

QUESTION ON NOTICE

No. 39

asked on Tuesday, 6 February 2007

MS STONE ASKED THE MINISTER FOR MINES AND ENERGY (MR WILSON)—

QUESTION:

With reference to the Queensland Government, which is committed to embracing energy efficiency initiatives and technologies to assist in diversifying Queensland's energy mix –

Will he outline what the State Government is doing to achieve this?

ANSWER:

In line with its election commitments, the Queensland Government has allocated \$14.25 million for its Energy Choices program, which delivers opportunities for improved energy efficiency and diversification of energy sources.

The program includes \$4 million for a gas installation rebate to help encourage the use of gas for residential energy requirements, a \$5 million expansion to the existing EnergyWise energy efficiency program and \$5.25 million in additional funding for the Government Energy Management Strategy (GEMS) to improve energy efficiency in Government buildings.

The initiatives will commence in the 2007-08 financial year.

EnergyWise currently provides consumer information and business forums on energy efficiency improvements. The enhanced EnergyWise package will encourage consumers to take-up energy efficiency measures, providing private economic benefits for consumers and cost-effective greenhouse gas abatement benefits.

The Queensland Government has already led by example in the area of energy efficiency, with the current GEMS program aiming to reduce annual energy expenditure by \$22 million by 2008. GEMS also includes a commitment of \$1.2 million per annum for renewable energy purchases. The additional funding of \$5.25 million will help to underpin further energy efficiency and greenhouse benefits.

The Government continues to support the National Framework for Energy Efficiency (NFEE), with a funding contribution of \$4.45 million over four years. This important cross-jurisdictional initiative promotes the uptake of energy efficient technologies across the industrial, commercial and residential sectors, and has the potential to provide economic benefits of up to \$400 million and energy savings of 50 petajoules annually by 2015.

The 13% Gas Scheme, which commenced on 1 January 2005, helps to diversify Queensland's energy mix and stabilise growth in greenhouse gas emissions from electricity generation. The scheme facilitates investment in gas-fired generation including highly efficient combined-cycle gas turbine plant, such as the Swanbank E and Townsville power stations, which produce less than 50 percent of the emissions of even the most efficient coal-fired plant (per unit of electricity).

The State is also investing in innovative greenhouse response options for the future through research and development conducted at the Centre for Low Emission Technology (CLET) and the Cooperative Research Centre for Coal in Sustainable Development. These institutions are leading the way in reducing the greenhouse gas emissions from coal-fired generation, carbon sequestration and the transition into a low carbon economy. Through the work of Government-Owned Corporations Stanwell and CS Energy, Queensland is actively involved in two projects that have international significance in this field. Success of the Stanwell ZeroGen Project would be a world-first demonstration of integrating coal-based gasification with carbon capture and storage.

The Queensland Government will continue to support clean coal technologies through the recently established Clean Coal Technology Board which will provide direction and funding for the development of clean coal technologies in Queensland. The Queensland Future Growth Fund will provide \$300 million to help develop these technologies.

Renewable energy will continue to play an important role in Queensland. Biomass (primarily bagasse from sugar cane waste) is the most important source of renewable energy in Queensland. Currently there is around 400 megawatts (MW) of biomass-fired electricity generating plant in Queensland. The use of biomass has added value to the sugar industry in Queensland and has also driven innovation, evidenced by Ergon Energy's 1.5 MW plant at Gympie fuelled by macadamia shells.

Queensland's solar generation capacity has recently been bolstered by the announcement that Ergon Energy's Townsville-based bid for funding through the Commonwealth Government's Solar Cities Program has been successful. This project will showcase solar energy technology, energy efficiency, demand-side management and 'smart' metering initiatives in a grid-connected context. The Queensland Government has committed a funding package of \$5 million in addition to Ergon Energy's \$7.21 million to support this project, the outcomes of which will be significant as the State considers options that will meet the energy needs of a growing population whilst reducing the greenhouse impact.