

Question on Notice

No. 352

Asked on 27 March 2019

MR J KRAUSE ASKED DEPUTY PREMIER, TREASURER AND MINISTER FOR ABORIGINAL AND TORRES STRAIT ISLANDER PARTNERSHIPS (HON J TRAD)—

QUESTION:

Will the Treasurer detail the cost of setting up CleanCo (including restructuring costs), and over what period of time the set up costs will be incurred?

ANSWER:

In August 2018, the Government approved the implementation plan to establish CleanCo, and a budget of \$6.5 million for the CleanCo Implementation Taskforce led by Queensland Treasury. The Taskforce is expected to complete its work by mid-2019 within budget.

CleanCo is part of the Palaszczuk Government's commitment to maintain public ownership of energy assets, support renewable energy, and place downward pressure on electricity prices.

The draft regional electricity price determination from the independent Queensland Competition Authority is predicting lower prices for regional Queenslanders for the second year in a row. The QCA advises power prices are expected to fall because of more renewable energy coming on line, making wholesale prices cheaper. By keeping energy assets in public hands and supporting the growth in renewable generation, we are making power more affordable for consumers and investment more certain for business.

The QCA is forecasting that for a second year in a row household bills will decrease, and their report says the decreases in prices are primarily due to a decline in forecast wholesale energy costs due to new renewable generation and the new government-owned generator, CleanCo entering the National Energy Market (NEM).

Queensland has the lowest prices in the NEM, reliable supply and a steady transition to a renewable future.