ENERGY ROADMAP AMENDMENT BILL 2025

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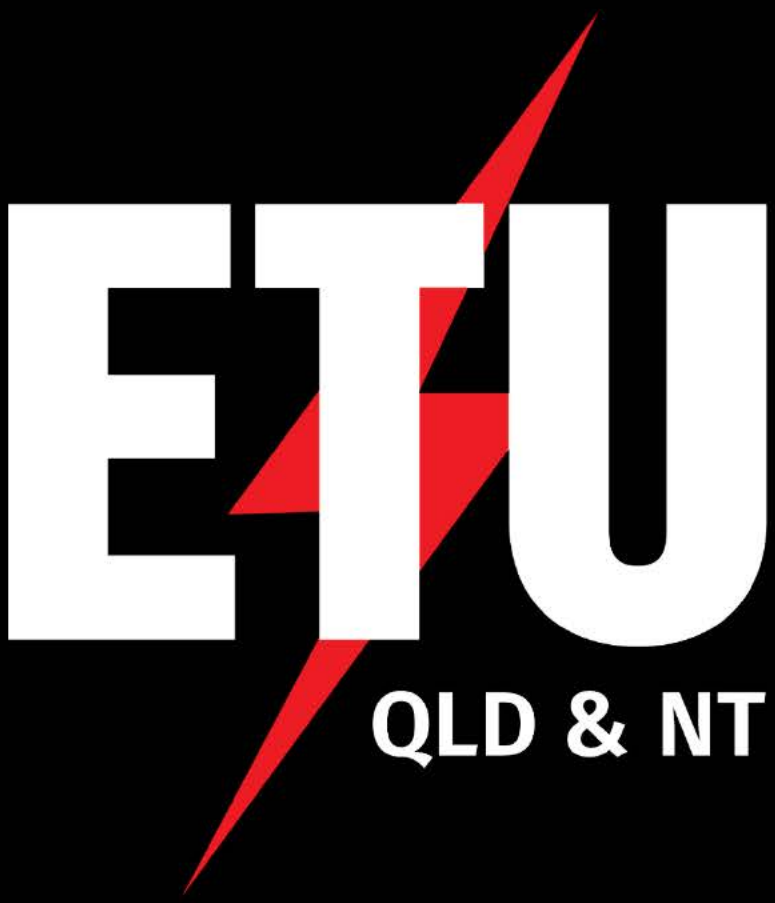
ETU
QLD & NT

About the ETU

The Electrical Trades Union of Australia ('the ETU')[1] is the principal union for electrical and electrotechnology tradespeople and apprentices in Queensland, representing well over 16,000 workers in Queensland approximately seventy thousand workers nationally. In the Energy Sector, the ETU in Queensland represents the overwhelming majority of electrical workers engaged in the Energy Sector.

Introduction

The ETU is strongly opposed to the LNP Energy Roadmap and the amendments proposed in the Energy Roadmap Amendment Bill 2025. This bill is recipe for higher prices, more blackouts, investor uncertainty, job losses and a thinly veiled push for privatisation.

For the entirety its long and proud history, right up until today, the ETU have been staunch advocates for the public ownership of the energy system. The LNP did not take privatisation of the energy system to the 2024 election, and now it is wilfully misusing targets and statistics to mislead the public as to its true intent: handing over new transmission and energy infrastructure to private hands, while maintaining control over assets that are on the verge of becoming stranded.

The ETU has also campaigned extensively for long-term supports for our members in ageing coal fired generation and for secure careers in the renewables industry. The ETU welcomed the introduction of the QLD Energy Jobs Plan as it provided a secure future for our members in power stations that had kept the lights on in the state for decades, as the state transitioned from coal-fired power to an energy system built on affordable and reliable renewable energy backed by storage.

This renewable energy system was to be the backbone for new green export industries in Queensland. This future has now been scrapped by an ideologically driven LNP government, as their policies will close the doors to the increasing percentage of export markets that are looking for low-carbon goods.

A privatisation roadmap to higher prices and more blackouts

The explanatory memorandum states that the Act retains the dual objectives of:

- long-term minimisation of the cost of electricity for Queensland consumers
- provision of a safe secure and reliable supply of electricity to Queensland consumers.[2]

However, the announcements made alongside the passing of the Act are in direct conflict with this objective, rendering it nigh on impossible.

