




Speech By
Hon. Curtis Pitt

MEMBER FOR MULGRAVE

Record of Proceedings, 6 September 2017

MINISTERIAL STATEMENT

Energy Supply

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer and Minister for Trade and Investment) (2.22 pm):
When it comes to the current energy debate sweeping the nation, Queensland is leading the way with the right mix of policies on renewables and on how best to use our publicly owned energy companies. When the national energy market need it, we are an exporter of energy, helping to stabilise volatility in the national energy market.

This morning, as the Premier mentioned, I was on site at Stanwell's Swanbank E Power Station. This was mothballed under the former LNP government in keeping with its mass privatisation agenda with the loss of 25 direct jobs. In contrast, the Palaszczuk government is bringing it back online, bringing more supply and reducing price volatility. Stanwell received a number of commercial offers for gas supply following our announcement in June that we would be firing up the 385-megawatt power plant again. The Swanbank E Power Station near Ipswich will start supplying power again on 1 January next year. This announcement will help ensure security of supply, drive down electricity costs and create jobs. This is helping not only in Queensland but also in other states, and I congratulate Stanwell and Shell Australia for closing this gas supply deal.

I would also like to provide the House with an update from the Australian Energy Market Operator, AEMO, which released the *Electricity Statement of Opportunities* yesterday. This report confirms what we have been saying all along: Queensland's electricity supply remains secure and reliable. Queensland's electricity generation, underpinned by coal- and gas-fired generators and an increasingly diverse mix of renewable energy, will be able to meet expected demand in all forecast scenarios for at least the next 10 years. In fact, Queensland's supply is so secure that we will continue to export electricity supply interstate. We will continue to help cover predicted shortfalls in southern states due to extreme weather conditions such as the heatwaves of last summer.

The Turnbull government should be working with Queensland, which has a strong energy position, instead of attacking us because we have kept ownership of our assets. AEMO's report said that Queensland is not at risk of large-scale blackouts during these peak periods, disproving misleading comments by the opposition earlier this year when they likened South Australia's situation to Queensland.

This report is more evidence that our transition to a 50 per renewable energy target is both sensible and ensures security of supply. While no immediate additional generation is needed in Queensland, we are doing more to put downward pressure on wholesale prices by increasing supply. We have more than 1,800 megawatts of renewable energy projects under construction or nearing construction that will soon add additional supply to the market.

The Queensland Energy Security Taskforce is also developing a demand management and energy efficiency strategy to better manage peak demand and improve the resilience of the electricity grid. The report shows that other states are not in the same secure position as Queensland because of

the closure and predicted closure of privately owned coal-fired power stations in southern states. A lack of industry investment in new energy projects to replace the supply lost from these closures is entirely due to policy inaction by the federal government.

The Turnbull government announced that it will subsidise industry to keep NSW's Liddell coal-fired power station open past 2022. This is after they rewarded the NSW government for selling this very asset in 2014. The federal government gave the NSW government millions of dollars for privatising Liddell coal-fired power station but punished Queensland for not selling off our assets. Unlike the Turnbull government, which wants to buy back or subsidise this coal-fired power station, the Palaszczuk government is all about making sure we keep our electricity 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. If those opposite want to contribute to Queensland's energy future, they should lobby the Turnbull government to make a decision on the most important Finkel recommendation, and that is to back a clean energy target which modelling has shown will bring down power prices.