the *Transport Infrastructure Act 1994* and the *Electricity Act 1994*".

However, GE believes the workability of the Section, if not covered by exemptions as proposed for the draft SCL SPP, should be improved by broadening the definition of "renewable energy source" and removing a minimum condition on the size of renewable energy generation project.

Definition of a "renewable energy source"

Under the Bill, the definition of a "renewable energy source" is "wind, solar energy or biomass".

Recent amendments to Section 154 (2)(b) of the Land Act 1994 provides for a lessee to apply for lease to be used for additional purpose, including "production of energy from a renewable source, including, for example, the sun or wind".

GE made representations to then Minister for Natural Resources, Mines and Energy and Minister for Trade The Honourable Stephen Robertson regarding the limited definition of renewable energy under the Land Act 1994 amendments.

In his letter dated February 2 2011 (which is attached to this submission), Minister Robertson advised:

> "Whilst the wording of section 154 (2b) of the *Land Act 1994* only gives two examples of renewable energy sources (sun and wind), it is not meant to restrict the usage of renewable energy just to those sources, instead provide examples of the two main sources that are understood by the majority of people. However, when dealing with applications for renewable energy projects in Queensland, officers of the Department of Environment and Resource Management will look at other definitions such as those provided for under the Commonwealth legislation when considering these projects. Guidelines for dealing with renewable energy projects will be developed and updated as new sources or renewable energy are discovered".[2]

Minister Robertson's letter to GE is attached to this submission.

GE would urge the Committee recommend that the definition of a "renewable energy source" in the Bill also be replaced by the definition of "eligible renewable energy source" provided for in Section 17 of the *Renewable Energy (Electricity) Act 2000* (Commonwealth). See Appendix 1.

[2] The Hon Stephen Robertson, " Letter to General Electric", February 2 2011

Prescribe major renewable energy projects.

The Bill prescribes major renewable project, eligible as in "exceptional circumstances", as "developments for projects under which it is proposed to generate more than 30MW of electricity from a renewable energy source".

To be consistent with the *Land Act 1994*, the Bill should not establish minimum size for renewable energy projects.

Power to prescribe a type of development (a GHG authority under the *Greenhouse Gas Storage Act 2009*) - Section 113 (3)(b)

The Bill provides for a regulation to prescribe a type of development within a Protection Area to be exceptional circumstances if it is not an "excluded type of development".

Section 113 (3) states an "excluded type, of development, means any resource activity other than the following (a) a permit or geothermal tenure under a Geothermal Act (b) a GHG authority under the GHG Storage Act".

Section 18 of the *Greenhouse Gas Storage Act 2009* defines a GHG authority to include a GHG exploration permit, a GHG injection and storage lease, a GHG injection and storage data acquisition authority and GHG tenure.

Through the Australian Government's CCS Flagships program, GE has participated in the pre-feasibility investigations of an integrated carbon capture and storage project, Wandoan Power, utilizing GE's integrated gasification combined cycle technology for carbon capture. GE was accepted as Q2 Partner for its contribution to undertaking pre-feasibility studies on the application of pre-combustion carbon capture technology for the Wandoan Power project.

GE notes the progress of CCS in Australia, and elsewhere in the world, depends upon confirmation of adequate CO_2 storage reservoirs.

The Premier of Queensland The Honourable Anna Bligh said:

> "Identifying storage locations is the critical first step in the process towards the development of Carbon Capture and Storage capacity in Queensland.... By identifying future areas that are geologically suited to future projects we can ensure that other viable integrated capture and storage projects can be created in the future". [3]

In its Coal Plan 2030, the Queensland Government acknowledged that

> "as a major coal producer, and the Australian state predicted to be the most impacted by climate change, Queensland also has a global responsibility to invest in

[3] The Hon Anna Bligh, "State Reconfigures Carbon Storage Research", Media Statement, December 19 2010

those technologies and methods that will help reduce emissions both now and into the future". [4]

GE believes the provisions in the SCL Bill pertaining to GHG authorities are consistent with a continued effort to demonstrate industrial-scale integrated carbon capture and storage and honouring Queensland's "global responsibility".

