

Energy (Renewable Transformation and Jobs) Bill 2023

Submission No: 48
Submitted by: Townsville Enterprise Limited
Publication:
Attachments: No attachment
Submitter Comments:

Committee Secretary
Transport and Resources Committee
Parliament House
George Street
Brisbane Qld 4000

Dear Committee Secretary,

Submission to the Transport and Resources Committee's Inquiry on *Energy (Renewable Transformation and Jobs) Bill 2023*.

Townsville Enterprise is the peak economic development body and destination management organisation for Townsville North Queensland. We represent the five major local government areas of Townsville, Burdekin, Charters Towers, Hinchinbrook and Palm Island and aim to attract both government and private investment to the region.

For over 30 years, Townsville Enterprise has played a critical role in the economic development of the region through strong political advocacy, investment attraction, tourism development and by promoting Townsville North Queensland as an attractive place to live, visit and invest. We are a not-for-profit organisation funded by over 300 members across the region both businesses and local government. Our purpose is to secure the future of Townsville North Queensland.

Introduction

Townsville Enterprise advocates for key issues and projects that will enable economic development in the North Queensland region. Townsville Enterprise has advocated for the CopperString project for over 10 years and continues to support the project as it moves into the construction phase.

Townsville Enterprise welcomes the Queensland Government's commitment to own and construct the CopperString project, which will aid in the delivery of the renewable energy targets which are codified in the *Energy (Renewable Transformation and Jobs) Bill 2023* (the Bill).

Townsville Enterprise makes the following points to the Committee:

1. The streamlining of all levels of government approvals processes for large-scale renewable energy generation and transmission infrastructure projects to maximise investment attraction and remain globally competitive.
2. The delivery of generation and transmission infrastructure in Renewable Energy Zones and the subsequent ability to deliver on the Queensland Government's renewable energy targets will be highly dependent on the capacity of transport infrastructure to enable construction.
3. The Queensland SuperGrid Infrastructure Blueprint should be updated within the first year of being released to reflect the updates to the current transmission projects and timelines including Copperstring, with biennial reviews from this date (including Copperstring)
4. The Committee notes the significant requirement for gas to play a role in providing firming power in support of renewable energy targets and the benefits provided by the re-purposing of fugitive emissions into productive energy generation.

North Queensland's Role in the Renewable Energy Transition

North and North West Queensland is a critical renewable energy resource that needs to be unlocked for Queensland to achieve its RET targets. The Hughenden region contains the best wind and solar energy resources in the country¹. It is uniquely positioned to provide 24-hour renewable energy generation due to its wind energy profile providing generation at night and its solar assets providing power during daylight hours. It is unique and recognised as a significant generation resource. The Queensland Government has recognised this by bringing forward the Copperstring project and moving it into construction now and there are several renewable energy projects that have been announced in the region by international companies and Townsville Enterprise members including Iberdrola, Windlab, Ark Energy, Edify and QEM/Enel.

It is estimated that this region will be able to generate an estimated 35GW of renewable energy¹, enough to meet the Queensland Government's RET on its own. This region will be integral in achieving the targets set out by the Queensland Government. The delivery of the Copperstring project and other major transmission projects connecting Renewable Energy Zones are the super-highways connecting this renewable power to load and future manufacturing and export opportunities.

1. Streamlining of Approvals and Fast-Tracking of Queensland Renewable Energy Projects and Transmission Infrastructure

In order to meet the ambitious renewable energy targets set out by the Bill, it is imperative that the all levels of government approvals processes for renewable energy and transmission infrastructure projects are streamlined to ensure their timely delivery. Long approval timeframes present a serious risk to both the delivery of existing projects, as well as attracting new projects particularly as other States across Australia are also competing to attract renewable energy investment.

