




Speech By
Shane Knuth

MEMBER FOR DALRYMPLE

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ELECTRICITY AND OTHER LEGISLATION AMENDMENT BILL

 **Mr KNUTH** (Dalrymple—KAP) (5.04 pm): I rise to speak to the Electricity and Other Legislation Amendment Bill. It says here—

The Queensland Solar Bonus Scheme (the Scheme) is legislated under sections 44A and 55DB of the *Electricity Act 1994* (the Electricity Act), which provide for eligible participants to be paid a prescribed credit amount (feed-in tariff) for the surplus electricity generated by solar photovoltaic (PV) systems and supplied into the electricity network. The Scheme currently operates with two feed-in tariff amounts: 44 cents per kilowatt hour (c/kWh), which is legislated to end on 1 July 2028; and 8 c/kWh expiring 30 June 2014 for applications lodged from 10 July 2012.

I do believe that this is a good scheme. It was a policy that was put forward by the Labor Party around 2008 when the LNP was in opposition. There is no doubt about it that, as you travel around areas of Brisbane particularly, there are a lot of solar panels on the tops of roofs. I cannot think of anything better than being able to generate your own power whilst at the same time being able to return it to the grid. I believe that the Solar Bonus Scheme was introduced on the basis of a report which suggested that if something was not done, then Queensland would not be able to produce enough energy. This scheme reduced the need for energy generation.

The federal Labor Party government had introduced the Renewable Energy Scheme, and we saw a lot of companies investing in wind farms and other renewable energy projects. I do agree with the minister when he says that we must look at the viability of the Renewable Energy Scheme. We have seen many projects which have been put into place and we have seen many arguments, and I know that Senator Macdonald has been very vocal in his opposition to wind farms.

We are told that North Queenslanders are subsidised and that, with the community service obligation, power is transmitted further from the south to North Queensland. I believe it is around \$600 million to \$700 million a year that energy consumers are paying for that subsidy. Over the years that is why we have been strongly calling for a baseload power station in North Queensland, because it would help resolve that issue of the subsidy.

We have two projects that are being looked at: the Tully-Millstream Hydroelectric Scheme, a \$750 million project that would produce 600 megawatts of clean energy; but right at this present moment we also have the Mount Emerald Wind Farm, a \$550 million project funded through federal government grants. As the energy minister said, these schemes do put up the price of power in the end. We must look at the viability of this \$550 million wind farm, and I know that the minister for infrastructure has called in the development and is seeking submissions in regards to it. However, it will produce 60 megawatts in real terms, whereas the Tully-Millstream—and we have already spent \$70 million on the tunnels—will create 700 jobs but produce 600 megawatts a year. This will resolve the issue of the community service obligation so that energy users from the south will not have to pay extra for their electricity to subsidise the north.

This is about investing into an energy scheme with a return. If we look at the \$700 million subsidy, Stanwell participate and work with the federal government. Under the Renewable Energy Scheme we would see investment into that hydroelectric scheme that would produce 600 megawatts

a year and solve the energy issues in North Queensland so that we do not have to buy our power from the south, but it is there and available to us in the north.

I am not a conspiracy theorist, but the Treasurer is frothing at the mouth to sell energy assets. One only has to read the speech he gave when we privatised the retail arm of our energy sector. Twelve months ago former Premier Peter Beattie admitted that the biggest mistake he made was the privatisation of the retail arm of our energy sector because he said that he did not think that the energy corporations would be so greedy. That is as a result of a combination of two things, and I agree with the minister—the high cost of our renewable energy scheme that is part of the package of our electricity bills and the greedy corporations. That is why it is a big concern if we ever put our energy assets up for sale, because there is no doubt that it would be about profits and not returns. I am quite sure and confident that LNP members will vote with me to oppose that. I still believe that solar power has been a great initiative. I would love to live out bush and not have to be worried about being connected to the grid and not have to pay this \$60 service fee for someone to come along and write down what energy we have used. I would rather have solar power providing energy.

The minister understands—and I fully support him—that we must look into the renewable energy scheme and the cost factor, but he is not opposing it. I know he is not opposing it, but we have to look at the viability of it. South-East Queensland MPs are always sulking that their constituents are subsidising the north in terms of \$700 million a year. Here is the opportunity to change that. This is good, sensible business—that is, construct the Tully-Millstream hydro-electric scheme. We need to forget about this silly looking wind farm where all of the money is going to go overseas to some Thai based company. We have to forget about that. That is a waste of taxpayers' money. In the end, it is only going to produce 60 megawatts a year for \$550 million. That is stupid! Who would even want to entertain that thought? It is absolutely ridiculous! How on earth would anyone be so stupid to entertain \$550 million worth of dirty great big windmills when the money is going to go overseas paid for by the federal government? I agree with the minister's words with regard to the reliability of the renewable scheme. Solar power is good for this state, but at the same time we cannot continue the argument that we need to subsidise the north when we have a golden opportunity to put money into a scheme that will provide everlasting power for Far North Queensland as long as it is needed. I bring those issues to the attention of the House.