Recommendations

1. **harmonise the developments exempt from the SCL Bill with the "Development and activities the SCL SPP does not apply to" as per the draft SCL SPP;**
2. **clarify in the Bill, and the SPP, the definition of exempt infrastructure that is "required to deliver essential services to the community where the infrastructure is being developed under the Transport Infrastructure Act 1994 and the Electricity Act 1994" as per the draft SCL SPP, and seek to broaden the exempt to infrastructure providing infrastructure under the Water Act 2000 and State Development and Public Works Organisation Act 1974;**
3. **broaden the definition of "renewable energy source" by adopting the definition under the Renewable Energy (Electricity) Act 2000 (Commonwealth);**
4. **remove the minimum size for a renewable energy generation project; and**
5. **acknowledge the provisions pertain to Greenhouse Gas Authority is consistent with any continued efforts to demonstrate industrial-scale demonstration of CCS technologies.**

If I can provide further information, I can be contacted on 3001 4339 or kirby.anderson@ge.com.

Kirby Anderson
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Att.

[4] Department of Infrastructure and Planning (Queensland), "Coal Plan 2030 – Laying the foundations for the future", November 2010, page 9

Appendix 1

Extract from the *Renewable Energy (Electricity) Act 2000* (Commonwealth)

17 What is an eligible renewable energy source?

(1) The following energy sources are eligible renewable energy sources:
(a) hydro;
(b) wave;
(c) tide;
(d) ocean;
(e) wind;
(f) solar;
(g) geothermal-aquifer;
(h) hot dry rock;
(i) energy crops;
(j) wood waste;
(k) agricultural waste;
(l) waste from processing of agricultural products;
(m) food waste;
(n) food processing waste;
(o) bagasse;
(p) black liquor;
(q) biomass-based components of municipal solid waste;
(r) landfill gas;
(s) sewage gas and biomass-based components of sewage;
(t) any other energy source prescribed by the regulations

(2) Despite subsection (1), the following energy sources are not eligible renewable energy sources:
(a) fossil fuels;
(b) materials or waste products derived from fossil fuels.

Regulations

(3) For the purposes of this Act, the regulations may provide that an energy source referred to in subsection (1) or (2) has the meaning prescribed by the regulations.

(4) For the purposes of this Act, the regulations may make provision for and in relation to limiting the meaning of an energy source referred to in subsection (1).

(5) For the purposes of this Act, the regulations may make provision for and in relation to extending the meaning of an energy source referred to in subsection (2).

Hon Stephen Robertson MP
Member for Stretton

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CTS 00333/11

Minister for Natural Resources, Mines and Energy and Minister for Trade

0 2 FEB 2011

Mr Kirby Anderson
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Dear Mr Anderson,

Thank you for your letter dated 23 December 2010 regarding production of renewable energy on leased land.

Your suggestion to adopt the definition of eligible renewable energy sources, as provided for under the Commonwealth's *Renewable Energy (Electricity) Act 2000,* for use when dealing with additional purposes that can be used over State leasehold land when the additional purpose is to be for the production of energy from renewable sources is very sound and I thank you for this suggestion.

Whilst the wording of section 154 (2b) of the *Land Act 1994* only gives two examples of renewable energy sources (sun and wind), it is not meant to restrict the usage of renewable energy just to those sources, instead provide examples of the two main sources that are understood by the majority of people. However, when dealing with applications for renewable energy projects in Queensland, officers of the Department of Environment and Resource Management will look at other definitions such as those provided for under the Commonwealth legislation when considering these projects. Guidelines for dealing with renewable energy projects will be developed and updated as new sources of renewable energy are discovered.

Should you have any further enquiries, please do not hesitate to contact Mr Craig Sanderson, Manager, State Land Asset Management of the department on telephone 3330 6163.

Yours sincerely

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