The Western Australian Government has recently introduced a new Environmental Protection Act (EPA) exemption order allowing Crown land to be leased to developers while the projects are being assessed. The policy aims to provide renewable energy developer with early access to Crown land to draw new investment to the state and facilitate more clean energy production. Global competition with other international renewable energy investment destinations is also a considerable risk, as Australia is facing a slowdown in investment over the last quarter. The Clean Energy Council Renewable Projects Quarterly Report² that the sluggish trend in investment for large-scale renewable energy generation projects in Australia continued over the third quarter for 2023. The streamlining of approvals processes for renewable energy generation projects is pivotal for ensuring that Queensland is a competitive and attractive destination for investment.

To remain globally competitive, the Committee should consider approvals process that encourages transparency and efficiency for critical infrastructure projects. A notable example includes the United States FAST-41 Infrastructure Permitting Pathway which was introduced to support the coordination and oversight procedures for infrastructure projects within selected sectors (renewable energy production, manufacturing, electricity transmission, surface transportation, conventional energy

¹Transgrid (2021), Energy Vision

² Clean Energy Council (2023), Renewable Energy Quarterly Report

production). The benefits include increased visibility and predictability for project proponents, coordination with other Federal agencies and increased accountability in the adherence to established timelines. The process aims to condense the approvals process over a period of months, which is a stark contrast to the Australian process which can take upwards of two years. Townsville Enterprise has attached the FAST-41 factsheet for more information on this infrastructure permitting pathway.

2. Importance of Supporting Infrastructure in Renewable Energy Transition (Flinders Highway and water infrastructure)

The construction of the CopperString project is expected to unlock billions in new investment into the renewable energy sector, which will be integral to supporting the North and North West Queensland economy.

However, just as Copperstring is a superhighway that needs to be fit for purpose, the road and rail infrastructure and highways connecting Ports and manufacturing hubs to the REZ's also needs to be fit for its purpose, enabling the build out of these projects to meet the Government's ambitions in this bill.

The Flinders Highway stands as one of the nation's most crucial economic freight routes. It is slated to become the primary corridor for transporting wind turbines, solar panels, transmission tower components, and critical minerals—a vital pathway for our green industrial future. The freight moving along this highway to the Port of Townsville currently contributes nearly \$6 billion to the nation's GDP annually.

Due to the current state of the Flinders Highway, critical infrastructure improvements are urgently needed to support this vital corridor. Upgrades to the Flinders Highway are imperative to accommodate the substantial expansion in critical mining and refining activities, construction of CopperString, and upcoming renewable energy projects. The anticipated surge in freight demand, driven by CopperString, new wind and solar initiatives, critical mineral mining, and refining projects, poses a considerable challenge to the current state of the Flinders Highway and could potentially jeopardise these billion-dollar developments.

We know that, in its current state, the Flinders Highway cannot meet the construction requirements of Copperstring and the Renewable Energy Precinct at Hughenden. Bridge strengthening, road shoulder improvements and powerline heights over the highway will inhibit REZ development, not only in the North West region, but in every REZ.

Townsville Enterprise recommends that the Committee note and consider how transport infrastructure will need to be addressed or the urgent remediation of infrastructure impediments can be directed in the bill. Townsville Enterprise has already written to the Queensland Transport Minister seeking his urgent agreement to conduct an infrastructure audit on the Flinders Highway to identify impediments to the delivery of Copperstring and the Hughenden Renewable Energy Precinct.

In addition, the availability of water to support the build out of projects in REZ's also needs to be considered. Townsville Enterprise is strongly supportive of the Flinders Shire Council in its advocacy for Government support for the delivery of water storage projects to assist in the development of Copperstring and the renewable energy projects.

3. Update to the timelines in the Infrastructure Queensland SuperGrid Infrastructure Blueprint

The Bill establishes that the Queensland SuperGrid Infrastructure Blueprint will identify the priority transmission investments as well as the sequencing and delivery of these major projects.

