




Speech By
Hon. Curtis Pitt

MEMBER FOR MULGRAVE

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MINISTERIAL STATEMENTS

Hielscher, Lady Mary; Electricity Prices

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer and Minister for Trade and Investment) (9.50 am): At the outset I want to note on the record of the House the passing of Lady Mary Hielscher, beloved wife of Sir Leo Hielscher—a former long-serving under treasurer and inaugural chair of Queensland Treasury Corporation. I am sure all members will join me in expressing our thoughts and sympathies to Sir Leo and his family after this sad loss.

Honourable members: Hear, hear!

Mr PITT: When it comes to energy, Queensland is the envy of the nation thanks to the Palaszczuk government's commitment to retaining ownership of our state's electricity assets. We are using our public ownership to place downward pressure on power prices and we are laying the groundwork for a clean energy future. I have already proudly updated this House on the movement in terms of which renewables have reached financial close or those that are underway. We are talking about 20 projects and around \$3.6 billion worth of investment supporting around 2,800 jobs.

We are all about making sure that we keep these assets in public hands—unlike the previous government, which simply wanted to sell them. Because we have kept our energy infrastructure in public hands we have been able to use dividends to directly contribute to the funding of initiatives to stabilise prices. Our \$1.16 billion Powering Queensland Plan, announced in June, is a comprehensive strategy to deliver an affordable, secure and sustainable energy supply now and in the future. As part of our plan we are investing \$770 million to more than halve recommended power price rises. That means a 3.3 per cent rise for regional households, not 7.1 per cent. We have shielded Queenslanders from increases of up to 20 per cent, seen in other states. The annual electricity bill for a typical household in Queensland is \$1,575—lower than the other NEM states of New South Wales, Victoria and South Australia. Prices in those states are \$1,746, \$1,664 and \$2,078 respectively.

Through our Powering Queensland Plan we have reinvested dividends to fund infrastructure projects supporting resilient energy and water supply in Queensland. This includes \$150 million for a clean energy hub in North Queensland—that is, strategic transmission infrastructure with the potential to unlock around 2,000 megawatts of high-quality solar, wind and hydro resources in the northern hinterland region. The transmission infrastructure itself is projected to generate 1,000 construction jobs, while the renewable generation projects it supports could deliver 3,600 more jobs in regional communities.

We are investing \$100 million from Stanwell's dividends to support development of a 50-megawatt hydro-electric power station on the Burdekin Falls Dam—the state's largest—which is expected to create at least 200 jobs. In addition, we will provide \$100 million towards ensuring that the Burdekin Falls Dam continues to meet design standards and can support the new hydrogeneration plant. These improvement works will support an estimated 250 jobs.

Another benefit of our continued ownership of our energy infrastructure is our ability to put downward pressure on wholesale electricity prices and ensure we continue to have enough energy to meet the needs of Queenslanders during peak demand periods. In June we directed Stanwell to alter its bidding strategies in the National Electricity Market—a positive move which the Turnbull government has even tried to claim. We have already seen the benefits of those directions, with forward wholesale prices in Queensland dropping by 13 per cent immediately after the government announced this action.

For the 2018 calendar year, the wholesale electricity price had reduced 19 per cent in July. This follows our direction to Energy Queensland not to appeal the regulator's decision which potentially saved Queenslanders billions. We also directed Stanwell to return its Swanbank E 385-megawatt gas-fired power station to service. This will help reduce future price volatility and reinforce the state's energy security. We will continue working hard to deliver price stability following the 43 per cent increases under the previous term of government. The Palaszczuk government has a clear plan and is committed to retaining Queensland's assets to continue benefiting Queenslanders.