

Sugarcane Bioenergy Inquiry 2025

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Parliament House
George Street
Brisbane Qld 4000**To Whom It May Concern****Burdekin Shire Council Submission**
Inquiry into sugarcane bioenergy opportunities in Queensland

Burdekin Shire Council welcomes the opportunity to provide a submission to the *Inquiry into Sugarcane Bioenergy Opportunities in Queensland*.

The Burdekin region, situated on the Pacific coastline 80 kilometres south of Townsville, covers more than 5,000 square kilometres and is home to approximately 17,204 residents. The district's agricultural output is valued at around \$500 million annually, underpinned by its sugar industry which produces between 8–9 million tonnes of cane per year and about 1.3 million tonnes of raw sugar at the district's four large-scale mills.

Burdekin Shire Council regards the year-round supply of good quality water as the region's number one asset, which boosts the confidence of local farmers, business people, residents and investors. This stability delivers reliable supply of product and creates a favourable environment for large scale investment and future developments.

Whilst the Burdekin will always be a sugar cane growing district, Council has in recent years been proactively pursuing diversification to bring value-added industries to the shire, increasing employment opportunities and further stimulating the economy. Primary producers and businesses are also keen to explore and invest in new opportunities.

However, the Council and the community are extremely aware of the challenges of fluctuating sugar prices, rising farm input costs, and the flow-on impacts on local businesses and social wellbeing. Bioenergy presents a significant opportunity for diversification, value-adding, and economic sustainability for our region.

I was first elected as Councillor in 2004 where I served for 12 years then re-elected as Mayor in 2024. It's surprising that after being away from Council for 8 years, many of the same ideas, initiatives, and opportunities around the sugar industry remain unchanged. We often refer to generational projects—yet here we are, 21 years since I was first elected (almost a full generation), still discussing many of the same challenges and aspirations.

With abundant water resources, fertile soils and a resilient grower community, the Burdekin is one of the most productive sugarcane districts and is known as the Sugar Cane Capital of Australia.

These key resources ensure a stable and reliable supply of sugarcane, while also creating ideal conditions to explore the use of cane tops and trash as biomass for large-scale bioenergy projects.

However, where there is opportunity, there is also the need for planning, investment, collaboration and policy to turn potential into progress.

Burdekin Shire Council has welcomed numerous delegations interested in exploring the potential of converting sugarcane tops and trash into energy.

As a Council, our challenge lies in determining which proposals are genuinely viable and which may be primarily seeking Research and Development funding without a clear pathway to realisation.

We're always looking for new opportunities for our community and remain committed to supporting companies with innovative ideas.

However, it's important that the State Government reflects on the millions invested in Research and Development that, to date, haven't led to any on-the-ground outcomes in our community. Some of those funds could have been better directed toward projects with clearer pathways to delivery and tangible benefits for our region.

In response to the inquiry, please find following feedback on the key opportunities:

1. Renewable energy cogeneration

The Burdekin's mills are already leaders in renewable energy generation. Bagasse is used extensively in cogeneration to produce steam and electricity. This provides reliable energy for mill operations, with surplus exported to the Queensland electricity grid.

Queensland's current cogeneration capacity is 448 MW, with the industry's feedstock potential supporting up to 800 MW – the equivalent of another Callide B power station. With the Burdekin being one of the largest sugarcane growing districts in Queensland, it is ideally placed to contribute to this expansion.

To unlock this potential, continual investment in the sugar mills is required to maintain and upgrade boilers at the sugar mills. Electricity is one of the largest input costs for Burdekin sugar cane farmers, particularly because irrigation in the district is almost entirely powered by electricity. The Burdekin's unique advantage — its secure water supply from the Burdekin River, underground aquifers and Burdekin Dam — also means that irrigation is constant and high volume. While this underpins high productivity, it also means growers face some of the highest energy bills in the agricultural sector. Rising electricity costs directly translate into higher pumping costs, which then flow through to higher water charges and increased production costs overall.

By unlocking cogeneration potential, sugar mills could generate more renewable electricity than they require and sell this excess power into localised mill-to-farm microgrids. A microgrid is a small-scale electricity network that can operate independently or alongside the main power grid, allowing locally generated renewable energy to be supplied directly to nearby users. This model could deliver affordable, reliable energy directly to the growers who supply the cane.

