



# **Energy (Renewable Transformation and Jobs) Bill 2023**

**Report No. 1, 57th Parliament**  
**Clean Economy Jobs, Resources and Transport**  
**Committee**  
March 2024

## **Clean Economy Jobs, Resources and Transport Committee**

<b>Chair</b>	Ms Kim Richards MP, Member for Redlands
<b>Deputy Chair</b>	Mr Pat Weir MP, Member for Condamine
<b>Members</b>	Mr Bryson Head MP, Member for Callide
	Ms Joan Pease MP, Member for Lytton
	Mr Les Walker MP, Member for Mundingburra
	Mr Trevor Watts MP, Member for Toowoomba North

### **Membership of the former Transport and Resources Committee included:**

<b>Chair</b>	Mr Shane King MP, Member for Kurwongbah (to 12 February 2024)
<b>Acting Chair</b>	Mrs Melissa McMahon MP, Member for Macalister (from 22 December 2023 to 12 February 2024)
<b>Deputy Chair</b>	Mr Lachlan Millar MP, Member for Gregory (to 12 February 2024)
<b>Acting Deputy Chair</b>	Mr Pat Weir MP, Member for Condamine (22 January 2024 and from 29 January to 12 February 2024)
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All web address references are current at the time of publishing.

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## Chair's foreword

This report presents a summary of the Clean Economy Jobs, Resources and Transport Committee's examination of the Energy (Renewable Transformation and Jobs) Bill 2023.

The committee's task was to consider the policy to be achieved by the legislation and the application of fundamental legislative principles – that is, to consider whether the Bill has sufficient regard to the rights and liberties of individuals, and to the institution of Parliament. The committee also examined the Bill for compatibility with human rights in accordance with the *Human Rights Act 2019*.

The committee travelled extensively to hear from stakeholders with public hearings occurring in Brisbane, Rockhampton, Mackay, Cairns and Townsville.

On behalf of the committee, I thank those individuals and organisations who made written submissions on the Bill. I also thank our Parliamentary Service staff and the Department of Energy and Climate.

I commend this report to the House.

A handwritten signature in black ink, appearing to read 'Kim Richards', with a long, sweeping tail extending to the right.

Kim Richards MP

Chair

## Recommendations

<b>Recommendation 1</b>	<b>3</b>
The committee recommends the Energy (Renewable Transformation and Jobs) Bill 2023 be passed.	
<b>Recommendation 2</b>	<b>14</b>
The committee recommends the Queensland Government explores additional avenues of consultation and information sharing with stakeholders in regard to the assessment process for determining candidate priority transmission investments.	
<b>Recommendation 3</b>	<b>26</b>
The committee recommends the Queensland Government considers further how to incorporate decommissioning plans into applications for renewable energy projects to manage the replacement of equipment throughout the life of a project and full site rehabilitation at end stage, so proponents meet agreed environmental protocols in a timely manner.	
<b>Recommendation 4</b>	<b>49</b>
The committee recommends the Department of Transport and Main Roads works with the Department of Energy and Climate to review and consider the upgrade of relevant supply chain infrastructure, particularly high-risk roads and bridges, to facilitate the achievement of the Bill’s renewable energy targets.	

## Executive summary

**The committee has recommended that the Energy (Renewable Transformation and Jobs) Bill 2023 be passed.**

The Bill proposes to establish a new standalone Act that sets key components of the Queensland Energy and Jobs Plan in law. The Bill would enshrine the Queensland Renewable Energy Targets, reaffirm the commitment to ongoing ownership of energy assets, and establish the Job Security Guarantee Fund. The Bill also proposes to implement the infrastructure frameworks and the advisory functions required for a smooth, coordinated energy transformation in legislation.

### Consultation

The committee held 5 public hearings over January and February 2024 in Brisbane, Rockhampton, Mackay, Townsville and Cairns. The committee also conducted 7 site visits to a range of facilities, incorporating pumped hydro storage, waste recycling, Port of Brisbane, a power station, a wind farm and a training centre focussing on hydrogen and renewable energy.

### Stakeholder views

Generally, stakeholders supported the objectives of the Bill. Stakeholders commented on the following provisions:

- the renewable energy targets: providing certainty to the market and ensuring transparency of the methodology used to calculate the Queensland renewable energy targets and progress towards the targets
- public ownership of energy assets: clarifying the definitions and methodology used to calculate the public ownership strategy to increase transparency; conducting consultation on the strategy; and the reporting timeframes
- Queensland SuperGrid Infrastructure Blueprint and the ongoing timing of its review
- priority transmission investments: the potential impacts of projects on landholders, local government and communities
- the proposed establishment of the Renewable Energy Zone framework and the associated assessment criteria and management plans: expanding the list of matters that could be assessed for a renewable energy zone and consultation on draft management plans for the zones
- end-of-life plans for renewable energy projects, including incorporating decommissioning plans into applications for renewable energy projects
- the Job Security Guarantee Fund and the definition for who is an affected energy worker
- the proposed establishment of the Queensland Energy System Advisory Board, the Energy Industry Council and the Queensland Renewable Energy Jobs Advocate
- the need to consult with local government and all potentially impacted stakeholders in progressing the transformation of Queensland's energy sector to renewable energy
- the need for the renewable energy industry to establish 'social licence' with the local communities where new assets will be located
- the requirement of road infrastructure upgrades to facilitate the achievement of the renewable energy targets in the Bill.

The committee has recommended:

- the Queensland Government identifies the key stakeholders it will consult with during development of the public ownership strategy and outline its planned consultation process on the relevant department website by 31 December 2024

- the Queensland Government explores additional avenues of consultation and information sharing with stakeholders, including but not limited to local councils, landholders, communities, and chambers of commerce, in regards to the assessment process for determining candidate priority transmission investments
- the Queensland Government considers further how to incorporate decommissioning plans into applications for renewable energy projects to manage the replacement of equipment throughout the life of a project and full rehabilitation at end stage, so proponents meet agreed environmental protocols in a timely manner
- the Department of Transport and Main Roads publishes a list of all relevant supply chain infrastructure, particularly high-risk roads and bridges, that require upgrades to facilitate the achievement of the Bill's renewable energy targets, and that relevant completion timeframes for each project also be published.

### **Legislative compliance**

The committee assessed whether or not the Bill complies with the Parliament's requirements for legislation as contained in the *Parliament of Queensland Act 2001*, *Legislative Standards Act 1992* and the *Human Rights Act 2019*. The committee was satisfied that potential breaches to fundamental legislative principles were reasonable and sufficiently justified in all cases and that the Bill is compatible with human rights as outlined in the *Human Rights Act 2019*.



## 1 Introduction

The Energy (Renewable Transformation and Jobs) Bill 2023 (the Bill) was introduced into the Queensland Parliament by the Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement on 24 October 2023. This Bill was referred to the Transport and Resources Committee (former committee). This committee ceased to exist on 13 February 2024 by a motion of the House with its portfolio areas of responsibility transferring primarily to the Clean Economy Jobs, Resources and Transport Committee (committee). The motion also included transferring the Bill inquiry to the responsibility of the committee.

The Bill proposes to establish a new standalone Act that enshrines key components of the Queensland Energy and Jobs Plan (the Plan) in law. The Bill would enshrine the Queensland Renewable Energy Targets (renewable energy targets), reaffirm the commitment to ongoing ownership of energy assets, and establish the Job Security Guarantee Fund. The Bill also proposes to implement the infrastructure frameworks and the advisory functions required for a smooth, coordinated energy transformation in legislation.<sup>1</sup>

### 1.1 Policy objectives of the Bill

To achieve its objectives, the Bill proposes to establish a new standalone Act that:

- enshrines key commitments from the Plan, such as the following, in law:
  - build a clean and competitive energy system for the economy and industries as a platform for accelerating growth
  - deliver affordable energy for households and business and support more rooftop solar and batteries, and
  - drive better outcomes for workers and communities as partners in the energy transformation.
- establishes the infrastructure frameworks needed to build the Queensland SuperGrid, including the Priority Transmission Investment framework to prioritise and build high voltage backbone transmission and the Renewable Energy Zone (REZ) framework, and
- establishes the governance and advisory functions required for a smooth, coordinated energy transformation.<sup>2</sup>

### 1.2 Background

The Queensland Government released the Plan and the Queensland SuperGrid Infrastructure Blueprint in September 2022. The Plan sets the Queensland Government’s vision of clean, reliable, and affordable power for the future, and the Blueprint outlines the key infrastructure investments needed to achieve that vision. It reaffirms the Government’s commitment to 50 per cent renewable energy by 2030 and sets 2 new renewable energy targets of 70 per cent renewable energy by 2032 and 80 per cent by 2035.

According to independent modelling, the Plan will ‘deliver more jobs in the energy sector and across the Queensland economy’. This includes 64,000 jobs in clean energy infrastructure directly related to constructing the SuperGrid and renewable energy projects, jobs in manufacturing and ongoing operations, and indirect jobs in the services industry that supports the energy sector, as well as 36,000

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<sup>1</sup> Department of Energy and Climate, written briefing, 13 November 2023, p 1.