Townsville Enterprise recommends that this document is updated to reflect the significant changes that the CopperString project will have on the construction of transmission networks and the generation of renewable energy. Currently, the Blueprint does not include any reference to the CopperString project, instead includes the Townsville to Hughenden transmission line which was announced prior to the CopperString project. It also refers to the potential of this transmission upgrade to be extended from Hughenden to Mount Isa. Based on the timeline set out in the Blueprint, this project is not expected to begin construction until 2035.

It is imperative that Queensland SuperGrid Infrastructure Blueprint is updated to reflect the scale and project timelines for the CopperString project. If this document is intended to remain relevant to the Minister in assessing the progress of the transmission upgrade projects.

Due to the significance of the CopperString Project, Townsville Enterprise recommends that the requirements for the Minister to review the infrastructure blueprint is reviewed within the first year of it's release, to ensure that the Blueprint refers to and accurately monitors the renewable energy and infrastructure projects underway in the region.

4. Importance of Gas-Powered Generation in Supporting Renewable Energy Transition

The Bill defines renewable energy sources as any of the following:

- a) Solar;
- b) Wind;
- c) Biomass;
- d) Geothermal;
- e) Hydropower, other than pumped hydro energy storage;
- f) Another source prescribed by regulation

Townsville Enterprise encourages the Queensland Government to consider the role that gas-powered generation can have in supporting the renewable energy transition. Whilst solar and wind are the most important sources of variable renewable energy in Australia, gas-powered generation can provide firming power when renewables are not available, at lower cost than alternatives.

Gas-powered generation that is connected to a gas pipeline network can provide electricity from energy storages over periods of weeks and months in times of renewable droughts, when the wind doesn't blow and the sun doesn't shine. Gas firming power can support the electricity grid for much longer time periods than batteries and pumped hydro can provide.

The flexible nature of gas-powered generation means it is uniquely placed to provide support to renewable generation, protecting security and reliability of the electricity system. Gas fired power that is being drawn from fugitive emissions can provide huge emissions reduction benefits supporting both Queensland and Australia's goals of achieving net zero, amplifying the benefits achieved through the RET targets.

Townsville Enterprise member, Queensland Pacific Metals and the North Queensland Gas Pipeline has demonstrated how gas-powered generation can be used to abate carbon emissions as well as providing an alternative source of energy. QPM are the project proponent behind the Townsville Energy Chemicals Hub (TECH) Project located at the Lansdown Eco-Industrial Precinct, which is proposed carbon negative nickel and cobalt refinery. The Carbon Abatement Hub (CAH) Project is a key component of the refinery's plans to be carbon negative and is expected to make history in Australia as the first multi-user waste gas collection and processing facility. This facility will utilise the vast amounts of gas emitted during the coal extracting process in the Northern Bowen Basin (NBB).

Coal found in the NBB area typically contains high volumes of gas that are released in the atmosphere through direct methane release from open pit coal mines and flaring and venting of gas pre-drained from underground coal mines ahead of coal extraction. The CAH project aims to capture and beneficially use this large gas resource, thereby reducing significant quantities of carbon emissions.

The benefits of this arrangement could extend to North Queensland gas consumers, the national electricity market and the environment, as the greenhouse gas emissions associated with metallurgical coal mining are significantly reduced.

Based on studies undertaken, the capturing of this gas and repurposing it for firming power and future industrial use has the potential to significantly reduce Queensland's carbon emissions to the equivalent of up to 27,100MW solar farms and enable Queensland to meet its net zero targets while supporting the carbon abatement ambitions of Queensland's traditional industries in coal and gas.

Townsville Enterprise strongly encourages the Committee to ensure that the bill does not adversely impact the contribution of gas to provide firming power, specifically where that gas is already contributing to Queensland's emissions without being captured. Projects like this will provide enormous benefit to Queensland's ambitions to quickly achieve net zero at a lower cost than some renewable alternatives.

Townsville Enterprise would like to thank the Transport and Resources Committee for the opportunity to provide feedback on the *Energy (Renewable Transformation and Jobs) Bill 2023*. We are strongly committed to continuing to work with the Queensland Government in the delivery of these shared objectives across the North Queensland region. We will continue to support the Government to overcome future challenges raised in transitioning the North Queensland economy to renewable energy.