The benefits could include:

- **Reduced irrigation costs:** Cheaper power lowers the cost of running pumps and managing water, allowing growers to irrigate more efficiently and sustainably.
- **Lower production costs overall:** With electricity prices stabilised, growers can absorb other rising input costs (e.g., fertiliser, fuel) without reducing profitability.
- **Reinvestment in farms:** Savings on electricity enable growers to reinvest in modern farming practices, such as precision irrigation, soil health improvements, and adoption of low-emission technologies.
- **Support for cogeneration growth:** By creating a stable, local market for electricity, mills gain a stronger commercial case to expand cogeneration infrastructure and generate even more renewable power.

By expanding cogeneration and enabling microgrids, mills could produce more renewable energy, growers could access cheaper power for irrigation, farming becomes more sustainable and profitable, and mills have an incentive to continue investing in bioenergy capacity.

2. Bioethanol

The Burdekin has previously sought to develop ethanol production through the Austcane Energy Ethanol Project. While the project did not proceed, it demonstrated the Burdekin's capacity and desire for biofuel development.

To establish a sustainable ethanol industry, the following enablers are essential:

- **Stable, long-term government policy** and enforceable biofuel mandates.
- **Investment incentives and co-funding** to de-risk large capital projects.
- **Infrastructure development** for ethanol storage, distribution, and blending.
- **Secure, long-term feedstock agreements** between growers and mills.

The Burdekin, with its strong sugarcane industry and water security, is ideally positioned to become a hub for this industry.

3. Sustainable Aviation Fuel (SAF)

Sustainable Aviation Fuel (SAF) represents a transformative opportunity for the Burdekin and the Queensland sugar industry.

Local initiatives such as Burdekin Renewable Fuels' *Project BGreen* and SKY Renewables' *Project Lion* highlight grower interest for SAF development and the utilisation of cane tops and trash as feedstock.

Simon Yim (Founder and CEO) of Sky Renewables has been working with growers in the Burdekin since 2018 showing his commitment to not only the project but also the potential in our community. Burdekin Shire Council is supportive of Sky Renewables and looks forward to seeing their project come to fruition.

For Project Lion and other sustainable aviation fuels initiatives to become a reality, significant changes are needed - changes that aren't always easy to achieve. For example, the Burdekin has huge amounts of biomass – however, to achieve this, growers need support to make these changes.

For SAF to become a reality, the following changes are required:

- **Transition in harvesting practices**, reducing reliance on cane burning and capturing more biomass (tops and trash).
 - **New processing technologies and biorefineries**, supported by government co-investment.
 - **Integration with aviation and defence fuel supply chains**, ensuring both commercial and strategic benefits.
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Local Economic and Social Benefits

The sugar industry currently provides close to 3,000 direct jobs in the Burdekin. Expanding into bioenergy will create new skilled employment opportunities in advanced manufacturing, energy generation, and logistics, helping to stabilise local employment and provide career pathways for young people.

By diversifying income streams, growers can supplement their earnings without reducing raw sugar output. Projects like Project Lion, which converts cane tops and trash into bioenergy exports, demonstrate how innovation can reduce waste, eliminate cane burning, and create new export markets.

These opportunities will help protect the long-term viability of the sugar industry, strengthen community confidence, and enhance the resilience of the Burdekin economy.

Without a sustainable sugar industry, the Burdekin community would face significant economic and social hardship. Bioenergy offers an opportunity to protect and diversify our region's largest industry, create new markets, and strengthen Queensland's energy transition.

Burdekin Shire Council strongly encourages the Committee to:

1. Support policy and funding that accelerates cogeneration opportunities.
2. Establish consistent, long-term policy frameworks to underpin investment in ethanol and biofuels.
3. Provide co-investment and infrastructure support for the development of SAF and other advanced biofuels.
4. Encourage grower-led initiatives, such as those currently underway in the Burdekin, which combine local innovation with global market opportunities.


Council and the Burdekin community are ready to support industry and government to unlock these opportunities and ensure our region remains a powerhouse of sustainable sugar and bioenergy production well into the future.

I hope this Inquiry represents a genuine effort to engage with the industry, rather than simply fulfilling a requirement to demonstrate consultation. I am passionate about our community and want it to thrive not just survive.

I'm keen to support fresh ideas that can grow our population and boost the local economy—without compromising the lifestyle we all value.

On behalf of Burdekin Shire Council, I sincerely appreciate the opportunity to be part of the public consultation process. Thank you for your time in considering this information and the Burdekin Shire looks forward to working with the Queensland Government to build a resilient, innovative, efficient, profitable and productive sugarcane sector.

Yours sincerely,



Pierina Dalle Cort
Mayor