<sup>2</sup> Explanatory notes, pp 1, 2.

jobs in green growth opportunities across sectors like renewable hydrogen, battery manufacturing, resource mining and metal refining.<sup>3</sup>

### 1.3 Legislative compliance

Our deliberations included assessing whether or not the Bill complies with the Parliament's requirements for legislation as contained in the *Parliament of Queensland Act 2001*, *Legislative Standards Act 1992* (LSA) and the *Human Rights Act 2019* (HRA).

#### 1.3.1 *Legislative Standards Act 1992*

As part of our assessment of the Bill's compliance with the LSA, we considered the following provisions regarding the institution of Parliament and the delegation of legislative power and found they have sufficient regard to fundamental legislative principles:

- allowing the Minister to appoint a REZ delivery body by gazette notice<sup>4</sup>
- providing a REZ delivery body with the ability to develop a management plan of a REZ<sup>5</sup>
- requiring the Minister to decide:
  - the methodology for calculating the proportion of electricity generated in Queensland that is generated from renewable energy sources<sup>6</sup>
  - how the percentages of public ownership of energy assets are worked out for the public ownership report.<sup>7</sup>

We also considered the following provisions in regard to the institution of Parliament and the delegation of legislative power and discuss whether they have sufficient regard to fundamental legislative principles in the noted sections:

- public ownership of energy assets – see section 2.3.1
- Queensland SuperGrid Infrastructure Blueprint – see section 2.4.2
- priority transmission investments and financial matters – see section 2.5.1
- Renewable Energy Zones – see section 2.6.7
- Job Security Guarantee Fund – see section 2.7.2
- Energy Industry Council -see section 2.9.5.

We considered the following provisions and found that they have sufficient regard to the rights and liberties of individuals:

- setting of maximum penalties of 100 penalty units for various offences
- reversing the onus of proof in various offence provisions<sup>8</sup>

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<sup>3</sup> Department of Energy and Climate, written briefing, 13 November 2023, pp 1, 2.

<sup>4</sup> Bill, cl 75.

<sup>5</sup> Part 6, division 3.

<sup>6</sup> Bill, cl 10.

<sup>7</sup> Bill, cl 14.

<sup>8</sup> See Bill, cls 77(4), 79(4), 104(2), 107(2), 136(2), 139(2), 162(2), 167(2). The offences require that a person do something, such as comply with a notice, unless the person has a reasonable excuse.

- providing that applications on foot to connect to a transmission network or transmission asset, that following a relevant event<sup>9</sup> becomes a REZ transmission network or REZ controlled asset, are taken to have lapsed if the application was made by an entity that is not an eligible entity
- protecting officials from civil liability for acts done, or omissions made, honestly and without negligence under the proposed Act<sup>10</sup>
- protecting a relevant person from liability for complying with a notice requesting information provided by the REZ delivery body<sup>11</sup> or by the Minister or Treasurer<sup>12</sup>
- allowing a REZ delivery body<sup>13</sup> to develop a management plan for a REZ.<sup>14</sup>

Part 4 of the LSA requires that an explanatory note be circulated when a Bill is introduced into the Legislative Assembly, and sets out the information an explanatory note should contain. Explanatory notes were tabled with the introduction of the Bill. The notes contain the information required by Part 4 and a sufficient level of background information and commentary to facilitate understanding of the Bill's aims and origins.

### 1.3.2 Human Rights Act 2019

Our assessment of the Bill's compatibility with the HRA did not identify any incompatibilities. We find the Bill is compatible with human rights.

A statement of compatibility was tabled with the introduction of the Bill as required by section 38 of the HRA. The statement contained a sufficient level of information to facilitate understanding of the Bill in relation to its compatibility with human rights.

## 1.4 Should the Bill be passed?

The committee is required to determine whether or not to recommend that the Bill be passed.

### Recommendation 1

The committee recommends the Energy (Renewable Transformation and Jobs) Bill 2023 be passed.

<sup>9</sup> Being a regulation made under s 38(1) to declare a REZ or a regulation made under s 39(2) to repeal or amend a REZ declaration.

<sup>10</sup> Clause 174 provides that an official cannot be civilly liable for acts or omissions done honestly and without negligence under the proposed Act. In these circumstances, liability will attach to the State. The section will also apply to a REZ delivery body, but only in relation to the performance of a function of the REZ delivery body under the Act that is prescribed by regulation.

<sup>11</sup> Bill, cl 77(7).

<sup>12</sup> Bill, cl 79(7).

<sup>13</sup> See Bill, cls 36, 75.

<sup>14</sup> See Bill, cls 41-48.

## 2 Examination of the Bill

This section discusses key issues raised during the committee’s examination of the Bill. It does not discuss all consequential, minor or technical amendments.

### 2.1 Part 1 - Preliminary

Part 1 of the Bill contains clauses 1 to 8. These outline the main purposes of the Act, how the main purposes are primarily achieved, definitions,<sup>15</sup> the meaning of optimal infrastructure pathway, and the meaning of optimal infrastructure pathway objectives.

Noted below are the main issues raised and amendments proposed by submitters in relation to Part 1 of the Bill.

#### 2.1.1 Main purposes of the Act

Clause 3 outlines the main purposes of the Act, which include:

- to increase the amount of electricity generated in Queensland from renewable energy sources
- to facilitate and support the efficient and coordinated augmentation of the national transmission grid in Queensland to accommodate increased levels of renewable electricity generation – safely, securely, reliably and cost-effectively
- to provide for advocacy and support for workers in Queensland’s energy industry, as well as Queensland communities, that are affected by the increase in renewable energy electricity generation.

The Queensland Resources Council (QRC), Queensland Council of Unions (QCU), Electrical Trades Union Queensland and Northern Territory Branch (the ETU), Energetic Communities, Queensland Renewable Energy Council (QREC) and Mackay Region Chamber of Commerce each submitted amendments to expand or revise clause 3. The key theme among submitters was support for recognising the importance of maximising local supply chain opportunities to positively impact workers and communities during the transition to renewable energy electricity generation.

QRC proposed that clause 3(a) be expanded to include the goal of providing ‘a safe, secure and reliable supply of affordable electricity to all Queensland consumers’.<sup>16</sup> Both QRC and QREC supported adding a new clause 3(d): ‘maximising local supply chain opportunities to deliver, service and maintain the new SuperGrid and the associated investments being made in the Queensland Renewable Energy Zones’.<sup>17</sup>

QCU recommended that clause 3 of the Bill would benefit from adding that an additional purpose of the Act is ‘to minimise the adverse effects of Queensland’s renewable transformation on affected workers and communities’.<sup>18</sup>

Similar to QRC and QREC above, QCU and ETU were of the view that the adverse effects could be minimised by sharing the benefits of Queensland’s renewable transformation with workers and communities through creating secure local jobs and maximising the use of locally produced and supplied goods and services.<sup>19</sup>

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<sup>15</sup> The Bill’s definitions are contained in Schedule 1. Submitter comments in relation to these definitions are included in section 2.14 of this report.

<sup>16</sup> Submission 18, p 6.

<sup>17</sup> Submission 18, p 6 and Submission 37, p 3.

<sup>18</sup> Submission 25, p 3.

<sup>19</sup> Submission 25, pp 2-3; submission 33, p 4.

In response to these recommendations, the Department of Energy and Climate (department) stated that the purpose of the Bill was to set in law commitments from the Plan, including renewable energy targets, public ownership and the Job Security guarantee, create the infrastructure frameworks to build the Supergrid and establish advisory functions for the energy transformation.

In this regard, the department advised that ‘the purposes of the Bill must directly relate to the contents of the Bill and are drafted in accordance with Queensland drafting standards’. The department added that ‘outside of the Bill, the Government has policies and programs to ensure communities benefit from the energy transformation, and to maximise local procurement and supply chain opportunities’.<sup>20</sup>

### 2.1.2 Optimal infrastructure pathway

Clause 7 defines the term optimal infrastructure pathway. It means:

... the significant electricity infrastructure projects identified in the Infrastructure Blueprint, as well as the projects’ sequencing and timing. This includes projects eligible for assessment and construction under the Priority Transmission Investment framework and REZ transmission networks.

The optimal infrastructure pathway framework also includes any project that has been prescribed to be an eligible Priority Transmission Investment under section 20(2)(b) and any REZ transmission network for a REZ not mentioned in the Infrastructure Blueprint.<sup>21</sup>

The Banana Shire Council recommended that clause 7 ‘...should also include other infrastructure that is required to deliver projects, i.e. transport upgrades, construction worker accommodation, etc.’<sup>22</sup> See sections 2.15.1 and 2.15.2 for more on this.

