

Energy (Renewable Transformation and Jobs) Bill 2023

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Committee Secretary
Transport and Resources Committee
Parliament House
George Street
Brisbane Qld 4000
By email: trc@parliament.qld.gov.au

Dear Committee Secretary

RE: Energy (Renewable Transformation and Jobs) Bill 2023

As the consortium partners for the RAPAD Power Grid project, please accept our comments on the *Energy (Renewable Transformation and Jobs) Bill 2023*.

RAPAD Power Grid introduction

RAPAD Power Grid (RPG) is the estimated 930-kilometre clean energy corridor to:

- secure jobs and growth for Queensland;
- deliver to the renewable energy targets reaching 80% by 2035; and
- help power the State's green industrial and hydrogen export ambitions particularly Gladstone and Townsville.

The project was initiated through a unique collaboration between the Central Western Queensland Remote Area Planning and Development Board (RAPAD), Barcaldine Regional Council (BRC) and VisIR Pty Ltd. RAPAD represents seven local government areas that span almost 25% of Queensland including the Barcaldine region which is home to the emerging Barcaldine Renewable Energy Zone (BREZ). Queensland firm VisIR founded and developed the \$5 billion CopperString 2032 transmission network that will extend approximately 1000 kilometres across North Queensland. CopperString 2032 is being delivered by the Queensland Government.

Regarding the RPG, there has been discussions with landholders, Indigenous people's representatives, and other local stakeholders in identifying a potential corridor for the transmission network from Hughenden (connecting with CopperString 2032) to Barcaldine and east to Biloela to help power the State's green industrial and hydrogen export ambitions particularly Gladstone and Townsville. The next steps are to work with local stakeholders to define the proposed corridor for RPG.

RAPAD's and BRC's own efforts to draw renewable energy projects and investment to the region have included the BREZ project, through a partnership with Sunshot Industries. Central Western Queensland has an unrivalled capacity to produce clean energy and green industrial products, such as urea, and export these products across the State, the nation and the world just as the RAPAD regions grazing industry has done for generations.



With the Government’s commitment to deliver CopperString 2032 as part of the Queensland Energy and Jobs Plan, and the emergence of Gladstone and Townsville as green hydrogen industrial hubs, the RAPAD region can hold the key to Queensland becoming a clean energy superpower.

The RAPAD Power Grid proposes to unlock that opportunity.

Energy (Renewable Transformation and Jobs) Bill 2023

With that potential in mind, RPG consortium commends the Government on the *Energy (Renewable Transformation and Jobs) Bill 2023* and urges the Committee to recommend its passage.

The Bill, like the QEJP, recognises the role of Queensland Government is to guide the energy transformation across the State to ensure the availability of renewable energy for the superpower future is achieved in a way that maximises the benefits for all Queenslanders.

The RPG believes the emphasis of the Bill, like the QEJP, is to transform the State’s electricity supply sector to achieve economic, social, industrial and community outcomes for the whole of our State.

To that point, RPG acknowledges the difficulty of social licence for such an expansion of large-scale renewable energy projects and transmission infrastructure, particularly near larger population areas, intensive agriculture and/or sensitive environmental areas.

The Bill provides the mechanisms, including the Queensland SuperGrid Infrastructure Blueprint, the Priority Transmission Investment framework, and, the Public Ownership Strategy to provide clarity for the broader electricity sector – project developers, investors, owners and customers.

Based on our understanding of these provisions – summarised below - RAPAD Power Grid could be added to Infrastructure Blueprint update as a PTI and included within the Public Ownership Strategy.

Queensland SuperGrid Infrastructure Blueprint.

The Bill provides for the Minister to update the Queensland SuperGrid Infrastructure Blueprint released in 2022 that:

“[O]utlines the optimal infrastructure pathway to transform and decarbonise Queensland’s electricity system.... [and] details the timing and sequence for the delivery of significant energy infrastructure (e.g., backbone transmission, REZ developments and large-scale, long-duration pumped hydro energy storage assets), as well as changes in the operations of coal-fired power stations, estimates of the amount of installed large-scale renewable generation and dispatchable capacity, and estimates of the anticipated customer energy resources.”

The Bill also requires the Minister to produce the first update of the Blueprint in 2025 and then biennial updates.

A key function of the Queensland Energy System Advisory Board, to be created by the Bill, is to provide annual progress statements on the renewable energy targets and optimal infrastructure pathway, as well as provide support for the Government's biennial updates of the Blueprint.

Priority Transmission Investments

The Bill also provides for a new Priority Transmission Investment framework to allow the Queensland Government to identify and assess transmission projects outside of the national framework, and direct Powerlink to construct these projects and recover its associated costs.

As the Explanatory Notes for the Bill state:

“New high voltage backbone transmission will be vital to Queensland’s energy transformation, connecting areas of renewable energy and the new pumped hydros with areas of demand to move power to where it is needed. Existing national frameworks – national electricity laws and National Electricity Rules (NER) – are not designed to support the scale and pace of delivery identified in the Infrastructure Blueprint.”

The Ministerial role to direct PTI recognition and delivery is a critical part of the Bill.

Public Ownership Strategy

The Bill also requires the Minister to prepare a Public Ownership Strategy to *“provide clarity and transparency for market participants regarding how government will seek to achieve the targets. The commitment to public ownership of energy assets in the Bill achieves the policy objective of ensuring Queenslanders continue to reap the benefits of public ownership, including a smooth, coordinated energy transformation.”*

The public ownership targets proposed are 100% of transmission and distribution assets, 100% of deep storage assets, and a target equal to or more than 54% of generation assets.

The Strategy is to detail how these targets would be achieved and maintained by 2035, and how the State proposes to maintain ownership of existing coal-fired and gas-fired power stations.

VisIR has unique insight into the development of transmission in Queensland as the parent company to CuString Pty Ltd, the developer of the CopperString 2032 project until it was transferred to the State in early 2023. VisIR can attest to the positive potential of private development investment cooperating with the State and Government Owned Corporations with the ultimate ownership of transmission being 100% public. This model can work effectively and efficiently and creates unique opportunities, particularly with respect to thoughtful community engagement.

Recommendations

RAPAD Power Grid consortium partners believe the Bill can facilitate the development, delivery, and transfer – to public ownership – of the project within the QEJP objectives and the State’s green hydrogen ambitions. However, an inflexible application of these provisions could have the unintended consequence of slowing, rather than fast-tracking, the RAPAD Power Grid development.

The development of CopperString 2.0, which the Queensland Government announced in March 2023 that it would acquire and Powerlink would deliver, as CopperString 2032, relied upon private sector and government engagement and funding as the project matured.

For RAPAD Power Grid, the Bill should maximise the flexibility for proponents to:

- seek inclusion in Infrastructure Blueprint before the May 2025 update and/or between biennial updates. The next Blueprint update could be brought forward to May 2024, allowing for the first biennial update in May 2026;
- nominate the project for an early determination of Priority Transmission Investment status that could facilitate parallel work to commence and progress through environmental assessment and approval processes of the Queensland and Australian Governments; and
- nominate the stage of the project’s development or operation, before 2035, when it would transfer to public ownership.

In addition to the advisory and review bodies this Bill creates, the Queensland Government should consider re-establishing a function, like the pre-1990 State Electricity Commission, to provide the planning and overall guidance for Government and the industry stakeholders on the SuperGrid delivery in addition to the operational functions of the government-owned corporations.

As the consortium partners for the RAPAD Power Grid project, thank you for seeking submissions and please accept our comments on the *Energy (Renewable Transformation and Jobs) Bill 2023*.

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