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[1] Being a division of the CEPU, a trade union registered under the *Fair Work (Registered Organisations) Act 2009* (Cth).
[2] Explanatory Memorandum, p. 14

Ageing coal refurbishment too expensive

The LNP energy roadmap commits $1.6 billion over the forward estimates to keep ageing and increasingly unreliable power stations open past their planned closure dates. This figure grossly underestimates the cost to the Queensland taxpayer over the proposed extended life of these facilities, as it only provides the cost over the forward estimates not the total amount over the extended life of these facilities.

In promising to keep these power stations open until the end of their technical life, the LNP has failed to consider the impact the decreased capacity of these power stations as they age. As we demonstrate below, the "economic life" of a power station is significantly shorter than the technical life of a power station, taking into account its decreased capacity over time, despite increased maintenance costs.

Other power stations in Australia that have been kept open past their economic life have required expensive refurbishments that would blowout the LNP's costing easily if applied to QLD power stations.

IEEFA analysis of previous plant refurbishments highlights the significant costs associated with keeping plants running beyond their economic life. These costs would *substantially exceed* the billions put aside by the LNP government, without increasing the Queensland's generation capacity.[3] In current figures, the research found total cost to refurbish the Muja AB, Hazelwood and Liddell power stations is $2.28 billion.

Applying these historical costs to the eight QLD coal-fired power stations that the LNP proposes to run past their economic life would require at least $4.8 billion, not including the promise to extend some units further beyond their technical life.[4]

Power station	Capacity	Required support years	Estimated refurbishment cost
Callide B	700	13	$411,173,000
Callide C	900	20	$528,651,000
Gladstone	1680	1	$986,815,200
Kogan Creek	744	20	$437,018,160
Millmerran	852	20	$500,456,280
Stanwell	1460	20	$857,589,400
Tarong	1400	11	$822,346,000
Tarong North	450	20	$264,325,500
	Total		$4,808,374,540

Finally, it is unclear whether this investment would be successful in extending the life of these power stations. As IEEFA found, in some of the cases they reviewed the refurbishment did not lead to a substantially extended life, while in others, the owner decided not to go ahead with the refurbishment as the cost of doing would mean that the plant would only return minimal profits over the extended life if at all, particularly when compared to building new renewable generation.

[3] IEEFA (2024), *Delaying coal power exits, A risk we can't afford*, p. 28.
[4] Adjusting the average refurbished capacity and cost of historical projects to the capacity of QLD generators.

For example:

> In its 2017 evaluation of whether to close or extend the operation of Liddell, AGL found that refurbishment and maintenance were likely to be a higher-cost option than building new capacity. Building new renewable energy, dispatchable energy and upgrading the efficiency of the Bayswater plant in NSW was costed at $83/MWh, while extending Liddell was costed at $106/MWh.[5]

While in the case of Muja A and B, even after the refurbishment, the plant was, in the words of the West Australian Newspaper, "plagued by operational and reliability problems, generating electricity just 20 per cent of the time". IEEFA goes on to note that:

> In 2017, the decision was made to shut down Muja A and B just three years after they'd been refurbished and 12 years short of the 15-year life that was originally expected. The final cost of the refurbishment was $308 million, three times the original budget.[6]

In short, the LNP plans to spend billions of dollars for no new generation and outages than under the previous plan, putting Queenslanders on the hook for decades to pay billions of dollars keeping aging and unreliable energy assets in the grid, and threatening thousands of jobs in renewable generation construction. These costs will be passed onto the taxpayer through higher power bills despite the increasing unreliability of the power system.

Ageing coal plants increase outages and vulnerabilities in the power system

Ageing coal plants are not just costly to keep running, they also introduce significant vulnerabilities in the power system, with outage rates increasing as plants age and approach end of life. These outage rates may be planned (to undertake the routine, statutory overhauls required to maintain critical componentry) or unplanned (due to equipment failure).

As Simshauser notes, the increasing unreliability of these power stations means that the design life of utility-built coal plants is significantly shorter than the economic life of the plants due to how age introduces "material risks to system user reliability and end user prices".[7]

Similarly, analysis by IEEFA finds reduced generation capacity over the life of a power plant:

> Age-related wear and tear can increase the frequency of technical issues and outages as the plants need to reduce output or temporarily shut down units to undertake necessary repairs. Furthermore, operators often make strategic decisions to scale back asset management and capital investment in ageing coal plants, opting against major upgrades due to their limited remaining operational life and the shortened window to capture a payback on upgrade investments. Consequently, the overall reliability of coal-fired power plants – measured by their availability (the average proportion of a power

[5] IEEFA (2024), *Delaying coal power exits, A risk we can't afford*, p. 28
[6] IEEFA (2024), *Delaying coal power exits, A risk we can't afford*, p. 27
[7] Simshauser, P. and Gilmore, J. (2025), *The Counterfactual Scenario: are renewables cheaper?*, p. 23

plant's maximum generating capacity that is ready to inject power to the grid if requested) – diminishes as they approach retirement.[8]

These general statements regarding the risks to energy system reliability and security posed by ageing coal-fired power stations are borne out in Nexa Advisory's detailed analysis of outage rates at the Callide and Gladstone Power stations.