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The Federal Permitting Improvement Steering Council (Permitting Council)

What is the Permitting Council?

Created in 2015 by the Fixing America's Surface Transportation Act (FAST Act), the Permitting Council is an independent Federal agency composed of 16 members: the Executive Director (Permitting Council Chair), the Director of the Office of Management and Budget, the Chair of the Council on Environmental Quality, and representatives from the 13 Federal agencies that are responsible for environmental reviews and permitting for infrastructure projects. The Permitting Council facilitates deliberate, coordinated, and transparent Federal environmental review and permitting for certain "covered" infrastructure projects.

Why Work with the Permitting Council?

FAST-41 coverage entitles project sponsors to a comprehensive, integrated Federal permitting timetable that is publicly posted on the Permitting Dashboard and which contains all Federal environmental reviews and authorizations needed to begin construction of the project. FAST-41 requires that agencies collaboratively establish and maintain these permitting timetables and consult with the project sponsor on any proposed permitting timetable changes. Permitting timetables may only be modified in compliance with FAST-41's consultation and public disclosure requirements to ensure accountability.

What does the Permitting Council do?

The Permitting Council administers Title 41 of the FAST Act, referred to as "FAST-41," which establishes a new governance structure, set of procedures, and funding authorities to improve and make transparent the Federal review and permitting process for FAST-41 "covered" infrastructure projects on the Federal infrastructure Permitting Dashboard. Project sponsors (usually private entities) apply for and receive FAST-41 coverage for their projects.

What is a FAST-41 Covered Project?

A FAST-41 covered project must first be in one of the following 18 sectors:

1. Renewable energy production
2. Conventional energy production
3. Electricity transmission
4. Surface transportation
5. Aviation
6. Ports and waterways
7. Water resource projects
8. Broadband
9. Pipelines
10. Manufacturing
11. Mining (added by Permitting Council vote)
12. Carbon capture
13. Semiconductors
14. Artificial intelligence and machine learning
15. High-performance computing and advanced computer hardware and software
16. Quantum information science and technology
17. Data storage and data management
18. Cybersecurity



The Federal Permitting Improvement Steering Council (Permitting Council)

A covered project also must meet one of the following four criteria:

1. Objective Criteria

A project must:

- Be subject to the National Environmental Policy Act (NEPA);
- Be likely to require a total investment of more than \$200,000,000; and
- Not qualify for “abbreviated authorization or environmental review processes” under any applicable law.

2. Discretionary Criteria

- Project is subject to NEPA; and
- Project is of a size and complexity that makes it, in the opinion of the Permitting Council, likely to benefit from enhanced oversight and coordination, including (but not limited to) a project likely to require:
 - Authorization from or environmental review involving more than two Federal agencies; or
 - The preparation of an environmental impact statement (EIS) under NEPA.

The Permitting Council votes to cover projects under the discretionary criteria.

3. Tribal Sponsored Criteria

- Project is within one of the eighteen sectors;
- Subject to NEPA;
- Sponsored by an Indian Tribe, an Alaska Native Corporation, a Native Hawaiian, the Department of Hawaiian Home Lands, or the Office of Hawaiian Affairs; **and**
- Located on land owned or under the jurisdiction of the entity that sponsors the activity.

Exempt from “abbreviated authorization or environmental review” limitation in the objective criteria.

Exempt from the \$200 million threshold in the objective criteria.

4. Carbon Capture Sector

Construction of infrastructure for “carbon capture” includes construction of:

- Any facility, technology, or system that captures, utilizes, or sequesters carbon dioxide emissions, including projects for direct air capture; and
- Carbon dioxide pipelines.

Criteria:

- Project is covered by a programmatic plan or environmental review developed for the primary purpose of facilitating development of carbon dioxide pipelines.
- No NEPA requirement.



