




Speech By
Hon. Mark Ryan

MEMBER FOR MORAYFIELD

Record of Proceedings, 20 September 2018

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

 **Hon. MT RYAN** (Morayfield—ALP) (Minister for Police and Minister for Corrective Services) (4.44 pm): I rise to speak in support of the bill before the House. I would like to turn to a number of issues mentioned in the debate on the bill before the House. In particular, I would like to turn to the issue of the non-reversion policy. It seems that those opposite are a bit confused about the scale of the non-reversion policy. In particular, I had the misfortune of having to listen to the 30 minutes of rambling from the member for Burleigh. In his contribution he referred to his concern that the non-reversion policy applied only to small businesses and residential customers. Of course, the member for Burleigh should be more concerned about his position being out of step with his very own party on this issue.

While I understand the problems some large businesses face in the retail market, the drivers for removing the non-reversion policy are not as strong in the large customer market as they are for small customers. While only one per cent of regional small customers are with retailers other than Ergon Energy Queensland, 50 per cent of the large customers in the Ergon Energy Queensland east zone have moved away from the government owned retailer. This is why we do not need to remove the non-reversion policy for large customers.

The member for Burleigh has been in the media stating that the government was breaching an election commitment by not applying the non-reversion policy to large businesses. That is out and out wrong. The only thing that is being breached here is the member for Burleigh's ability to tell the truth. The department representative at the hearing made it quite clear that it was always in the Affordable Energy Plan that this reform would apply only to small customers. I table a copy for the benefit of the House.

Tabled paper: Document, undated, from the Department of Energy and Water Supply, titled 'Affordable Energy Plan' [1420].

Indeed, the ministerial statement made in the House on 24 October last year by the former treasurer and member for Mulgrave explicitly stated—

The government recognises the desire of regional customers to have more choice of electricity retailers. To give them more choice, the Palaszczuk government is also removing what is known as the non-reversion policy that currently exists for households and small business that are Ergon's customers.

I table a copy of that ministerial statement as well. In addition, a media release from 25 October, which I also table for the benefit of the House, explicitly states that—

Getting rid of the non-reversion policy will remove the restriction on Bundaberg customers who would like to return to Ergon Energy, giving households and small businesses choice and control over their power bills.

Tabled paper: Extract from the Queensland Parliament Record of Proceedings of 24 October 2017 [1422].

Tabled paper: Media release, undated, by the former minister for main roads, road safety and ports and former minister for energy, biofuels and water supply, Hon. Mark Bailey, titled 'Choice and bill relief for Bundaberg power customers' [1421].

Quite clearly, what those opposite have been stating in the House is tantamount to misleading this House. I do not intend to say much more other than—

Mr Hart: If you feel like that write to the Speaker. Write to the Speaker; go ahead.

Mr RYAN: Just wait. I do not intend to say much more except to ask that those opposite pay a little bit more attention and do your research, otherwise you will be stuck on those benches forever. In respect of the Solar Bonus Scheme—

Opposition members interjected.

Madam DEPUTY SPEAKER (Ms McMillan): Order!

Mr Hart: You don't understand your own policy.

Mr RYAN: You do not. You are out of step with your own policy. That is the hilarity of it all. No wonder you ran away last week.

Madam DEPUTY SPEAKER: Order! I ask that all comments come through the chair.

Mr RYAN: The Solar Bonus Scheme allowed for the solar industry to be established and grow at a time when the technology was new and costs were high. Thanks to this initiative, we now have a mature market with a commercial product that has delivered billions of dollars in private investment that supports thousands of jobs. Out of all the Australian states, we have the most installed solar capacity and the highest employment in the small-scale solar industry. A system goes in every 15 minutes in Queensland and Queensland is a world leader in solar installs.

A large proportion of the ongoing costs of the program came as a result of additional uptake that occurred during the two weeks between when the Newman government announced the closure of the program to new entrants and when they closed it. The action resulted in over 93,000 new customers joining the program during that period, adding approximately \$2 billion to the overall cost of the scheme.

Other points raised in the consultation and debate on the Solar Bonus Scheme amendments relate to the oversizing prohibition. The government understands that oversizing is becoming a more common practice in new solar installations to overcome issues such as degradation. Like most products, PV panels experience normal wear and tear with use. The output of PV panels reduces over time, however, scientific studies have demonstrated that only small amounts of loss occur.

While the restrictions in the bill allow customers to replace components with like for like, they prevent customers who wish to go beyond this and boost their solar exports. I understand that information has been provided to the industry on how repairs with like for like will apply in the event that only larger panels are available. This approach was consulted on and agreed with by Master Electricians Australia. Oversizing will also be monitored by the distribution business. This is necessary to contain scheme costs while remaining consistent with the original intent of the Solar Bonus Scheme.

Because of my obligations under the standing orders, and to avoid any doubt, I note that, like many hundreds of thousands of Queenslanders, I am a participant in the Solar Bonus Scheme and have been for almost 10 years now.

With regard to embedded networks, most of the issues raised relate to the National Electricity Rules change which commenced on 1 December 2017 rather than the substantive provisions in the bill. I am advised that, under the new rule, embedded network customers will have the ability to shop around and compare what they currently pay for the usage component, or cents-per-kilowatt-hour charge, against a retailer's energy-only offer.

Network charges will continue to be billed by the embedded network owner, so a customer may receive two bills: one from their retailer for the usage component and one from their embedded network owner for the fixed charge. Alternatively, the embedded network owner and retailer may enter into an arrangement whereby the customer receives a combined bill from the retailer. For embedded network customers, aligning state laws with the new National Electricity Rules will provide residential and commercial embedded network customers who reside in the 2,200 embedded networks across the state with the opportunity to choose the offer that suits them best.

I take this opportunity to commend the current minister and the previous minister, the now Minister for Transport and Main Roads, for their contribution towards developing a sustainable, affordable electricity market here in Queensland that is delivering real results. We are seeing electricity bills right across the state coming down, and that is a tribute not only to our leadership but also to the support that our government provides to reduce the cost-of-living impacts on Queenslanders. This is a great bill. I commend the bill to the House.