



Speech By  
**Hon. Mark Bailey**


**MEMBER FOR YEERONGPILLY**

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Record of Proceedings, 14 October 2015

**MINISTERIAL STATEMENT**

**Solar Energy**

 **Hon. MC BAILEY** (Yeerongpilly—ALP) (Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply) (2.32 pm): I am very pleased to report that in Queensland building the solar state is underway, panel by panel, project by project. Last month, I advised the House that the renewable energy auction, promised by the Palaszczuk government at the last election, will exceed our election commitment of 40 megawatts by 50 per cent. Today I can announce that there has been strong interest in the auction. Thirty—I repeat, 30—potential project consortiums have already registered their interest. Long-term revenue contracts will be provided to successful Queensland based projects in the Australian Renewable Energy Agency's 200 megawatt large-scale solar round. The Palaszczuk government's support will provide successful project proponents with long-term income certainty, which will help them to access favourable financing arrangements and develop lower cost renewable energy projects.

Today, I can also announce the contract for difference price range. This is the support that successful companies will be offered for a 20-year period to provide that certainty of revenue. It will be within the range of \$80 to \$100 per megawatt hour, which is an excellent result for Queensland and also shows how the cost of large-scale solar is dropping year by year. A final strike price will be published before the end of the year, but this range will help potential solar developers to better assess their capacity to bid for the available Commonwealth and Queensland government assistance.

It is expected the support agreements for successful Queensland based projects will be finalised before the end of 2016, with construction to commence immediately. By supporting up to 60 megawatts of extra renewable energy capacity, we are aiming to establish and to drive significant growth in large-scale solar generation in Queensland. Increasing the uptake of renewable energy in the Sunshine State not only will be good for the environment, but also will create new jobs of the future and diversify our economy. Queensland has some of the best solar resources in the world and is ideally placed to benefit as solar generation becomes an increasingly important part of Australia's electricity generation mix.

I can also update the House on the delivery of yet another Palaszczuk government election commitment. Today the Queensland Productivity Commission released the issues paper for the electricity pricing inquiry and is calling for public submissions. This Friday the commission will also release the issues paper for the review into a fair price for the cost of solar energy sold back into the electricity grid by homes and small businesses. I encourage all interested stakeholders and Queenslanders to get involved in those two important reviews.