




Speech By
Hon. Scott Stewart

MEMBER FOR TOWNSVILLE

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GAS SUPPLY AND OTHER LEGISLATION (HYDROGEN INDUSTRY DEVELOPMENT) AMENDMENT BILL

 **Hon. SJ STEWART** (Townsville—ALP) (Minister for Resources) (3.23 pm): I rise to support the Gas Supply and Other Legislation (Hydrogen Industry Development) Amendment Bill 2023. There are huge opportunities for Queensland to not only develop but lead the world when it comes to developing a hydrogen industry. That is why this legislation is before the House. We know we have the opportunity to create thousands of good, safe jobs across Queensland through the hydrogen industry. Ensuring that we have the right policies in place to enable the development of the hydrogen industry is absolutely essential. As with all industries, the safety of the community and its workers is absolutely paramount. One of the challenges, of course, is the transportation of hydrogen.

The Palaszczuk government is committed to ensuring the safe transportation of hydrogen and other renewable gases in pipelines right across Queensland. Like natural gas, hydrogen can be delivered through pipelines. In fact, according to the United States Department of Energy, there are around 2,600 kilometres of pipelines already transporting hydrogen through the United States. It is also estimated that in Europe there are around 2,000 kilometres of pipelines transporting hydrogen. However, in Queensland, there is currently no clear regulatory pathway to licence a transmission pipeline for hydrogen or hydrogen carriers. That is one of the key issues this bill will address. It provides a clear regulatory assessment pathway to authorise the construction and operation of pipelines for hydrogen and hydrogen carriers in the state.

The amendments to the Petroleum and Gas (Production and Safety) Act 2004 will provide a clear and effective regulatory pathway for a proponent to apply for a pipeline licence for the transmission of hydrogen and hydrogen carriers. Put simply, they will allow for a proponent to apply for a pipeline licence for the transportation of hydrogen and other hydrogen carriers. This will open opportunities for proponents to construct new pipelines to deliver hydrogen to end users or export facilities, but also it enables the potential to repurpose existing oil and gas pipelines to transport hydrogen. In deciding whether to grant a pipeline licence, matters to be considered will include the proposed location, route, substances to be transported and proposed maximum allowable pressure. This will ensure that only applicants who can competently and safely manage matters relating to the location, design, construction and operation of a pipeline will be granted a pipeline licence.

To ensure appropriate safety considerations are also being considered prior to the construction of a pipeline, the bill will expand existing pre-construction notification requirements to require a licence holder to give notice to Resources Safety and Health Queensland prior to the start of a safety management study. This requirement will be a key mandatory condition for a pipeline licence.

It is important to enable the hydrogen industry to develop, but it must be done in the right way. The safety measures being adopted by the bill will safeguard workers and the community and prevent the risk that hydrogen and some renewable gases such as ammonia present if not managed appropriately. We know hydrogen has been used safely in many industrial applications in Australia and

internationally, and many countries throughout the world use hydrogen as fuel for transportation with an excellent safety record. Queensland has a world-leading resources safety industry already, and we want to lead the world when it comes to hydrogen. These reforms are one of the key actions in the Queensland Resources Industry Development Plan, a 30-year vision that will lay the foundations to responsibly unlock and realise the potential of our state's resources well into future. The existing requirements for a pipeline licence under the act will apply to hydrogen pipelines, as we know. This means that an environmental authority must be issued by the Department of Environment and Science before a pipeline licence can be granted by myself as the Minister for Resources. In addition, existing public notification, land access and native title requirements will also apply. These changes are also essential to ensure the transportation of hydrogen through the pipeline is safe.

A thriving hydrogen industry for Queensland also means good jobs for my home town in Townsville, and it would be remiss of me not to talk about what that means for the city's future. Already our publicly owned Port of Townsville has signed three MOUs with Ark Energy, Origin Energy and Edify Energy to export hydrogen out of Townsville. We know infrastructure like our ports, which this government kept in public hands, will be essential to export hydrogen throughout the world. We are seeing international interest in Queensland and the potential of it being a hydrogen superpower. Recently, I was in South Korea with the Premier on a trade delegation where we saw the Han-Ho Hydrogen Consortium signing a landmark heads of agreement to formalise development of an export-scale green hydrogen hub project.

The job-creating project's development during this feasibility study will be supported by the Palaszczuk government investing \$8.5 million for the Abbot Point Activation Initiative under the Queensland Energy and Jobs Plan and the hydrogen hubs program. We are continuing to back projects like this because we know there is great potential to develop a new industry which will support regional Queensland, but it is important that the legislation is in place to allow Queensland to be ready now to take advantage of this immense opportunity moving forward.

I also take this opportunity to address some of the outrageous comments made by the member for Toowoomba North when he was referring to the Fraser Institute. Unfortunately, the member for Toowoomba North has swallowed wholeheartedly QRC propaganda about the Queensland resources industry. This is really disappointing. He should really be talking up the industry, not talking it down and discouraging future investment. Let me reference what the Fraser Institute has said and what the ABS is saying in response to the member for Toowoomba North's outrageous comments.

According to the ABS, private capital expenditure in the Queensland mining industry was 15 per cent higher in the second half of 2023, after coal royalties were introduced. In May the Fraser Institute released its annual survey of mining companies, including its influential Investment Attractiveness Index. Of all the major producers of metallurgical coal, Queensland is now ranked the most attractive destination for investment. That was from the Fraser Institute. There you go. Also, our overall state ranking improved from 18 to 13, which is a five-year high.

The federal government's most recent *Resources and energy quarterly* highlights the strength of the investment environment in Queensland. I am more than happy for the member for Toowoomba North to come back into the chamber and set the record straight in that he actually has done the wrong thing. I commend this bill to the House.