Case study 1: Gladstone Power Station

According to their detailed analysis of outage data, the Gladstone Power had worse reliability than other coal-fired generators in the NEM and have been increasing over time. Specifically:

- The average capacity factor of Gladstone has dropped below 45% since 2020, below the coal fleet average of 55%, which each unit (on average) remaining offline for over 14 weeks per year.
- Hours of unplanned outages have risen by around 65% since 2020 to 34% in 2022, despite an increase in the number of hours the facility was out for planned outages.[9]

Case study 2: Callide Power Station

Similarly, they find that Callide Power station "demonstrates poor reliability and compatibility with today's dynamic energy system". [10] Since 2020, Callide B Power station was offline for the equivalent of 12 weeks per year, with unplanned outage rates reaching 42% in 2024. Callide C had a catastrophic failure of one of its units in 2021, and the failure of its other units in 2022, only coming back online in 2024. Before these outages, Callie C experienced an average annual outages of approximately six weeks per year.

In its statements and roadmap, the LNP government ignores the practical operational life of these power stations to project a fanciful lifespan for these facilities that completely ignores mechanical physics.[11]

Ageing coal plants increase power prices

In addition to the cost to the taxpayer of the refurbishment, there will be increased costs to Queensland power users of extending these plants. Coal reliability is directly linked to higher power prices, with sudden electricity price spikes coinciding with unplanned coal generator outages.[12]

In the 2025 June quarter, nearly 20% of Queensland's coal fired generation capacity was offline, driven by unplanned Gladstone and Callide C unit outages.[13] According to the Australian Energy Regulator:

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[8] IEEFA (2024), *Delaying coal power exits, A risk we can't afford*, p. 27
[9] Nexa Advisory (2025), Coal performance in the National Electricity Market: Case study 2 – Callide Power station, p. 2.
[10] Nexa Advisory (2025), Coal performance in the National Electricity Market: Case study 5 – Gladstone Power station, p. 2.
[11] Nexa Advisory (2025), Coal performance in the National Electricity Market: Case study 5 – Gladstone Power station, p. 2.
[12] Climate Council (2025), Lights out: Ageing coal and summer blackouts.
[13] Australian Energy Regulator (2025). *Wholesale markets quarterly - Q2 2025*

> Higher fuel costs, combined with a reduction in capacity due to planned and unplanned generator outages, have contributed to black coal generators reducing their total offers and shifting offers to higher prices.[14]

These outages were the major contributor to 30-minute electricity prices to exceeding $5000/MWh eight times in QLD, which increased QLD wholesale electricity prices by 25%.[15]

Ageing coal fired power stations risk to workers

Ageing coal fired power stations are a risk to workers. As IEEFA argue:

> Coal power plants involve highly flammable fuels, very high temperatures, intense pressures, and heavy equipment moving at high speeds. The mines also are subject to fire risk and can be subject to large land slips. Therefore, when equipment becomes so old and fatigued it is unreliable or when maintenance is skimped, the end result can be explosions, fires and mine collapses that can severely injure or kill workers. There can also be serious impacts on surrounding communities. [16]

IEEFA has collected several examples of serious accidents and safety issues at ageing coal plants going back to 2014. In many of these instances, it is only luck that meant that workers were not severely injured or killed.[17]

LNP "roadmap" kills jobs for energy workers

The roadmap repeals the renewable energy target of 70% by 2032, which sent a clear investment signal to build new projects to replace the power stations that were coming to the end of life. These projects would have created new construction jobs in the regions, and powered millions of homes. The LNP "roadmap" threatens over 100,000 estimated to be created under the ALP's Queensland Energy Jobs Plan.[18]

In just their first year, the LNP government has cancelled:

- Pioneer-Burdekin Pumped Hydro, the world's largest pumped hydro project, cancelled by the LNP in November 2024, which would have created 3,000 jobs during construction and bring 5 GW of dispatchable, renewable energy into the QLD grid, all built by a dedicated, publicly owned entity known as Queensland Hydro.[19]
- Moonlight Range Wind Farm, cancelled by the LNP in May this year, which would have created 300 jobs during construction, and enough renewable energy to power more than 260,000 homes.[20]

