




Speech By
Hon. Mark Bailey

MEMBER FOR MILLER

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ELECTRICITY AND OTHER LEGISLATION (BATTERIES AND PREMIUM FEED-IN TARIFF) AMENDMENT BILL

 **Hon. MC BAILEY** (Miller—ALP) (Minister for Transport and Main Roads) (12.51 pm): I rise to speak in support of the Electricity and Other Legislation (Batteries and Premium Feed-in Tariff) Amendment Bill 2018. This bill is about our management of the transition in the energy sector. It is another raft of reform in which this government has a very successful track record in terms of managing a rapidly changing energy market. Any government that is interested in the economy has to understand energy policy. This bill is another wave of reform. As a former minister for energy in my first term in parliament, I have a lot of interest in this bill as it will manage that transition. I will give members the context to that.

It is very clear that we support the transition to renewable energy. A 50 per cent renewable energy target is driving billions of dollars of investment in Queensland in jobs and energy infrastructure that is augmenting the most secure energy network in Australia. We are building more capacity, more competition, more output and greater security in our energy sector, particularly as we see some old plants start to transition out of the market in future years.

Under Labor's Powering Queensland Plan, which we introduced last year, we are managing that transition with our Powering North Queensland Plan, with our direction to Stanwell to ensure better outcomes for consumers and by acting on climate change by generating renewable energy. We have the Great Barrier Reef. I want to see the 'great' stay in the Great Barrier Reef. The way to do that is to act on climate change. Renewable energy is the way forward. One in three Queenslanders have solar PV systems on their rooftops. That is part of this reform.

When the provisions were originally put in place, batteries in relation to solar PV systems were not foreseen. The reforms contained in this bill will ensure that the intent of that original legislation is maintained and distortions in the marketplace are prevented from happening. That is a good thing in terms of giving security to the marketplace and consumers.

During the last term of the previous Palaszczuk Labor government, under the Powering Queensland Plan, we saw the introduction of the Energy Security Taskforce, Swanbank E brought on, the North Queensland renewable energy hub, which is going incredibly well, solar farms in North Queensland being commissioned and a third of Sun Metals zinc refinery running off solar without batteries. That is an awesome transition. Of course, we are committed to the public ownership of our assets.

We also believe in integrating our climate and energy policies—something that the federal government has not been capable of doing for five years. The federal government has had five years to come up with an energy policy. All we see is dysfunction, division, squabbling, internal fighting and a lot of ideologues who are not interested in what is happening in the energy market. It has been left to states such as Queensland and Victoria to lead the way in energy policy. I pay tribute to the energy minister in Victoria. That state government understands the transition to renewable energy as well.

Mr Lister: Victoria leading the way on energy policy? You've got to be joking.

Mr BAILEY: I hear the member interjecting. One sad thing about this debate has been the woeful contributions of the members opposite, particularly from some of the newer LNP members. One would think that they might be interested in understanding energy policy. We have heard the same moans and groans from them but, of course, they are going to vote for the legislation. I have seen that happen before. Maybe that is a positive.

It is also good to see the member for Burleigh here for the debate. If this bill had come on for debate during the last session of parliament, the shadow minister for energy would have been on a cruise off Canada—and to quote his words when he was being interviewed by the ABC—'having a wonderful time'. While we are doing our jobs in the people's house for which we were elected, by pure luck the member for Burleigh happens to be here for the debate. During the last session, he was on holiday 'having a wonderful time' in his words and he did not think that he was doing anything wrong. The people of Burleigh deserve a full-time member, someone who is really committed to them rather than committed to their overseas holiday. Even though the member's contribution to this debate was meagre and fairly pathetic, it is good to see him attend this House to debate this bill and, in the end, vote for it.

From this government we see sensible, evidence based energy policy, as opposed to the record of those opposite. Under the Newman government, in only three years we saw a 43 per cent increase in electricity prices. In the entire term of the Newman government, not a single large-scale renewable energy project was started. That is an astonishing record. That was probably because the views of the former treasurer and member for Clayfield were very clear—that solar PV adopters were latte sippers and champagne drinkers. That showed people how out of touch that government was. That one comment probably lost that government a couple of seats. We also saw that government sack workers in the energy sector. It had no renewable energy target. That government had no idea about energy policy.

During the last election campaign, even though the members opposite had three years to work it out, they were still running around promising a coal-fired power station. By the way, how did that go in Townsville? How many seats did the LNP win in Townsville? I think it was none and the LNP went backwards in Hinchinbrook. If the members opposite want to play populist politics from their brief of 2002, they should go for it, but the people are way ahead of them. This government is in sync with what people want in the energy sector. They want the cheapest and, in terms of climate change, the lightest energy infrastructure, and that is renewable energy.

Three aspects of this bill are very important. Firstly, it allows residential and small business customers in regional Queensland to have the option to return to Ergon Energy Retail for a property that has been switched to a private retailer. The non-reversion policy had an intent but, in terms of the small customer, we saw people locked into electricity plans that they could not get out of and they ended up paying more. This bill is about keeping the marketplace honest. It is sensible reform that, again, is something that the previous government did not do. The previous government was so out of touch. It was not interested in doing this for the people of regional Queensland. It was left to the Palaszczuk Labor government to do this.

We are also clarifying the circumstances in which Solar Bonus Scheme customers may install additional generation capacity—a secondary generation system and battery storage technology. As I outlined earlier, it is very important to ensure that we do not have distortions in the market when those batteries become economically viable. There is no doubt at all that that is coming. Once the costs of batteries come down to a certain level, I believe that they will be as popular as solar PV. That is going to change massively the energy market. We want sensible policies in that people benefit from having batteries, but do not benefit from that in an inordinate way in terms of the taxpayer contribution. We are enabling the effective implementation of a new national regulatory framework for retail competition in embedded electricity networks, which commenced on 1 December 2017.

I would also like to say that electric vehicles are coming. This bill takes into account the impact of electric vehicles. We are seeing the electric vehicle technology being taken up in many other countries. The first \$40,100, 100 per cent electric vehicle will be on sale in Queensland in November. That is going to be an interesting time, because once those vehicles are affordable and people realise that they are not only as good as but also better—

Mr Bleijie interjected.

Mr BAILEY: There is the ignorance from the member for Kawana. Even if people charge a car off the grid right now, it is better for the environment. As we transition to renewable energy, that will continue to get better. The member for Kawana is showing that he is an ignoramus on energy policy, just as he is an ignoramus on so many other things.