QRC questioned the drafting language used for clause 7(c) stating it was ‘confusing’:

The reference in section 7(c) to defining the optimal infrastructure pathway in terms of any renewable energy zone (REZ) transmission network for a REZ not mentioned in the infrastructure blueprint is a confusing drafting choice. QRC would have thought that defining the optimal infrastructure pathway by exclusion would be a risky approach and one that flies in the face of the transparency established by the publication of the SuperGrid Infrastructure Blueprint and its regular updates.<sup>23</sup>

In response, the department clarified the intent of clause 7(c) is ‘to ensure that when REZs are declared between the biennial reviews of the Infrastructure Blueprint, their identified REZ transmission networks are still considered part of the Optimal Infrastructure Pathway’.<sup>24</sup>

### 2.1.3 Meaning of optimal infrastructure pathway objectives

Clause 8 defines the optimal infrastructure pathway objectives as the:

- achievement of Queensland’s renewable energy targets
- provision of a safe, secure, and reliable supply of electricity to Queensland consumers
- long-term minimisation of the cost of electricity for Queensland consumers.<sup>25</sup>

The Mining and Energy Union (MEU) and QCU advocated the need to minimise the adverse impacts of the optimal infrastructure pathway objectives on affected energy workers.<sup>26</sup>

<sup>20</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 2.

<sup>21</sup> Explanatory notes, p 23.

<sup>22</sup> Submission 46, p 1.

<sup>23</sup> Submission 18, p 8.

<sup>24</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 2.

<sup>25</sup> Explanatory notes, p 23.

<sup>26</sup> Submission 25, p 4 and submission 17, pp 2-3.

QRC recommended that the wording of clause 8(c) be refined 'so the current reference to the long-term minimisation of the cost of electricity is defined more precisely' in relation to 'the total system cost' or 'the delivered cost of electricity for Queensland consumers'. QRC was of the view that the current wording could be misconstrued as focusing on minimising the generation costs of electricity, rather than managing the entire system cost of transmission, distribution, maintenance, security and reliability of this electricity supply.<sup>27</sup>

In relation to the third objective noted above, ETU submitted:

The optimal infrastructure pathway objective needs to promote consideration of the upstream industries set to benefit from developing a SuperGrid, and the downstream industries which will benefit most from access to affordable, reliable electricity.

Using a narrow economic metric such as 'minimising the cost of electricity' will fail to measure the other benefits that Queensland consumers may value.<sup>28</sup>

In response to proposed amendments relating to clause 8, the department stated that it will consider a range of measures in future Infrastructure Blueprint reviews, including measures that address submitter concerns and focus on achieving the optimal infrastructure pathway objectives:

To achieve these objectives, a range of measures will need to be considered. This may include total system cost and/or delivered cost. To support development of the 2022 Infrastructure Blueprint, market modelling and broader economic modelling was undertaken. It is anticipated that this type of modelling will be required for future Infrastructure Blueprint reviews and updates.<sup>29</sup>

### **Committee comment**

We note the department's advice that the main purposes of the Bill have been drafted within a defined scope to set specific commitments into law. Submitters have proposed that these main purposes be expanded to commit additional social and economic commitments into law. We agree that the benefits of Queensland's renewable energy transformation should be shared in the communities where renewable projects are to be located and that community consultation on how those benefits are distributed will be crucial to the success of the renewable energy agenda contained in the Bill.

We concur with the department's advice that the purposes of the Bill as contained in Part 1 must directly relate to the contents of the Bill and that commitments about how the benefits are shared are better placed within government policies and programs. In this way, the process of ensuring local communities benefit from the transition to renewables can remain flexible and adaptive to specific circumstances and locations to maximise local procurement and supply chain opportunities.

## **2.2 Part 2 - Renewable energy targets**

Part 2 of the Bill is comprised of clauses 9 to 12 which provide for the renewable energy targets, methodology for calculating electricity generated from renewable energy sources, annual progress statement, and review of renewable energy targets.<sup>30</sup>

A number of submitters commented on these clauses, particularly in relation to the relationship between setting the renewable energy targets and providing certainty to the market. Some submitters also called for clarity on the trajectory of the energy transformation.<sup>31</sup>

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<sup>27</sup> Submission 18, p 6.

<sup>28</sup> Submission 33, p 6.

<sup>29</sup> Department of Energy and Climate, correspondence, 22 January 2024, pp 2-3.

<sup>30</sup> Explanatory notes, pp 23-24.

<sup>31</sup> See, for example, submissions 2, 8, 9, 10, 11, 14, 16, 17, 18, 22, 23, 25, 26, 30, 31, 34, 35, 36, 37, 43, 44, 45, 47 and 48.

Clause 9 identifies the renewable energy targets. The targets set the minimum percentage of electricity to be generated in Queensland from renewable energy by a particular year. The targets may be exceeded and are not intended to act as a cap on the percentage of electricity that may be generated from renewable energy sources. The targets are:

- by 2030, at least 50 per cent of the electricity generated in Queensland is to be generated from renewable energy sources
- by 2032, at least 70 per cent of the electricity generated in Queensland is to be generated from renewable energy sources
- by 2035, at least 80 per cent of the electricity generated in Queensland is to be generated from renewable energy sources.<sup>32</sup>

In relation to clause 9, while a number of submitters noted their support for the renewable energy targets,<sup>33</sup> others called for more ambitious renewable energy targets<sup>34</sup>, including seeking a target of 100 per cent renewable energy generation by 2030.<sup>35</sup>

In contrast, Master Electricians Australia submitted that the targets are overly optimistic and potentially unachievable due to capacity constraints in the labour market and issues around grid stability, and the reliance on the delivery of pumped hydro energy storage assets.<sup>36</sup>

QRC emphasised the need to ensure reliability and affordability within the 3 targets, and proposed adding words to the effect of, 'From the time this Act commences, the standard of energy reliability will only rise and the delivered price of electricity for Queenslanders will only fall, while also achieving the renewable energy targets for Queensland'.<sup>37</sup>

Clause 10 relates to the methodology for calculating electricity generated from renewable energy sources with the Minister required to table the methodology and publish it on the department's website once it has been decided.

Clause 12 provides that the Minister must review the renewable energy targets at least every 5 years after a) the day of the commencement or b) the day the report about the most recent review was tabled in the Legislative Assembly. The Central Highlands Regional Council, QRC and QCU proposed more frequent reviews.<sup>38</sup> QCU suggested reviews 'at least 2 years prior to each target would more appropriately allow the Minister to have regard to the progress made towards achieving the targets'.<sup>39</sup>

QREC recommended the removal of this review mechanism, saying 'it is of little consequence, especially given any change to the renewable energy target or extension would require legislative amendment in order to take effect'.<sup>40</sup>

In response to comments about the renewable energy targets and their relationship to the market, the department advised that 'the intent of enshrining the renewable energy targets in legislation is to provide certainty to the market and drive increased investment in renewable energy in Queensland'.<sup>41</sup>

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<sup>32</sup> Explanatory notes, p 23.

<sup>33</sup> See, for example, submissions 11, 14, 16, 18, 22, 34, 36, 37, 43, 44 and 45.

<sup>34</sup> See submissions 10, 30 and 31.

<sup>35</sup> Submissions 35, p 2.

<sup>36</sup> Submission 2, p 1.

<sup>37</sup> Submission 18, p 8.

<sup>38</sup> See submissions 8, 18, 25.

<sup>39</sup> Submission 25, p 7.

<sup>40</sup> Submission 37, p 3.

<sup>41</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 5.

In relation to the methodology for calculating electricity generated from renewable energy sources, the department advised it will table the renewable energy targets methodology in the Legislative Assembly and publish it on the department's website. This methodology will provide details on how the renewable energy targets will be calculated.<sup>42</sup>

In relation to concerns that the timeframe between reviews of the renewable energy targets would be too lengthy, the department advised that the 5-yearly review timeframe as proposed in the Bill 'is intended to strike the appropriate balance between providing certainty for stakeholders, while allowing for a regular assessment over time'. The department expressed the view that, while 'more frequent reviews may risk uncertainty and/or may adversely impact investment, clause 12(1) does not prevent the Minister from conducting a more frequent and/or earlier review of the renewable energy targets'.<sup>43</sup> The department explained further the role of the Queensland Energy System Advisory Board in relation to reviewing renewable energy targets:

The Queensland Energy System Advisory Board will provide independent advice on progress against the renewable energy targets in the previous financial year in the annual progress statement. The Minister is also required to have regard to the advice of the Board when reviewing the renewable energy targets and deciding whether they are appropriate. The renewable energy targets can only be revised through an amendment to an Act of Parliament, which makes it appropriate for the Government to review the targets, rather than the Board.<sup>44</sup>

#### **Committee comment**

We note that the commitment to law of the 3 renewable energy targets is designed to provide certainty to the market on the direction and ambition of the renewable energy program and drive increased investment in renewable energy in Queensland. The prescribed review period of these targets being 'at least every 5 years' is also designed to provide certainty for stakeholders. However, we note the Bill provides flexibility in that the Minister remains able to conduct a more frequent review of the targets if required.

In regard to the public reporting of the methodology used to calculate the renewable energy targets, the Bill requires that the Minister table the methodology in Parliament and publish it on the department's website. We note this follows a recommendation of the Auditor-General in 2021 and was previously reported on by the former Transport and Resources Committee in its Report No. 26 of the 57th Parliament. We note the department's advice to the former committee in March 2022 that it was publishing details of the Queensland renewable energy target methodology on its website. In October 2022, the department updated its website on advice from the Queensland Audit Office to show the methodology in terms of calculating its progress towards the renewable energy targets.<sup>45</sup> It is our view that requiring the Minister to table the methodology in Parliament provides an additional level of transparency.