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[14] Australian Energy Regulator (2025), *Wholesale markets quarterly - Q2 2025*, p. 11.
[15] Australian Energy Regulator (2025), *Wholesale markets quarterly - Q2 2025*, p. 4.
[16] IEEFA (2024), *Delaying coal power exits, A risk we can't afford*, p. 20 - 25
[17] IEEFA (2024), *Delaying coal power exits, A risk we can't afford*, p. 20 - 25
[18] Queensland Government (n.d.) *Future Energy Jobs Guide*.
[19] Queensland Government (2025), *Pioneer-Burdekin Pumped Hydro Progress Powers On*.
[20] Greenleaf Renewables (2024), *Moonlight Range Windfarm.*

- Forest Wind project, cancelled by the LNP in September this year, which would have created 440 jobs during construction, and power more than 550,000 homes.[21]

These are all jobs that would have employed ETU members.

LNP targets hide privatisation of energy grid

The LNP Energy Roadmap is a thinly veiled push for privatisation of the QLD energy system. The LNP is manipulating ownership targets to hide its true agenda to shift the ownership of Queensland transmission and generation assets into private hands, while substantially removing oversight of the Minister's actions.

Public ownership of generation

The LNP government has repealed the target of a minimum 54% public ownership guarantee for current and future generation assets to be achieved by 2035, replacing it with a target of "100% of public ownership of generation assets publicly owned and in operation on the commencement of this subsection, and that continue in operation, is maintained".[22]

While the LNP has tried to spin this as an increase in public ownership over and above the previous targets, a larger number does not magically make a larger share of total generation in public hands. Instead, the LNP has carefully limited their target to existing assets, which are largely focused on facilities and generation types that private investors have little if any interest in owning.

In fact, current modelling indicates that, taking into account the current generation share, that this would result in less than 40% of generation and storage in public hands. Substantially lower than the previous target.

In the same way the LNP government failed to take privatisation to the state election, it is now fudging targets to mislead the Queensland public as to its true agenda.

Public ownership of transmission

The release of the Copper String review alongside the release of the *Energy Roadmap Amendment Bill* and the LNP's *Energy Roadmap* is in conflict with the intent of the public ownership targets for transmission in the both the original *Energy (Renewable Transformation and Jobs) Act* and its amendment. While the legislation states that it will maintain the 100% public ownership target for transmission and distribution assets, the roadmap and the Copper String Review both open the door for private investment in these assets.

Specifically, the Copper String review recommends that the "delivery model for the Eastern Link should be a new regulated entity that can work with the private sector, attract investment and deliver the transmission line at a lower cost to the state and to Queensland households".

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[21] Queensland Government (2025), *Job-generating Wide Bay wind farm proposal gaining momentum*.
[22] s13

In addition to potentially increasing private ownership of transmission assets, it appears to introduce contestability into the procurement of transmission lines, which are naturally monopolies. As we've argued elsewhere, the privatisation of these natural monopoly assets has led to substantial declines in performance. For example, ETU Victoria's submission to the *Victorian Network Outage Review* highlights ongoing issues in the privatised distribution and transmission network which have repeatedly caused significant outages and rapidly declining safety performance.[23] As detailed in that report, the costs of these outages are consistently borne by workers and consumers, while profits are pocketed in the billions by the network operators.

Crucially, in this state where privatisation has been total, the Victorian case study highlights how inadequate regulation produces substantive differences in performance between various private providers. This is crucial as it shows the fundamental issue facing any attempt to regulate a privately owned natural monopoly that is also essential service and public good: wherever profit can be drawn at the expense of public safety, unscrupulous operators will preference their own profit.

Furthermore, the Act removes the forward-looking 'public ownership strategy' and replaces it with a report on progress against the public ownership targets every two years. In other words, the Minister is no longer required to develop and communicate a plan to maintain public ownership only report on whether they have met the target after the fact.

Repeal of oversight

The ETU is appalled by the decision to repeal the Energy Industry Council, the Queensland Energy System Advisory Board and the Queensland Renewable Energy Jobs Advocate. These bodies were established to provide formal avenues for industry expertise and guidance to the provided to the Minister, so that the impact of policies could be considered in decision making, and guidance sought on future policy directions.

The repeal of these bodies, combined with the removal of the requirement for the Minister to produce a strategy on how they are tracking against its targets, indicates a government that is unwilling to put its claims and delivery record to the test, and is scared of transparency as it seeks to shift the QLD energy network into private hands.

[23] ETU Victoria (2024), *ETU Submission to the Network Outage Review*