



Speech by

Mark Ryan

MEMBER FOR MORAYFIELD

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MINES AND ENERGY LEGISLATION AMENDMENT BILL

Mr RYAN (Morayfield—ALP) (9.03 pm): I rise to make a short contribution to the debate on the Mines and Energy Legislation Amendment Bill. As we have heard from the minister, this bill will achieve three outcomes: simplified regulatory processes to achieve savings for business and government; better safety and health measures in Queensland's mining, explosives and gas industries; and improved electricity retailer credit support arrangements and customer service obligations.

By simplifying and streamlining the regulatory processes in respect of mining lease applications where there are no objections to those applications, this bill is not only reducing red tape for business and allowing those applicants to get on with the job of employing Queenslanders but also freeing up capacity in the Land Court for other more contentious applications. This bill also enhances safety in the mining industry particularly in respect of small mines with 10 or fewer workers. This bill will require those small mine operators to develop a safety and health management system. Such systems have been in place in Queensland's larger mines since 2001, and there is clear evidence indicating that these systems have made a positive contribution to enhancing mine safety.

The health and safety of Queensland workers is a key priority for this Labor state government. The health and safety of Queensland workers is absolutely paramount. That is why this Labor state government is extending the requirement to have a safety and health management system to small mine operators. I note that additional health and safety measures are also enhanced in respect of the certification of installations and appliances in the gas industry. These are welcome reforms and will provide further protection to Queensland workers.

This bill also improves electricity retailer credit support arrangements and customer service obligations owed by electricity retailers. I would like to spend a few moments to consider these improvements to the current electricity retailer framework. Regarding the new credit support arrangements, this bill will impose a condition on an electricity retail authority licence that the licence holder must provide credit support to an electricity distributor with whom the retailer has common customers, but only if the credit support required by the distributor complies with credit support guidelines, which will be published by the Queensland Competition Authority. These amendments will enable distribution entities to mitigate their risk of nonpayment for distribution services, yet not be overly onerous to retail entities. This requirement provides some certainty to the financial operations of distribution entities and in turn supports their business of delivering a reliable energy supply to retail entities and their customers.

The proposed amendments will require the Queensland Competition Authority, as an independent regulatory body, to prepare and publish credit support guidelines. The guidelines must meet the needs of distribution entities in terms of minimising credit risk while also ensuring the required credit support arrangements are fair and reasonable for retailers so they do not create an unreasonable barrier to entry. Distribution entities will accordingly have a right to seek credit support from a retailer and, as a condition of its retail authority, the retail entity will have an obligation to provide it if the credit support complies with the guidelines. However, retail and distribution entities will not be precluded from agreeing to another form of credit support that does not comply with the guidelines.

Regarding the establishment of new customer service obligations on the part of retail entities, the bill introduces amendments which will ensure large market customers in rural and regional Queensland can secure access to electricity. These amendments are necessary because the government has been notified of three cases where large market customers occupying premises have been disconnected from the grid in regional areas of Queensland and have been unable to obtain a negotiated contract offer with a retailer. Negotiations between the government and retailers operating in the area were ultimately successful, with the retailers offering the affected customers a negotiated contract. However, there is a risk that the number of cases where customers are unable to secure access to electricity will increase.

The proposed amendments will ensure large market customers can secure electricity retail services by placing an obligation on the retailer responsible for their premises to offer supply to these customers on fair and reasonable terms. This obligation will not increase the current community service obligation payments and is consistent with provisions that currently exist for large market customers whose contracts expire without renewal. However, these amendments will provide certainty to large market customers in regional areas. By helping these businesses access secure electricity retail services, this Labor state government is supporting jobs in regional areas. These amendments mean that these businesses can get on with the job of establishing themselves in new premises and employing Queenslanders.

I would like to take this opportunity to acknowledge the hard work of the minister, his staff, his department and the Parliamentary Counsel in bringing this bill before the House. This bill delivers a simplified regulatory process for certain mining applications, better safety and health measures in the mining, explosives and gas industries, and improved electricity retailer credit support arrangements and customer service obligations for Queensland. I support the amendments contained in this bill, and I encourage other members of the House to do so.