### **2.3 Part 3 - Public ownership of energy assets**

Part 3 of the Bill comprises clauses 13 and 14 which outline the public ownership strategy and the public ownership report.

Clause 13 provides that the Minister must prepare, for each reporting period, a public ownership strategy that sets public ownership targets, to be achieved by 2035, that are:

- equal to or more than 54 per cent ownership of generation assets

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<sup>42</sup> Department of Energy and Climate, correspondence, 1 February 2024, p 2.

<sup>43</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 3.

<sup>44</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 4.

<sup>45</sup> Transport and Resources Committee, Examination of Auditor-General Report 5: 2021-22 Managing Queensland's transition to renewable energy, Report No. 26, 57th Parliament, pp 10, 11.



- 100 per cent ownership of transmission and distribution assets
- 100 per cent ownership of deep storage assets.<sup>46</sup>

Deep storage assets are defined to mean pumped hydro energy storage assets that can generate at least 1,500 megawatts (MW) of electricity for 24 hours and are prescribed by Regulation.<sup>47</sup>

The strategy must also describe a) how the State proposes to achieve and maintain, or promote the achievement and maintenance of, these targets by 2035 during the reporting period; and b) how the State proposes to maintain ownership of each publicly owned coal-fired power station and each publicly owned gas-fired power station in existence on the commencement.<sup>48</sup>

Clause 14 requires the Minister to prepare a public ownership report on the progress made towards achieving the targets set out in the public ownership strategy.<sup>49</sup>

A number of submissions commented on the public ownership clauses in the Bill.<sup>50</sup> These submitters generally focused on clarifying the definitions and methodology used to calculate the public ownership strategy to increase transparency; conducting consultation on the strategy; and the reporting timeframes.

The ETU recommended several amendments to these clauses, including:

- amending Part 3 to clarify public ownership as ownership and control by the state of Queensland and remove 'Commonwealth and Local Government' from the definition
- inserting a new clause 13(1)(a)(iii) to ensure where the State only part owns an energy asset, the ownership provides for a controlling share
- inserting a new clause 13(3)(d) under *class of assets: but only when the State owns a controlling interest or share*
- amending clause 14 to revert to annual reporting requirements as outlined in the explanatory draft.<sup>51</sup>

QREC stated that the public ownership strategy:

... should include a requirement to describe how the State proposes to achieve and maintain the renewable energy targets (as well as outline the intended timeframes and methodologies by which this will be achieved) in consideration of the parallel need to ensure the required level of investment and development occurs to support delivery against the targets themselves.<sup>52</sup>

ResourceCo, a company that is currently developing a resource recovery facility and energy recovery facility (ERF) in Brisbane, recommended:

... that ownership includes generation assets that utilise biomass/bioenergy based feedstock generation assets such as ResourceCo's approved ERF as it satisfies the Bill definition of generation assets, is located in a metro area and can provide 24 hours per day of baseload renewable electricity to the grid whilst does not require any transmission upgrades.<sup>53</sup>

<sup>46</sup> Explanatory notes, p 24.

<sup>47</sup> Explanatory notes, p 25.

<sup>48</sup> Explanatory notes, p 24.

<sup>49</sup> Explanatory notes, p 26.

<sup>50</sup> See, for example, submissions 2, 8, 9, 10, 11, 18, 19, 21, 23, 24, 25, 26, 33, 37, 43 and 47.

<sup>51</sup> Submission 33, pp 5-6.

<sup>52</sup> Submission 37, p 4.

<sup>53</sup> Submission 9, p 3.

The Clean Energy Investor Group (CEIG) said that the purposes of that public ownership provision are to protect jobs, enable a more timely and coordinated transition, and reflect the existing government interest in energy generation in the state'. CEIG added 'it is also important that there is clarity around how that public ownership target is achieved and the accountabilities and transparency of that process'.<sup>54</sup>

In regards to the definition of deep storage assets that is contained in clause 13(3), QREC suggested:

... in order to provide maximum flexibility in relation to future investment in firming projects, this section of the Bill should be amended such that the definition of deep storage assets only applies to projects that are prescribed by regulation. Additional criteria regarding government ownership may be considered.<sup>55</sup>

QCU supported maintaining 100 per cent ownership of the Queensland transmission and distribution network, its deep storage assets, and 'the current level of public ownership and density in Queensland generators'.<sup>56</sup>

In response to comments about the public ownership strategy in relation to deep storage assets, the department stated:

The Bill seeks to balance the need to provide certainty on the types of deep storage assets the Government is seeking to have 100% public ownership of, while encouraging private sector investment to support Queensland's energy transformation.

The Bill defines deep storage assets, that the Government is seeking 100% public ownership of, as a pumped hydro energy storage asset capable of generating at least 1500MW for 24 hours, and also prescribed in Regulation. The intent is to only prescribe in Regulation the two foundational deep storage assets identified in the Plan and Infrastructure Blueprint (the Borumba and Pioneer-Burdekin pumped hydro assets), which the Government has publicly stated an intention to own. This will not restrict the development of other pumped hydro and battery assets by the private sector.<sup>57</sup>

On the comments regarding methodologies and inclusion in the strategy, the department advised that 'the public ownership report will describe how the public ownership percentages are calculated', and that it intends to consult with key stakeholders during the development of the strategy'.<sup>58</sup>

#### **Committee comment**

We note the Bill provides for 100 per cent public ownership of the 2 foundational deep storage assets identified in the Plan and infrastructure blueprint, being the Borumba and Pioneer-Burdekin pumped hydro assets, but that the Bill does not restrict the private sector developing other pumped hydro and battery assets. We also note the department's intention to consult with key stakeholders during development of the public ownership strategy. However, to alleviate stakeholder concerns and clarify its consultation on the public ownership strategy, we recommend the department identifies key stakeholders and communicates its consultation process.

#### **2.3.1 Compliance with the Legislative Standards Act – delegation of power**

We considered the public ownership of energy assets clauses and their compliance with the LSA in relation to the institution of Parliament. The explanatory notes contend that any infringement on fundamental legislative principles resulting from the delegation of legislative power in relation to the definitions of 'deep storage assets', 'generation assets', 'transmission and distribution assets' and 'public ownership' is justified because of the technicality of the terms, the likelihood for revision and

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<sup>54</sup> Public hearing transcript, Brisbane, 22 January 2024, p 9.

<sup>55</sup> Submission 37, p 4.

<sup>56</sup> Public hearing transcript, Brisbane, 22 January 2024, p 34.

<sup>57</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 8.

<sup>58</sup> Department of Energy and Climate, correspondence, 22 January 2024, pp 8, 9.

their limited effect:

... it is necessary for key elements of the public ownership definitions to be prescribed by Regulation as the full extent of those concepts are highly technical and may require revision through the energy transformation. In addition, the delegation merely impacts on the content of the Minister's reporting obligations (rather than impacting individual rights and liberties), and the definitions themselves impose limitations on the matters that may be prescribed.<sup>59</sup>

#### **Committee comment**

Noting the reasons in the explanatory notes for the delegations of legislative power, including the technical nature of the terms, their limited effect and the likely need for revision, we are satisfied that the provisions have sufficient regard to the institution of Parliament.

## **2.4 Part 4 - Queensland SuperGrid Infrastructure Blueprint**

Part 4 of the Bill comprises clauses 15 and 16 which outline making, approving and review of the infrastructure blueprint. The infrastructure blueprint must identify:

- significant electricity projects that each help to meet the optimal infrastructure pathway objectives
- the projects' sequence and timing of delivery. This information is intended to describe the critical path for delivery of these projects and the relationship between projects on the optimal infrastructure pathway
- how each of these significant electricity projects contributes to the optimal infrastructure pathway objectives.<sup>60</sup>

The Minister must review the infrastructure blueprint by 31 May 2025, and every 2 years afterwards.

### **2.4.1 Making and approving the infrastructure blueprint, and its review**

A number of submissions commented on Part 4 of the Bill.<sup>61</sup> The submitters recommended the infrastructure blueprint contain additional requirements, with some also commenting on the transparency of the process, and timing of review.

QEM Limited and the Remote Area Planning & Development Board recommended that the initial review date be brought forward to May 2024,<sup>62</sup> and Townsville Enterprise Limited proposed that the infrastructure blueprint 'be updated within the first year of being released to reflect the updates to the current transmission projects and timelines including Copperstring ...'.<sup>63</sup>

In relation to clause 15(2)(c), Banana Shire Council advised that 'the Bill could benefit from an example that considers repurposing for another form of electricity generation, i.e. hydrogen'.<sup>64</sup>

In response to recommendations to amend the timeframe for reviewing the infrastructure blueprint, the department confirmed that the government is committed to updating it every 2 years from 2025 with the Bill seeking to set this requirement in law. This would provide 'an opportunity to update the Optimal Infrastructure Pathway if new significant electricity projects have been identified and to reflect an evolving system'.<sup>65</sup>

<sup>59</sup> Explanatory notes, pp 13-14.

