



Speech by

**Hon. Paul Lucas**

**MEMBER FOR LYTTON**

Hansard Tuesday, 16 October 2007

---

## **MINISTERIAL STATEMENT**

### **Central Queensland Gas Pipeline**

**Hon. PT LUCAS** (Lytton—ALP) (Deputy Premier and Minister for Infrastructure and Planning) (9.52 am): Following on from my advice to the House last week about the good progress that is being made on the delivery of the south-east Queensland water grid, I am able to provide an update on another piece of critical infrastructure, and that is the plans for the central Queensland gas pipeline. I am pleased to inform the House that the proposed high-pressure pipeline has received sign-off from the Coordinator-General, meaning that the project can proceed subject to environmental conditions being met. The proposed pipeline will run 450 kilometres from Moranbah to Gladstone. It is designed to provide an alternative gas supply into Gladstone and link Townsville to the state and national gas transmission grid via the north Queensland gas pipeline, which runs between Moranbah and Townsville.

It will initially carry 20 petajoules per annum when constructed and is designed to have the capacity to carry 50 petajoules per annum in the future, which is enough to meet the power needs of more than 300,000 houses. The pipeline will promote further development of the coal seam gas reserves of the Bowen Basin and will help ensure competitive energy pricing that will, in turn, encourage further development in the region. The final cost will be between \$220 million and \$400 million, depending on the final pipe size chosen for the project.

This project was originally put forward by the government owned corporation Enertrade, which proposed to build, own and operate the pipeline. As the House would be aware, the state government has decided to sell the gas assets of Enertrade, with Treasury advertising the sale process on 10 August this year and indicative bids closing by 30 September. Treasury has requested that binding bids for the project be in by the end of this month. The Coordinator-General's recommendation that the pipeline can proceed makes the proposed sale all the more attractive because it means that the successful bidder will take over a project that has been provided with a clear pathway through the state government approvals process.

The Coordinator-General has put in place recommendations designed to minimise the potential impacts of the project, including the need to ensure appropriate environmental offset to compensate for the long-term removal of about three hectares of brigalow scrubland along the pipeline easement. Other specific recommendations relate to soil erosion, air quality, water crossings, waste management, traffic, noise and social factors. The report will go this week to the federal government for assessment of the project's impact on matters of national environmental significance. Given the current federal election campaign, it is unlikely that the report will be considered before the new federal government is sworn in.

In his report the Coordinator-General also found that there was as yet not enough information to conclude that a second, low-pressure pipeline beyond the Gladstone city power station can proceed. Should a proponent wish to proceed with this separate project at some time in the future, they would need to make fresh application, which would include the need for a new environmental impact statement.

This project will provide significant benefits for central Queensland's homes and businesses. It builds on the success of the north Queensland gas pipeline. It also proves that this government is about not only building infrastructure to secure Queensland's water future but also securing its economic future as well.