

QUESTION ON NOTICE

No. 1998

asked on Thursday, 04 December 2008

MR SEENEY ASKED THE MINISTER FOR MINES AND ENERGY (**MR WILSON**)—

QUESTION:

With reference to base load power stations—

(1) What plans or studies are there for new base load power stations for North and/or North Western Queensland?

(2) Will he supply details of anticipated future needs for power in the north and west over the next 10 years and details of plans, if any, to meet this demand?

ANSWER:

I thank the Member for his question.

Base load power stations are not the only way to ensure Queensland has cheap, reliable power. In fact, if Government commits to building a base load power station that does not stack up commercially, ultimately it costs consumers and business more.

With reference to the anticipated future power needs and plans or studies for new base load power stations for North and North Western Queensland I have been advised by my Department that:

- (1) Economic growth in the State's north is resulting in strong demand for reliable and cost competitive energy. Power needs for the area are examined and reported each year by Powerlink Queensland in its Annual Planning Report, which is a public document.
- (2) Powerlink has demonstrated its commitment to ensuring a reliable and competitive energy supply in North Queensland through a range of measures, including reinforcement of the high voltage transmission network between central and north Queensland by 2010 worth approximately \$450 million; and
- (3) Origin Energy has also committed to expand its Mount Stuart Power Station in Townsville, with the construction of an additional 126 megawatt (MW) gas turbine, further protecting the reliability of supply into North Queensland.

All of this will ensure the long term power supply into North Queensland.

In relation to power supply to North-West Queensland (NWQ), the Government has taken action to assist in the identification of future requirements for electricity, establishing the NWQ Energy Demand Working Group, to facilitate consideration of investments and additional supply capacity requirements.

The Premier also announced on 26 November 2008 the appointment of Mr Rod Sims to undertake an independent review of NWQ energy supply issues. Mr Sims will review strategic energy infrastructure development proposals to develop options for maintenance of reliable and competitively priced energy supply to this region.

A number of projects are underway to ensure that growing customer needs in NWQ can be reliably met. CS Energy is examining an expansion of its 325 MW gas fired Mica Creek Power Station at Mount Isa.

Options for the delivery of electricity to the region from Queensland's main power grid are also under investigation. IsaLink Pty Ltd is examining a project to construct a high voltage direct current transmission line to connect Queensland's North West Minerals Province to the national electricity grid. Other proposals for alternating current connection are also under investigation.

The Queensland Government is looking at innovative solutions to providing power to the region, committing up to \$7 million to developing a solar thermal power station in Cloncurry, capable of supplying all of the town's electricity needs. This \$30 million initiative will determine if this clean energy solution can be replicated in other rural and remote areas of Queensland.