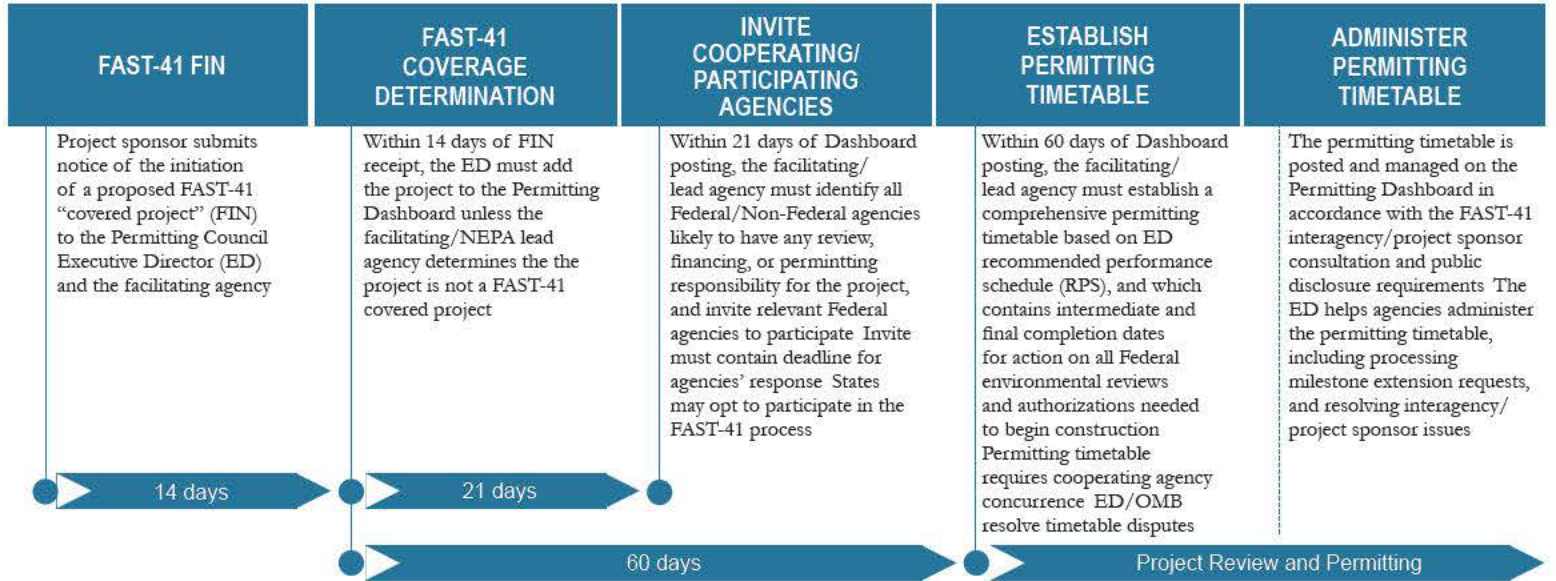
EXEMPTION: DOT-led projects and WRDA-funded projects cannot be FAST-41 covered projects.



The Federal Permitting Improvement Steering Council (Permitting Council)

Ready to get started? The FAST-41 Process:

Establishing and administering a comprehensive permitting timetable for FAST-41 "covered projects"



The Permitting Dashboard:

Once a project is covered by FAST-41, it is placed on the Permitting Dashboard, allowing Federal agencies, project sponsors, other stakeholders, and the public to track project review and permitting in real time. The Dashboard allows unprecedented transparency into the Federal permitting process.

South Fork Wind Farm and South Fork Export Cable

PERMITTING DASHBOARD PROJECT POSTING DATE: AUGUST 30, 2018

PROJECT WEBSITE: South Fork Wind Farm - Deepwater Wind

All dates below are specific to the schedule of the Environmental Review and Permitting processes for this project.

