




Speech By
Hon. Mark Bailey

MEMBER FOR YEERONGPILLY

Record of Proceedings, 28 February 2017

MOTION: ELECTRICITY SUPPLY

 **Hon. MC BAILEY** (Yeerongpilly—ALP) (Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply) (6.05 pm): I move—

That all words after 'House' be deleted and the following words inserted:

'does not support calls to close all of Queensland's coal- and gas-fired power stations, and notes that traditional baseload generation will continue to play an important role in Queensland's energy mix as our state transitions to a clean energy future, as outlined by the Palaszczuk government's renewable energy task force.'

I move this amendment because the opposition is obsessed with targeting one group—that is, the one stakeholder who is contributing to this debate—when they know what our policy position is. Our policy position is 50 per cent by 2030. That is well known. Queensland has a diverse mix of generation complemented by renewables, with solar PV effectively making up the second largest power station in Queensland. We are less reliant than other jurisdictions on interconnector flows from other states. This diversity means that our power system is robust and well placed to manage the transition to a higher integration of renewable generation, without compromising the security of our supply. The Palaszczuk government recognises the importance of our traditional energy sectors and their role in both our regional and national economies. However, the reality is that energy is undergoing a transformational change in the way it is generated, transported and used, which is something that the LNP does not like to hear. The LNP would rather stick its head in the sand than build a solar PV farm on that desert. I think that says it all.

We are delivering on our commitment to grow the renewable energy sector, to create regional jobs and to act on climate change. The traditional energy sector will continue to play an important role as we transition to a clean energy future. The renewable energy expert panel's draft report shows three credible pathways to reaching that target. It was prepared by an independent team of business, energy and environmental experts, chaired by Colin Mugglestone, a very well respected investment banker and former head of energy and utilities at Macquarie Group. It shows that it is an achievable, cost-effective and sustainable approach in our commitment to reduce carbon emissions and act on climate change. It found that the renewable energy target will have a cost-neutral impact on Queensland's electricity consumers, and electricity security and reliability will be maintained over the next 13 years. It is a sustainable, gradual and responsible approach, because competition from new renewable generators is anticipated to place downward pressure on wholesale electricity prices. It found that coal- and gas-fired generation are expected to play a significant role in Queensland over the next 13 years, as we transition.

Queensland continues to benefit from one of the youngest and least emissions-intensive fleets of traditional generators in the nation. In fact, four of our eight generators are supercritical in technology. The state has a significant number of gas-fired power plants supplying about 20 per cent of the state's total energy mix. Gas will continue to be used when there is a peak in demand, as of course gas plants vary their output quickly.

Gas peaking plants can help smooth the variable output of renewable energy during periods of high intermittency and also have significant lower emissions compared to coal-fired generation. We know that industry cannot function properly without an integrated and credible energy and climate policy. That is why in the absence of real action or a relevant plan by the Turnbull government—a government on 45 per cent popularity—Queensland remains committed to our target.

We have to get the politics out of energy policy. That is what has to happen in this country. This motion that I seek to amend is another case of the LNP playing politics with energy at a time when other countries have much better practice and are way ahead of us in terms of integration and way ahead of us in a lot of realms. That is why the Finkel review is currently looking at best practice right across a range of jurisdictions such as the European Union.

I was in Kidston recently for the sod turning for the solar farm. The member for Mount Isa was there as well. That is part of our Solar 150 program. We need a diverse range of energy production in this state. We are diversifying when not a single large-scale renewable project was started under Tim Nicholls and the LNP. We will continue the investment flow and the jobs that come with it.