<sup>60</sup> Explanatory notes, p 26.

<sup>61</sup> See, for example, submissions 2, 3, 8, 18, 19, 20, 21, 30, 46, 47 and 48.

<sup>62</sup> See submission 3, p 3 and submission 21, p 4.

<sup>63</sup> Submission 48, p 1.

<sup>64</sup> Submission 46, p 1.

<sup>65</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 14.

### **Committee comment**

We note that the Minister must review the infrastructure blueprint by 31 May 2025, and every 2 years afterwards.

While some submitters proposed that the May 2025 date be brought forward by a year, it is unknown whether the Bill will have been considered or passed by the Parliament at that stage. Legislating a review date of May 2025 therefore seems appropriate.

In relation to subsequent reviews being required every 2 years after the initial review in 2025 and concerns about timely incorporation of new projects, we note that under clause 16, the Minister is not prevented from reviewing the infrastructure blueprint more often, which will provide the flexibility to update the optimal infrastructure pathway if new projects are identified.

#### **2.4.2 Compliance with the Legislative Standards Act**

The Bill identifies a number of matters that must be included in the infrastructure blueprint, but also enables a regulation to prescribe other matters that must be included.<sup>66</sup> In addition, it provides that the infrastructure blueprint may include any other matter the Minister considers relevant to achieving the optimal infrastructure pathway objectives or the purposes of the proposed Energy (Renewable Transformation and Jobs) Act (proposed Act).<sup>67</sup>

The Bill would require the Minister to review the infrastructure blueprint at regular intervals, having regard to specified matters and other matters prescribed by regulation.<sup>68</sup>

The explanatory notes do not address these delegations of legislative power to the Minister and regulation in the light of fundamental legislative principles. However, we consider the delegation to the Minister of the power to make the infrastructure blueprint is appropriate given the Minister's portfolio responsibilities. We also consider it is an appropriate case to delegate legislative power because the infrastructure blueprint is intended to be a technical document<sup>69</sup> and could contain information that may not be well-suited to legislation.

Further, we are reassured that the infrastructure blueprint would only take effect if approved by regulation.<sup>70</sup> In addition, the infrastructure blueprint would be readily accessible by the public because the Bill requires the Minister to publish it on the department's website.<sup>71</sup>

As regards the matters that would be prescribed by regulation,<sup>72</sup> the Bill specifies a number of matters, then has provision for the other matters.<sup>73</sup> That is, the matters are simply additional matters to be included in the infrastructure blueprint or taken into consideration by the Minister in reviewing the infrastructure blueprint.

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<sup>66</sup> Bill, cl 15(2)(f).

<sup>67</sup> Bill, cl 15(3).

<sup>68</sup> Bill, cl 16.

<sup>69</sup> See explanatory notes, p 4.

<sup>70</sup> That is, the Parliament would be able to scrutinise it as it would have to be tabled in the Legislative Assembly, and the Assembly could disallow the regulation approving it. See Bill, cl 15(5).

<sup>71</sup> See Bill, cl 15(6).

<sup>72</sup> And any other matter the Minister considers relevant to achieving the specified matters. See Bill, cl 15(3).

<sup>73</sup> That is, the matters prescribed by Regulation that must be included in the infrastructure blueprint and matters that the Minister must have regard to in reviewing the Infrastructure Blueprint, and the matters that may be included in the Infrastructure Blueprint.

**Committee comment**

While noting that the matters delegated to regulation or the Minister are simply additional matters to be included in the infrastructure blueprint or taken into consideration by the Minister in reviewing the infrastructure blueprint, we consider these, and the legislative power given to the Minister to make the infrastructure blueprint, are appropriate instances to delegate legislative power.

**2.5 Part 5 - Priority transmission investments**

Part 5 of the Bill comprises clauses 17 to 34. These clauses include outlining the construction of priority transmission investments, how responsible Ministers work with Powerlink to identify priority transmission investments, the assessment of candidate priority transmission investments, and providing for financial matters associated with the investments.<sup>74</sup>

A number of submissions commented on, or proposed amendments to, the priority transmission investment clauses in the Bill.<sup>75</sup> The main issues raised included cost minimisation, system efficiency, and the importance of planning to alleviate social impacts particularly for local government, landholders and communities.

Isaac Regional Council acknowledged the purpose of the priority transmission investments framework was ‘to expedite progress towards net zero’; however, Council was concerned that there would be ‘real risk that the haste and limited approval authorities (the Minister and Powerlink) will result in significant social impacts for Queensland’.<sup>76</sup> Local Government Association of Queensland (LGAQ) was concerned that local consultation with landholders and stakeholders should not be compromised in delivering the ‘backbone transmission’.<sup>77</sup>

The Queensland Conservation Council called for the Queensland Government to release ‘further information on the transmission route options, ways that this will unlock further renewable energy, provide resilience and other benefits to Queensland consumers, and early cost estimates’ and ‘costs and particularly the use of the consumer as a backstop cost recovery mechanism’.<sup>78</sup>

The Remote Area Planning & Development Board (RAPAD) suggested that for the RAPAD Power Grid, the Bill should maximise the flexibility for proponents to:

... nominate the project for an early determination of Priority Transmission Investment status that could facilitate parallel work to commence and progress through environmental assessment and approval processes of the Queensland Government and Australian Government.<sup>79</sup>

In response to concerns relating to local communities and consultation on candidate projects, the department stated:

The Priority Transmission Investment framework in the Bill is limited to modification of the national regulatory framework for economic regulation of new transmission investment. It does not remove any existing land use planning or environmental assessments, which provide opportunities for consultation on the construction of transmission infrastructure.<sup>80</sup>

In relation to queries raised about costs of priority transmission investments and the potential to impact consumers, the department advised:

<sup>74</sup> Explanatory notes, pp 28-36.

<sup>75</sup> See, for example, submissions 2, 14, 18, 19, 21, 22, 23, 30, 44, and 47.

<sup>76</sup> Submission 19, p 4.

<sup>77</sup> Submission 14, p 14.

<sup>78</sup> Submission 30, p 3.

<sup>79</sup> Submission 21, p 4.

<sup>80</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 15.

Priority Transmission Investment project costs will be scrutinised for prudence and efficiency:

- The Bill provides that only transmission investments that achieve an identified need of Queensland's optimal infrastructure pathway are eligible to use the Priority Transmission Investment framework. This provides a high barrier to entry.
- The Bill requires that potential Priority Transmission Investments must undergo an economic assessment, based on the national RIT-T [Regulatory Investment Test for Transmission] assessment process. This assessment examines options to achieve the identified need.<sup>81</sup>

#### **Committee comment**

We understand stakeholder concern about the potential impacts on landholders, local councils and communities of constructing priority transmission investment projects in their regions. For those stakeholders, these projects are likely to have both positive impacts, in terms of potential for supply chain benefits, and, potentially negative impacts, at least temporarily during construction and longer for affected landholders. We therefore concur that the assessment process must be robust. In this regard, submitters have highlighted the importance of local consultation as part of the planning process for priority transmission investments to ensure cost minimisation and system efficiency, mitigate adverse impacts, and enhance local supply chain opportunities.

We note the department's advice that the Priority Transmission Investment framework is limited to modification of the national regulatory framework for economic regulation of new transmission investment. The Bill does not remove any existing land use planning or environmental assessments, which provide opportunities for consultation on the construction of transmission infrastructure. However, it appears that some stakeholders are not aware of this avenue for feedback.

Impacted landholders and stakeholders must be afforded all rights and considerations. In this regard, we believe it is incumbent on the Queensland Government to provide stakeholders with information on how they can provide feedback on the construction of transmission infrastructure as it relates to Queensland's renewable energy transition, noting that a diverse approach to community engagement would be required to ensure inclusivity and reach across demographic divides.

#### **Recommendation 2**

The committee recommends the Queensland Government explore additional avenues of consultation and information sharing with stakeholders in regard to the assessment process for determining candidate priority transmission investments.

### **2.5.1 Compliance with the Legislative Standards Act**

#### **2.5.1.1 *Eligible priority transmission investments and financial matters***

As regards regulations being able to prescribe projects as eligible to be assessed and constructed under the priority transmission investment framework, and to provide for financial matters associated with priority transmission investment projects, the explanatory notes acknowledge that they may be inconsistent with fundamental legislative principles. The explanatory notes appear to argue that both these delegations of legislative power are appropriate 'given the interactions with the national electricity laws',<sup>82</sup> although the justification appears more relevant to the regulation making powers for financial matters associated with priority transmission investment projects than to prescribing projects as eligible. The explanatory notes state that national electricity laws 'are updated frequently' and the matters to be prescribed by regulation are 'highly technical',<sup>83</sup> concluding that if the primary

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<sup>81</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 16.

<sup>82</sup> Explanatory notes, p 14.

<sup>83</sup> Explanatory notes, p 14.