ENVIRONMENTAL REVIEW AND PERMITTING STATUS COMPLETE

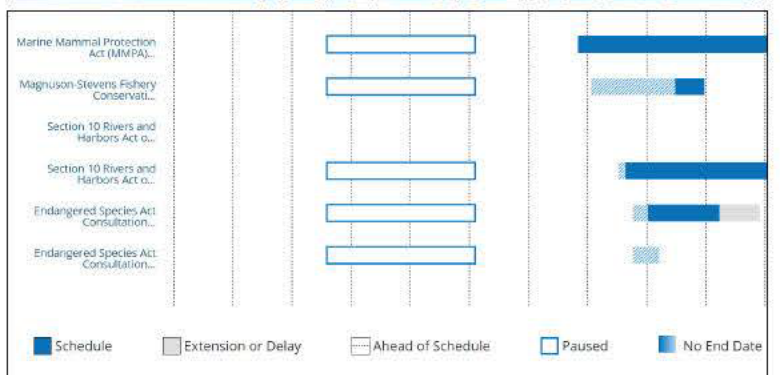
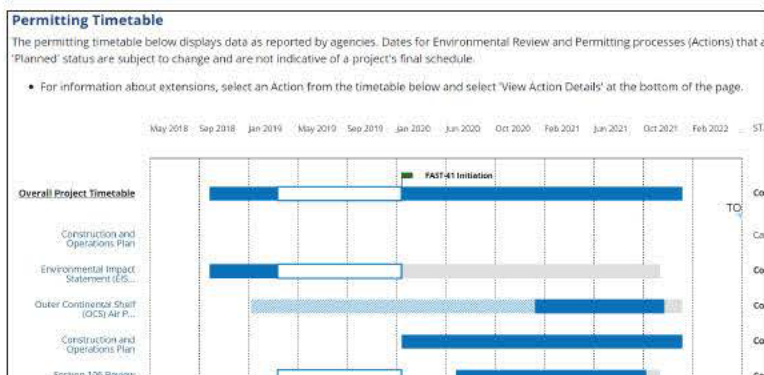
COMPLETION DATE OF ENVIRONMENTAL REVIEW AND PERMITTING: 01/18/2022

ENVIRONMENTAL REVIEW AND PERMITTING

SECTOR: Renewable Energy

CATEGORY: Project Category FAST-41

LEAD AGENCY: Department of the Interior





The Federal Permitting Improvement Steering Council (Permitting Council)

How to become a FAST-41 project?

Email Instructions

Interested project sponsors for potential covered projects should submit the following information required under FAST-41:

- Project information: title, sector, type, location;
- Project sponsor name and contact information;
- Statement of the purposes and objectives of the project;
- Concise description including general location and/or a summary of geospatial information, if available, and the location, if any, of environmental, cultural, and historic resources;
- Statement regarding the technical and financial ability of the project sponsor to construct the proposed project;
- Statement of any Federal Financing, environmental reviews, and authorizations anticipated to be required; and
- Assessment that the project meets the definition of a covered project as defined in 42 U.S.C. § 4370m(6)(A) and a statement of reasons supporting the assessment.

The FIN should be emailed to both the Executive Director and the appropriate facilitating agency.

Executive Director Email: FAST.FortyOne@fpisc.gov

**Pre-application consultations available -
email the Permitting Council at:
FAST.FortyOne@fpisc.gov**



Online Submissions

Interested project sponsors for potential covered projects should submit the needed information required on our online form: [permittings.gov](https://www.permittings.gov)



Who are the Permitting Council members?

- The Executive Director (Permitting Council Chair)
- OMB Director
- CEQ Chair

Deputy Secretary “or equivalent” from the following Federal agencies:

- Advisory Council on Historic Preservation
- Department of Agriculture
- Department of the Army
- Department of Commerce
- Department of Defense
- Department of Energy
- Department of Homeland Security
- Department of Housing and Urban Development
- Department of the Interior
- Department of Transportation
- Environmental Protection Agency
- Federal Energy Regulatory Commission
- Nuclear Regulatory Commission

