

Question on Notice
No. 1368
Asked on Thursday, 10 November 2022

MR N DAMETTO ASKED MINISTER FOR ENERGY, RENEWABLES AND HYDROGEN AND MINISTER FOR PUBLIC WORKS AND PROCUREMENT (HON M DE BRENNI)

With reference to the Queensland families currently struggling with the cost of living, and the expected continued increase of the wholesale price of energy as our state transitions to renewables—

Will the Minister advise how the government's plan to shift towards 70 percent renewable energy by 2035 will reduce the cost of electricity for Queenslanders?

ANSWER

The current inflated costs of wholesale energy are due to the volatility of global fossil fuel markets due to the illegal war in Ukraine. Any suggestion that renewable energy has caused or influenced the current situation is completely false.

The Queensland Energy and Jobs Plan (QEJP) sets a clear vision for Queensland to transform its electricity system to deliver clean, reliable and affordable power. The optimal infrastructure pathway outlined in the Queensland SuperGrid Infrastructure Blueprint will see Queensland achieve its 50 per cent Queensland Renewable Energy Target by 2030 and support 70 per cent renewable energy by 2032 and 80 per cent renewable energy by 2035.

The QEJP was developed on independent modelling conducted by Ernst & Young. This modelling demonstrates the short-run and long-run economic benefits of the Plan over a No Plan (or Uncoordinated) Outlook.

Under the QEJP, economic output in Queensland is projected to be \$25.7 billion higher than without the plan in Net Present Values (NPV) terms.

The QEJP will also put downward pressure on wholesale electricity prices in the longer-term, with more investment into cheap renewable energy and storage. The independent modelling indicates that, under the Plan, lower wholesale electricity prices will flow through to lower retail bills, with the average annual bill for a household projected to be \$150 lower in 2032 and \$1,495 lower for a small business, than without a Plan. This is because renewable energy is cheaper.

In mid-2022, electricity prices across Australia rose due to the impacts of volatile global markets and instability. Under this Plan, more renewable energy and more storage in Queensland will help to protect Queenslanders from these globally driven price shocks.