Act were to include this detail, it would be ‘likely to lead to outdated legislation requiring regular amendment’.<sup>84</sup>

We sought clarification from the department on the justification for prescribing projects as eligible priority transmission investments in regulation rather than in primary legislation. Such projects could, for example, have been included in a schedule to the proposed Act.

The department confirmed that its approach was to ensure transparency, flexibility, and the expedition of projects, stating:

The policy intent behind prescribing these projects by Regulation is to ensure that the projects eligible to be assessed and constructed using the Priority Transmission Investment framework are transparent. In the case of Infrastructure Blueprint-like projects, the Bill also enables the expedited shepherding of the project into the Priority Transmission Investment framework, to meet an emerging need.

The projects have not been prescribed within the primary legislation as it will require a legislative amendment each time a new potential Priority Transmission Investment project is identified. The identification of Priority Transmission Investment projects will be subject to scrutiny through the Infrastructure Blueprint development process and with advice from the Queensland Energy System Advisory Board. Prescribing eligible Priority Transmission Investment projects through Regulation, rather than primary legislation, is considered justified as it provides the necessary flexibility to identify and deliver the high voltage backbone transmission infrastructure needed in line with the sequencing and timing of the Infrastructure Blueprint.<sup>85</sup>

#### **Committee comment**

Given the department’s advice that prescribing projects as eligible priority transmission investments in regulation rather than in primary legislation will provide flexibility, transparency and a timely approach to identifying and delivering the high voltage backbone transmission infrastructure required as part of the infrastructure blueprint, we are satisfied that this is an appropriate instance to delegate legislative power.

##### *2.5.1.2 Suitably qualified*

As part of the assessment process for a priority transmission investment, the required Ministers are required to seek advice from a ‘suitably qualified’ person on the modifications, as well as the assessment’s outcomes prior to directing Powerlink to construct the project.<sup>86</sup> The explanatory notes do not provide any details relevant to fundamental legislative principles justifying why such persons may be prescribed by regulation or be a person the Minister considers is suitably qualified.

The definition of ‘suitably qualified person’ in the Bill also provides that a suitably qualified person may be the Australian Energy Regulator (AER).<sup>87</sup> The provision does not, however, list any particular qualifications or experience that would make a person ‘suitably qualified’.

We asked the department to clarify who else could likely be considered a suitably qualified person and what would likely make a person be regarded as ‘suitably qualified’, as well as if the Minister is likely to publish that information on the department’s website or in the Queensland Government Gazette or elsewhere.

In response, the department noted the level of advice that a suitably qualified person would be expected to provide in relation to the priority transmission investment framework:

- Powerlink’s proposed approach to assessing the candidate Priority Transmission Investment, including on whether the identified need has been sufficiently described, and whether Powerlink’s

<sup>84</sup> Explanatory notes, p 14.

<sup>85</sup> Department of Energy and Climate, correspondence, 17 January 2024, p 1.

<sup>86</sup> Explanatory notes, p 4.

<sup>87</sup> Bill, sch 1.

proposed modifications to the Regulatory Investment Test for Transmission (RIT-T) assessment documents are appropriate and as minimal as practical (refer to clause 23 of the Bill).

- whether Powerlink has assessed the candidate Priority Transmission Investment as directed by the responsible Ministers under clause 24 of the Bill. The advice must also outline whether the expenditure on the investment proposed (or made) by Powerlink is the expenditure that would be required by an efficient and prudent operator in Powerlink's circumstances.<sup>88</sup>

In this regard, the department stated that a suitably qualified person would require skills or experience in developing and undertaking cost-benefit analyses, as well as an understanding of the National Electricity Rules' RIT-T assessment process. The department clarified that this person could be from an independent advisory firm with experience in assisting the Australian Energy Regulator in analysis or delivery of RIT-T assessments under the National Electricity Rules, and that the Queensland Competition Authority may also be considered suitably qualified to perform the role.<sup>89</sup>

The department added that the Bill's definition allows for flexibility in determining who may be suitably qualified 'to ensure the responsible Ministers are able to seek advice from persons with expertise in specific areas'. Ministers will publish details on the department's website regarding persons considered suitably qualified if engaged to provide advice under the priority transmission framework.<sup>90</sup>

#### **Committee comment**

We are satisfied that prescribing a suitably qualified person by regulation is an appropriate delegation of legislative power, noting that it provides flexibility to responsible Ministers in seeking advice from skilled and experienced persons in relation to the priority transmission investment framework, and that the names of engaged persons will be published on the department's website, adding to the transparency of the process.

#### *2.5.1.3 Declarations by the responsible Ministers*

The Bill empowers the responsible Ministers<sup>91</sup> to declare an eligible priority transmission investment to be a candidate priority transmission investment<sup>92</sup> and to declare a candidate priority transmission investment to be a priority transmission investment.<sup>93</sup>

Immediately after making a declaration that an eligible priority transmission investment is a candidate priority transmission investment, the Bill requires the responsible Ministers to direct Powerlink to give the responsible Ministers a submission about how they should direct Powerlink to assess a candidate priority transmission investment. The Bill sets out certain matters the submission must address, which includes (in addition to matters specified in the Bill) any other matter the responsible Ministers consider relevant.<sup>94</sup>

The responsible Ministers must seek advice on the submission from a suitably qualified person about certain specified matters and any other relevant matter the Ministers consider appropriate.<sup>95</sup> As soon

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<sup>88</sup> Department of Energy and Climate, correspondence, 17 January 2024, p 1.

<sup>89</sup> Department of Energy and Climate, correspondence, 17 January 2024, p 1.

<sup>90</sup> Department of Energy and Climate, correspondence, 17 January 2024, pp 1, 2.

<sup>91</sup> That is, the Minister and the Treasurer acting jointly.

<sup>92</sup> See Bill, cl 21.

<sup>93</sup> See Bill, cl 26.

<sup>94</sup> See Bill, cl 22.

<sup>95</sup> See Bill, cl 23.



as practicable after making a declaration about a priority transmission investment, the Minister must direct Powerlink to construct the investment.<sup>96</sup>

The explanatory notes acknowledge that the powers given to the responsible Ministers may be inconsistent with fundamental legislative principles<sup>97</sup> because ‘the directions and declarations will not be subject to Parliamentary scrutiny’.<sup>98</sup> However, the explanatory notes assert that the approach is justified due to the process that would be put in place and that the overarching infrastructure blueprint would have to be approved by regulation:

The Bill enshrines significant due diligence checks prior to the making of directions in relation to the investment being built. Further, the Priority Transmission Investment framework largely implements the construction of transmission projects under the Infrastructure Blueprint, which will be approved by Regulation thereby providing opportunity for scrutiny.<sup>99</sup>

We sought further information from the department about these matters, particularly the delegation to the responsible Ministers rather than providing for it in primary legislation or in regulation, of an eligible priority transmission investment as a candidate priority transmission investment, and of a candidate priority transmission investment as a priority transmission investment.

The department advised that ‘the responsible Ministers are the shareholding Ministers of Powerlink, which will be constructing Priority Transmission Investments, therefore it is appropriate for them to make these declarations’.<sup>100</sup>

#### **Committee comment**

Considering justifications in the explanatory notes and further departmental advice, we are satisfied that the powers given to the responsible Ministers have sufficient regard to the institution of Parliament.

## **2.6 Part 6 - Renewable energy zones**

Part 6 of the Bill comprises clauses 35 to 84. These clauses establish the Renewable Energy Zones (REZ) framework, outline the REZ declaration and management plan, regulate connection and access to REZ transmission networks, and provide for the REZ Readiness Assessment and the REZ Delivery Body (RDB).

The department advised that the purpose of the REZ framework is to support the connection of the 22GW of new large-scale wind and solar generation needed by 2035 to achieve the goals set out in the Plan. The department further added that the REZ framework ‘will enable Queensland to develop the transmission network in an efficient way to reduce total system costs; attract renewable investment by allowing for increased certainty of dispatch and reducing connection time and costs; and improve local community outcomes through the coordination of development’.<sup>101</sup>

Part 6 received the largest amount of commentary and proposed amendments from submitters.<sup>102</sup> These submissions mainly focus on identifying REZs, the content and development of a management plan for a REZ and consultation, and what matters should be considered as part of REZ assessments.

<sup>96</sup> Bill, cl 27.

<sup>97</sup> As regards them being sufficiently subject to the scrutiny of Parliament. See LSA, s 4(4)(b).

<sup>98</sup> Explanatory notes, p 17.

<sup>99</sup> Explanatory notes, p 17.

<sup>100</sup> Department of Energy and Climate, correspondence, 17 January 2024, p 2.

<sup>101</sup> Department of Energy and Climate, written briefing, 13 November 2023, p 6.

<sup>102</sup> See, for example, submissions 1, 2, 7, 8, 10, 12, 14, 15, 16, 17, 18, 19, 22, 23, 25, 26, 30, 33, 34, 35, 37, 39, 42, 44 and 46.

