

Energy (Renewable Transformation and Jobs) Bill 2023

Submission No: 32
Submitted by: Genuity Pty Ltd
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

Dear Committee Secretary

RE: Energy (Renewable Transformation and Jobs) Bill 2023

On behalf of Genuity, the operator and main owner of the Millmerran Power Project (the Millmerran Power Station and Commodore Coal Mine), please accept our comments on the *Energy (Renewable Transformation and Jobs) Bill 2023*.

Millmerran Power Project

Commissioned in 2002, the 850MW Millmerran Power Station located near Millmerran on Queensland's Darling Downs relies on fuel stock transported via conveyor belt from the open-cut Commodore Mine. The water required for the Millmerran Power Station is supplied via pipeline from the Wetalla Wastewater Treatment plant in Toowoomba.

When Millmerran Power Station was officially opened on 31 January 2003, then Queensland Premier The Honourable Peter Beattie said: *"This will further enhance the region's status as a key economic zone in Queensland and promises to deliver more jobs for Queenslanders. This is also a great Smart State project, it uses sophisticated technology to reduce water and coal consumption, making it more efficient than conventional coal-fired generators."*¹

The Millmerran Power Project continues to provide over 220 operational jobs within the Millmerran community and the Toowoomba Regional Council area.

The Millmerran Power Project generates the equivalent of 1.1 million households' electricity needs and is key to providing a secure baseload energy supply for Queensland and into New South Wales via the Interconnector.

Queensland Energy and Jobs Plan/Energy (Renewable Transformation and Jobs) Bill 2023

We understand the Bill operationalises the Queensland Energy and Jobs Plan released by the Queensland Government in September 2023. The Plan committed and the Bill proposes to legislate targets for renewable energy (50% by 2030, 70% by 2032 and 80% by 2035) and public ownership (equal to or more than 54% ownership of generation assets).

In addition, the Bill establishes the Queensland Energy System Advisory Board to prepare an annual progress statement on the progress towards achieving the renewable energy targets and the optimal infrastructure pathway, and to provide advice to support the government's biennial updates to the Infrastructure Blueprint.

¹ Premier Peter Beattie, *Media Statement "Millmerran to power Darling Downs growth and jobs"*, 31 January 2003 Link <https://statements.qld.gov.au/statements/24923>

Through the Bill, the Government aims to deliver its renewable energy target through its own public ownership, including to phase-out public ownership of coal-fired power stations.

Genuity understands this will be detailed through the legislated requirement for the Minister to prepare a public ownership strategy to describe:

- how the State proposes to achieve and maintain, or promote the achievement and maintenance of, these targets by 2035 during two reporting periods (1 July 2025 to 30 June 2030 and 1 July 2030 to 30 June 2035); and
- how the State proposes to maintain ownership of each publicly owned coal-fired power station and each publicly owned gas-fired power station in existence on the commencement. Under the Bill, publicly owned coal-fired power station means a coal-fired power station in Queensland that is owned (wholly or partly and directly or indirectly) by a Government-owned Corporation: Stanwell, Tarong, Tarong North, Kogan Creek, Callide B and Callide C. It is intended that these power stations will be gradually converted into clean energy hubs over time.

To the best of our knowledge, Genuity is aware neither the Plan or the Bill propose change to the expected operational life of the targeted 46% of Queensland generation assets² that are not publicly owned.

Genuity notes and supports that the Bill requires the Queensland Energy System Advisory Board membership to have knowledge, qualifications, or skills in the operation of the Australian energy sector, investment in energy infrastructure, or delivery of energy infrastructure projects.

Nevertheless, Genuity believes the Committee should insist the Bill require the Minister and the Queensland Energy System Advisory Board to actively consult with the private owners of Queensland generation assets on the progress toward achieving the renewable energy and public ownership targets, and delivery of the Infrastructure Blueprint. In fact, Genuity believes that the privately owned Millmerran Power Project will play an integral role within the energy transition.

Regards,


Brent Gunther
Managing Director
Genuity Pty Ltd

² Under the Bill, "generation assets" is defined as assets that constitute a generating system for which a person is registered as a generator or intermediary under the NER, unless the asset is predominantly used to generate electricity for conversion to a form of energy suitable for export and is prescribed by Regulation. Also excluded from the definition of generation assets are:

- generating systems with a nameplate rating of less than 30 MW;
- generating systems comprised of generating units with a combined nameplate rating of less than 30 MW;
- a deep storage asset or an asset used for pumped hydro energy storage;
- another asset that (directly or indirectly) uses electricity to create a stored source of energy that may later be converted by the generation system to electricity.