




Speech By
Hon. Mark Bailey

MEMBER FOR YEERONGPILLY

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MINISTERIAL STATEMENT

Energy Industry

 **Hon. MC BAILEY** (Yeerongpilly—ALP) (Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply) (10.00 am): During the parliamentary recess the independent Australian Energy Regulator brought down its *State of the energy market* report for 2015. The report contains a number of findings and predictions in relation to the Queensland and national energy markets and also outlines a range of trends that may impact our state in the future. First of all, it confirmed some very important and welcome news for Queenslanders—that the average retail electricity prices for the typical Queensland customer fell in 2015. This is welcome relief after the 43 per cent price increases that occurred under the previous government. The report also shows that network prices in Queensland are estimated—

Opposition members interjected.

Mr BAILEY: They do not like to hear it. They have a shameful record on electricity. Network prices in Queensland are estimated to fall between \$100 and \$200. The report also confirmed that electricity demand is rising in Queensland, unlike in other states. That is great news and great news for economic growth in our state.

Interestingly, the report predicts that electricity vehicle growth will increase eighty-fold—that is correct—by 2024-25. That will obviously have implications for our electricity system. The report predicts solar PV growth to 2024-25 to be the highest in Queensland—to become one-third of all capacity. The report also predicts that the number of solar installations will triple nationwide by 2024-25. That is consistent with the fact that, in this state, solar PV collectively is effectively the second-largest power supplier in Queensland.

In December 2015 the Australian Energy Market Commission acted to sharpen the national energy market rules around rebidding to keep down prices—something that the Palaszczuk government supported at the Energy Council meeting in December 2015.

State of the energy market also outlined new gas infrastructure decisions in 2015 to increase supply with bidirectional flows, with the tender awarded for the new Northern Territory-Mount Isa pipeline to connect the east coast market with the Northern Territory. I acknowledge the excellent work of Minister Lynham last year to achieve that. The report also confirmed that, for 2014-15, Queensland had the lowest gas bills in the nation. It also confirmed that, in Queensland, retail prices are predicted to increase less than the rate of inflation over the next three years. That again confirms that price stabilisation is occurring under the Palaszczuk government.

The report also confirmed that, since July last year, greater consumer protections are in place in Queensland after Queensland signed on to the National Energy Retail Law and all of its provisions. This is a very substantial report that confirms that, in terms of electricity and power in Queensland, we are on the right track.