A common theme was considering the impact of REZ development on communities while also delivering efficient development of the transmission network.<sup>103</sup>

Clause 35 sets out the purposes of Part 6 to:

- provide for parts of Queensland that are suitable to be REZs
- ensure the impact of the declaration of REZs on Queensland communities is appropriately considered
- provide for coordinated and streamlined connection and access to transmission networks in REZs
- facilitate and support the development and operation of transmission networks in REZs.<sup>104</sup>

QCU submitted that clause 35 'does not outline specific consideration of the impact of the declaration of a REZ on workers and local communities, including any adverse impacts' and recommended that the clause be amended to ensure this.<sup>105</sup>

The department responded that:

Community impacts will be considered in decisions related to management plans and declarations of REZs. The Minister (with the Treasurer's approval) is responsible for recommending to the Governor in Council the making of a regulation declaring a part of Queensland to be a REZ. The Minister can only make this decision if the Minister and Treasurer are satisfied of several matters, including that the part of Queensland is suitable to be a REZ.<sup>106</sup>

### **2.6.1 Declaration of a renewable energy zone**

Clauses 38 to 40 provide for the declaration of a REZ and associated matters.

Banana Shire Council submitted that REZ management plans must be developed in conjunction with local governments and other state departments operating in each REZ area prior to the release of drafts for public submission.<sup>107</sup>

The Queensland Conservation Council, Energetic Communities, and Environmental Advocacy in Central Queensland (EnvA) submitted that REZ development should be guided by land-use, biodiversity and cultural heritage mapping.<sup>108</sup>

Further, EnvA urged the government to fast track the identification and development of REZs, with specific consideration to using previously disturbed lands (i.e. rehabilitated coal mines) or where it can be incorporated into a multiple-land-use agreement (i.e. low-stocked grazing lands).<sup>109</sup>

The department clarified the process for declaring a REZ, what could be included in the REZ assessment and that public consultation on the draft management plan for a REZ will be conducted before a declaration is made:

The Minister is bound, under clause 40, to perform this function having regard to several matters, including any REZ assessments conducted for a part of Queensland that includes the relevant REZ. The intent is to undertake a strategic REZ assessment for each of the REZ regions (north and far north, central, and southern) and a detailed REZ assessment for each proposed REZ. It is expected that REZ assessments

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<sup>103</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 19.

<sup>104</sup> Explanatory notes, pp 36-37.

<sup>105</sup> Submission 25, pp 4, 5.

<sup>106</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 20.

<sup>107</sup> Submission 46, p 1.

<sup>108</sup> See submissions 30, 35 and 16.

<sup>109</sup> Submission 16, p 2.

will consider impacts on several assessment matters, including (but not limited to): infrastructure, transport, housing and accommodation, workforce, supply chains, waste management, other land uses and social infrastructure as well as local industry and First Nations considerations. Public consultation will occur on the draft management plans for a REZ, prior to the Minister recommending the declaration of a REZ.<sup>110</sup>

### 2.6.2 Management plans for renewable energy zones

Clauses 41 to 48 provide for the management plans for REZs. This includes the content, preparation, consultation, approval and amendment of management plans.

Some submitters recommended amending the Bill to expand the content of a management plan:

- Isaac Regional Council called for the Bill to require that a management plan identify the data sources used in its development as without this data, it would be ‘challenging to identify the most suitable areas for REZs and make informed decisions’.<sup>111</sup>
- QREC stated more information in a management plan was required to show how generation projects within REZs will be selected or prioritised, and that any designated network assets that make up part or all of a REZ transmission network be identified in a management plan.<sup>112</sup>
- QREC and QRC suggested that additional information related to a broader identification of assets (including energy storage) and investment opportunities should be included.<sup>113</sup>
- ETU recommended that a management plan should explicitly provide for a licensing regime in REZs to verify prospective project applicants’ compliance with Best Practice Industry Conditions.<sup>114</sup>
- The Queensland Law Society proposed that an option to increase the level of oversight for establishing and managing a REZ might be to require the management plan to include a complaints and dispute resolution mechanism for the public and landholders, in addition to the dispute resolution process in clause 42 of the Bill.<sup>115</sup>

The LGAQ recommended early and genuine consultation be undertaken with councils in the development of REZs and their management plans, with the adoption of a ‘no surprises’ policy, ensuring key community consultation processes are only undertaken after initial engagement with the relevant local government.<sup>116</sup>

The Australian Sugar Milling Council advocated for coordination between the planning and REZ processes to protect good quality agricultural land and important agricultural areas and facilitate the Bill’s objective of expanding renewable energy production.<sup>117</sup>

The MEU noted that clauses 42 or 43 did not include a requirement to consider issues such as the rehabilitation of existing power stations when they are no longer required as well as a preference, to the extent possible, for the manufacturing of any REZ infrastructure to be sourced within Australia.<sup>118</sup>

<sup>110</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 20.

<sup>111</sup> Submission 19, p 4.

<sup>112</sup> Submission 37, p 5.

<sup>113</sup> See submissions 37 and 18.

<sup>114</sup> Submission 33, pp 7-8.

<sup>115</sup> Queensland Law Society, response to question on notice, 31 January 2024, p 1.

<sup>116</sup> Submission 14, p 6.

<sup>117</sup> Submission 1, p 3.

<sup>118</sup> Submission 17, p 3.

In relation to the proposed amendments to the content of a management plan, the department responded that:

The Bill lists content that must be included in a management plan. Generally, the requirements identified in the Bill relate to information considered necessary for every management plan. However, clause 41(2) ensures the Bill does not limit what can be included in a management plan, if the REZ delivery body considers the inclusion is consistent with the purposes of the Act. This is considered the appropriate level of prescription in the legislation.<sup>119</sup>

In regards to consultation, the department responded that ‘... it is the intention that local councils are consulted early in the REZ process, as they are key partners in the energy transformation’.<sup>120</sup>

### **Committee comment**

Stakeholders have commented on management plans for Renewable Energy Zones, and we encourage the Queensland Government to consider these matters during the preparation, consultation, approval and amendment of the management plans.

#### **2.6.3 REZ assessment**

Clauses 49 to 51 outline the REZ assessment which includes the related meaning and conduct. The process proposes to assess the suitability of a part of Queensland to accommodate the development and operation of a REZ transmission network, and the impacts that REZ development may have on an area.<sup>121</sup>

In regards to REZ assessments and integrated planning, LGAQ, the Central Highlands Regional Council and the Isaac Regional Council highlighted the need to consider both community and private sector matters when prioritising a REZ, including land uses and areas of significance.<sup>122</sup>

In relation to matters to be assessed by REZ assessments, submitters proposed REZ assessments include a more exhaustive list of the matters that should be assessed under clause 49(b)(ii).<sup>123</sup> For example, the Australian Sugar Milling Council proposed the following considerations be inserted into the Bill in relation to REZ assessments and REZ development: infrastructure, land use, Aboriginal and Torres Strait Islander peoples and other communities, transport, housing and accommodation, workforce, supply chains, waste management, social infrastructure, local industry, and whether there is likely to be net economic benefits to the region.<sup>124</sup>

AgForce Queensland and Western Downs Regional Council provided suggestions for further matters to be considered in the development of REZs: placement of access roads and infrastructure; disruption and imposition of costs/constraints on farmers, through a ‘Good Neighbour’ policy that provides a framework for consistent application and interpretation of legislation; general biosecurity obligation under the *Biosecurity Act 2014*; soil, water and vegetation management, biosecurity protection, fire mitigation, and other disaster response strategies; views of a stakeholder advisory committee, comprising farmers.<sup>125</sup>

AgForce also recommended the Bill ‘explicitly provides farmers with reasonable access to, and the ability to transit through, areas of their property where REZ infrastructure and assets are situated’.<sup>126</sup>

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<sup>119</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 22.

<sup>120</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 24.

<sup>121</sup> Department of Energy and Climate, written briefing, 13 November 2023, p 7.

<sup>122</sup> See submissions 8, 14 and 19.

<sup>123</sup> See, for example, submissions 1, 8, 14, 16, 17, 19, 25, 26, 33, 35, 37, 42 and 44.

<sup>124</sup> Submission 1, pp 3-4.

<sup>125</sup> See submissions 42 and 44.

<sup>126</sup> Submission 42, p 2.

Conversely, QREC suggested the removal ‘of examples of impacts as it seems incomplete, non-exhaustive and subject to future amendment to meet community expectations’, proposing instead that the examples provided in clause 49 be moved to Regulation.<sup>127</sup>

In regards to the REZ assessment process and consultation, the department responded:

The matters listed under clause 49(b)(i) and (ii) of the Bill are examples only, and do not represent an exhaustive list. The actual matters to be assessed as part of a particular REZ assessment will be contained in the written request provided by the Minister under clause 50 of the Bill. The scope of the request is constrained by the definition of REZ assessment under clause 49 - this definition is intended to capture matters related to the development and operation of the transmission network, including renewable developments associated with the transmission network. The REZ assessment framework in the Bill allows the assessment to be tailored to a specific area - ensuring assessments can be conducted in an efficient and targeted manner. Requirements in the Bill are therefore considered appropriate.<sup>128</sup>

#### 2.6.4 Operation of the REZ transmission networks

Clauses 52 to 67 outline the proposed operation of the REZ transmission networks. This includes providing the negotiated access standards in clause 55, the connection agreement for REZ transmission network in clause 56, and the existing rights to receive designated network asset services in clause 62.

