

## Energy (Renewable Transformation and Jobs) Bill 2023

**Submission No:** 24  
**Submitted by:** AJ Lucas Services  
**Publication:**  
**Attachments:** No attachment  
**Submitter Comments:**



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

ABN 95 000 392 183  
Level 4, 17-19 Bridge St  
Sydney, NSW 2000,  
Australia

Dear Committee Secretary

**RE: Energy (Renewable Transformation and Jobs) Bill 2023**

AJ Lucas Services Pty Ltd is a pioneer in the Australian coal seam gas and horizontal directional drilling industry.

Established in 1958, AJ Lucas Services has had a close association with the development and transformation of the resources and energy sector in Queensland, including coal seam gas and high-pressure gas pipelines.

On behalf of AJ Lucas Services, I want to commend the Queensland Government on the release of the Queensland Energy and Jobs Plan and its implementation through the proposed *Energy (Renewable Transformation and Jobs) Plan 2023*.

The Plan makes ambitious targets for renewable energy to increase from the current 26% to 80% by 2035, and for the construction of Super Grid to connect an estimated 22 gigawatts (GWs) of large-scale renewable projects, commitment to two major pumped hydroelectric projects, battery storage and a phase-out of publicly-owned coal-fired power generation.

AJ Lucas Services has newly developed geostorage technology which is much cheaper than batteries, has a much longer discharge, and can be deployed almost anywhere. It meets short, mid and long-term storage needs. This is a game-changer and should be included in the Plan and encouraged by it.

Significantly, the Plan recognised an on-going role for gas generation to enable the transition to renewable energy.

Specifically, the Plan commits the Queensland Government to:

- Work collaboratively with industry and national bodies to help address gas supply shortfalls
- Work with industry to investigate options for connecting the Bowen Basin to the East Coast Gas market and options to secure additional gas storage for industry electricity needs

The Plan states that “the SuperGrid will require around 3 GW of low to no emission gas to generate electricity at peak times, and to provide storage, firming and dispatchable capacity”.

While the Queensland Government is to be commended for its initiatives to support the exploration and development of gas reserves including the recent \$21 million Frontier Gas Program, the Bill does not propose any legislative measures to secure the 3GW of low-to-no emission gas generation.

## **Recommendations**

### **Gas**

AJ Lucas Services recommends the Committee require the Infrastructure Blueprint reviews by the Minister (Section 16) and the annual performance reviews by the Queensland Energy System Advisory Board (Section 94) to specifically provide an update on measure to secure additional gas supplies and delivery of the additional 3GW of gas generation.

Although the focus is understandably on the Bowen and Galilee Basins, exploration and development of other basins better connected to the east coast should also be encouraged. There are important industrial opportunities linked to these other basins.

We further recommend that the Bill gives encouragement and rewards better drilling and production techniques and methods which drive down costs. We believe the cost of drilling and production has been too high for no good reason.

### **Geothermal**

AJ Lucas Services commends the Queensland Government for expanding the definition of “renewable energy source” in the Bill (Schedule 1) to include “geothermal”. The draft Bill previously only recognised solar, wind and biomass.

While geothermal is not currently part of Queensland's energy mix, Queensland has long been recognised for its prospectivity for geothermal energy development, with significant resources of hot dry rocks.

The Queensland Government has an established regulatory regime through the *Geothermal Energy Act 2010* to provide for the granting of “geothermal tenures”, its co-existence with other land uses and users, and encourage its adoption in Queensland.

The inclusion of geothermal as a renewable energy source, coupled with funding support and incentivised Government-owned Corporations, should encourage new proponents with the latest technology to seek geothermal tenures with a view to developing projects to contribute to the target of 80% renewable energy by 2035. However, the geothermal resources are so important and opportune that there should be “use it or lose it” requirements of these tenures.

In terms of the Government-owned Corporations, the Bill (Section 13) requires the preparation of public ownership strategy to achieve equal to or more than 54% public ownership of “generation assets” by 2035. However, the Bill’s definition of “generation assets” does not include, for instance:

- a generating system with a nameplate rating of less than 30MW;
- a generating system comprised of generating units with a combined nameplate rating of less than 30MW.

This should not act as a disincentive for GOCs to co-invest or acquire geothermal energy systems, particularly pilot projects, where they can be demonstrated to contribute to overall objectives and targets of the Queensland Energy and Jobs Plan.  
Recommendation

AJ Lucas Services recommends the Minister, in his Third Reading Speech for the Bill, outline how the Government will promote investment in the development of geothermal energy resources in Queensland, including by the GOCs.



David Lukas  
Managing Director  
AJ Lucas Services