



Speech by

Mr TIM MULHERIN

MEMBER FOR MACKAY

Hansard 28 October 1999

MINISTER FOR MINES AND ENERGY

Mr MULHERIN (Mackay—ALP) (6.22 p.m.): Our Government is determined to provide Queensland with a world-class electricity industry characterised by reliability, efficiency and competitive prices. The economy demands it and Queenslanders deserve it. I believe that we are delivering on this.

From the moment the Government came to power we have been open and transparent with the people of Queensland and industry in relation to the Queensland generation sector. It is a bit rich for the Opposition to be accusing the Government of failing to provide a viable future for the electricity industry. After the Opposition's gross mismanagement, the electricity industry we inherited was: more concerned with profits than reliability and service; suffering a tight demand/supply situation, exacerbated by the previous Government's decision to scrap Eastlink; and racked by problems with the coordination of electricity supplies and maintenance.

The only future the electricity industry offered was one of unreliable supplies and blackouts. We therefore inherited an industry in some disarray, struggling to deliver adequate supplies of electricity to keep the lights on in Queensland.

Mr Mitchell: You did nothing for eight years.

Mr MULHERIN: What about your Minister? He would not get up and apologise to the people of Queensland for the blackouts. What a shame! What a sham!

One of the Government's first actions was to establish the Summer Readiness Project team consisting of high-level officers from the Department of Mines and Energy, PowerLink and other elements of the electricity industry. They quickly developed a strategy for squeezing every last drop out of Queensland's generation system, while looking for opportunities to reduce demand.

The Government also coordinated a successful energy efficiency advertising campaign designed to help people reduce demand for electricity. This work is being continued through the Office of Sustainable Energy which provides information to consumers on ways to use energy more efficiently and save money.

Due to the tight demand/supply balance, and the fact that boosting generation capacity would take some time, the Government moved to fast-track the construction timetable for the Queensland/New South Wales interconnector. In addition to this, the Minister for Mines and Energy ordered an immediate review of the Callide C project to ensure that the project would deliver satisfactory outcomes for the Government and, in turn, the people of Queensland.

In addition to Callide C which is under construction, and the Oakey Power Station which is due for completion at the end of the year, the Government has recently been dealing with a number of power station proposals, including Millmerran, Kogan Creek, Tarong North, Wambo, Swanbank E and the North Queensland Power Project. The number of projects currently being considered demonstrates the new dynamic nature of the electricity market in Queensland. Private and public investors are basing their decisions on their assessment of the market. Obviously, these decisions require strict confidentiality because of the commercial consequences.

Thus, while the Government still has a role to play in overseeing development of the electricity market, the entry of competing market players means that the Government needs to carefully balance the need for commercial confidentiality with the need for transparency.

The Government plays an important role in facilitating private and public sector power projects. While the Government has been somewhat restricted in the information it can release, it has provided, and will continue to provide, strategic direction to the industry.

After its election, the Beattie Government launched an immediate independent review of maintenance practices in Queensland generators. This review was headed by Ron McGuigan and Dick Williams. Do honourable members remember the document which the Minister for Mines and Energy, when in Opposition, tabled showing that Tarong Power Station had a 35 man-years backlog in maintenance? That is what this Government inherited.

Mr Rowell interjected.

Mr MULHERIN: What about the 32 years when members opposite were in Government? When they were in Government for 32 years we had the Northern Electric Authority and we had blackouts in north Queensland. We did not have an interconnector. We had hardly any generating capacity in north Queensland until we had the interconnector.

In February 1999, Cabinet also approved the establishment of an Electricity Monitoring Unit to monitor the maintenance procedures of Government owned generators. The EMU is now up and running and will further contribute to ensuring that Queenslanders enjoy a secure and reliable electricity supply.

In relation to the retail sector, the Government has moved to establish a new consumer protection unit within the Department of Mines and Energy. This new unit will protect the interests of consumers by investigating complaints against electricity entities and providing assistance in resolving disputes through mediation and arbitration. This unit represents the first-ever body to be dedicated to the needs and rights of electricity consumers in Queensland. Work is also under way—

Time expired.