In relation to this section, QRC sought:

- further details on the implication of clause 55(3) which means an access standard negotiated under the Bill would be deemed as a negotiated access standard under the National Electricity Rules
- confirmation of the implication of clause 56(2) which means a connection agreement entered into in accordance with the Bill is taken to be a connection agreement entered into in accordance with the National Electricity Rules
- clarification of the circumstances in which existing rights to receive DNA services might be required or applied in clause 62(4).<sup>129</sup>

In regard to these matters, the department advised:

The deeming provisions in relation to access standards (clause 55) and connection agreements (clause 56) are intended to ensure provisions of the National Electricity Rules that rely on these matters continue to apply in relation to REZs. Under existing arrangements, negotiated access standards and connection agreement are agreed under Chapter 5 of the National Electricity Rules.

...

Clause 62 clarifies that, in some circumstances, particular rights, policies and agreements are preserved where they exist in respect of a declared network asset (as defined in the National Electricity Rules).<sup>130</sup>

#### 2.6.5 Renewable energy zones - clauses 68 to 84

Clauses 68 to 84 outline the following topics:

- cost recovery provisions are detailed in clauses 68 to 74. These include costs associated with REZ transmission network and REZ assessment, and provisions to facilitate cost recovery
- the appointment of, and functions of a REZ delivery body in clauses 75 to 78

<sup>127</sup> Submission 37, p 5.

<sup>128</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 25.

<sup>129</sup> Submission 18, p 11.

<sup>130</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 27.

- ‘other provisions’ in clauses 79 to 84.

Submitter comments and proposed amendments relevant to these clauses are noted below.

#### 2.6.5.1 Payment of capital costs - clause 70

The Australian Institute for Progress was of the view that infrastructure providers ‘bear their own capital costs and only charge their users for the use of the asset’.<sup>131</sup>

In response to the above recommendation, the department stated that the intent of clause 70 is for the transmission network service provider (TNSP) ‘to recover its capital costs for developing and operating the REZ transmission network from participants ...’. Further, the ‘TNSP may decide the fees and charges payable by a participant, and it is expected these will be informed by the market for connection and access to the transmission network’.<sup>132</sup>

#### 2.6.5.2 REZ delivery body appointment process - clause 75

QRC stated that if there is an intention to have more than one REZ delivery body at any one time, there should be a demarcation to ensure each REZ had only one regulator.<sup>133</sup>

In response to the above recommendation, the department stated that:

Clause 75 empowers the Minister to appoint one or more appropriately qualified entities to be a REZ delivery body. The entities that can be appointed as a REZ delivery body are limited to those that are appropriately qualified to perform the functions of a REZ delivery body. The intent is to appoint Powerlink as the REZ delivery body.

In the event there are multiple REZ delivery bodies appointed, the definition of REZ delivery body provides certainty as to the REZ delivery for a particular REZ (under clause 36, the REZ delivery body that recommended that the REZ be declared).<sup>134</sup>

#### 2.6.5.3 Transitional arrangements for the end of a REZ declaration - clauses 82 and 83

Clause 82 applies if a transmission network or part of a transmission network stops being a REZ transmission network or part of a REZ transmission network for a REZ because of a relevant event. A ‘relevant event’ is any of the following:

- the term of the REZ declaration ends
- the REZ declaration for the REZ is repealed
- the REZ declaration for the REZ is amended in a way that the transmission network is no longer the REZ transmission network or a part of the REZ transmission network for that REZ.

QREC was of the view that, as many projects have a life of 35 years or more, clause 82 requires additional definition surrounding the transitional provisions and arrangements that may be required in 10 years’ time.<sup>135</sup>

In response to the above recommendation, the department stated:

Clause 82 of the Bill provides that if a part of a REZ transmission network stops being a REZ transmission network (either through the term ending, the repeal of the applicable REZ declaration or an amendment of the declaration), the national electricity laws will apply in the same way as the laws apply to any other

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<sup>131</sup> Submission 23, p 4.

<sup>132</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 28.

<sup>133</sup> Submission 18, p 11.

<sup>134</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 29.

<sup>135</sup> Submission 37, p 7.

transmission network. A Regulation may be made under clause 82 of the Bill to facilitate the transition of the transmission network to the operation of the national electricity laws.<sup>136</sup>

...

Clause 82(4) of the Bill provides that a Regulation may be made to provide for a matter to facilitate the transition of the transmission network to the operation of the national electricity laws for the cessation of a REZ.<sup>137</sup>

### **Committee comment**

In regards to proposals to expand the list of matters that could be assessed for a REZ, we note the department's advice that a) REZ assessments will consider impacts on a range of matters, including (but not limited to) infrastructure, transport, housing and accommodation, workforce, supply chains, waste management, other land uses and social infrastructure as well as local industry and First Nations considerations; b) the list provided in the Bill is not exhaustive and therefore other matters may be considered that are relevant to a specific circumstance and/or location; and c) public consultation will be conducted on a draft management plan for a REZ prior to the Minister recommending the declaration of a REZ, and with local councils early in the REZ process as key partners in the energy transformation.

### **2.6.6 End-of-life plan for renewable energy projects**

Some stakeholders were concerned that the planning of REZs did not include end-of-life plans for renewable energy projects. In their view, this could have repercussions for the decommissioning of equipment and rehabilitation of sites, such as wind and solar farms and the associated infrastructure, when they reach their end of life.<sup>138</sup>

Although some stakeholders pointed to lessons of the past in mine rehabilitation and that having an end-of life plan for big scale developments was essential, it was noted that consideration of how to decommission renewable projects and recycle equipment may require a different approach to mining projects and that planning for a circular economy is important. In this regard, EnvA stated:

I think we have learnt in the past that it is very important to have an end-of-life plan for these big-scale developments. I think when it comes to renewables, like we said in our submission, in the best-case scenario these projects will be going in on already disturbed land so ideally would not have a large-scale impact. I also recognise that these projects are not like a coalmine where they have a very distinct lifetime. Once the resource has been depleted then they have a large-scale impact that requires big rehabilitation plans and big rehabilitation bonds. The renewable projects, to my understanding, will be up and running for the foreseeable future, unless we come up with some better way, but I think that will be some time still. By 'end of life' my assumption is that you mean the biggest issue would be the recycling and the decommissioning of these wind farms or solar panels as they reach the end of their life. I think we are coming to an understanding that we have to live in a circular economy. Resources and water and everything is very finite, especially with growing demand for these things. I think a very important aspect

<sup>136</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 29.

<sup>137</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 22.

<sup>138</sup> See, for example, Matilda Widdowson, Campaign Assistant, Environmental Advocacy in Central Queensland, public hearing transcript, Rockhampton, 30 January 2024, p 10; Colin Boyce, Member for Flynn, Parliament of Australia, public hearing transcript, Rockhampton, 30 January 2024, p 15; Donna Kennedy, Coordinator, Mackay Conservation Group, public hearing transcript, Mackay, 31 January 2024, p 7; Kylie Porter, Chief Executive Officer, Greater Whitsunday Alliance, public hearing transcript, Mackay, 31 January 2024, p 12; Crystal Falknau, Coordinator, North Queensland Conservation Council, public hearing transcript, Townsville, 1 February 2024, p 12; Lucy Graham, Director, Cairns and Far North Environment Centre, public hearing transcript, Cairns, 2 February 2024, p 9; Lucy Allan, Advocacy Director, Renewable Energy Alliance, public hearing transcript, Cairns, 2 February 2024, p 12.

would be that these resources are not going to just be wasted and that they are coming up with some way to recycle these very important resources.<sup>139</sup>

Stakeholders also discussed regulating renewable projects in regard to the application of bonds and meeting environmental protocols. Mr Colin Boyce MP, Federal Member for Flynn, was concerned that the renewable energy sector did not have to meet the same regulatory requirements as that imposed on the agricultural and mining sectors:

Again, there are many questions being asked, particularly by the farming and grazing community, as to why all of the environmental protocols that are put upon the agricultural sector and the mining and resources sector do not necessarily apply to the renewable energy sector. As has been pointed out, if you are a farmer and you want to clear some land then you have to go through a regulatory process that is extensive but the same thing does not happen for the renewable energy sector. There is an enormous impact on the environment with possible impacts to water quality, water runoff and all of those sorts of things, but there is not the same rule book as is imposed on the mining and resources sector and the agricultural sector.<sup>140</sup>

In this regard, Mr Boyce suggested a similar regulatory framework be applied to the renewable energy sector as that applied to the mining, resources and agricultural sectors.<sup>141</sup>

MEU supported this approach, advising:

... there is no mention in the bill of rehabilitation of any green energy projects in the REZ, once they are complete. For coalmining, the coalminers have to put up a levy for rehabilitation yet it seems that there is no such criteria for the renewable projects.

We say there should be an even playing field. One industry has to do rehabilitation so why should not the next one do it.<sup>142</sup>

The Mackay Conservation Group also discussed the application of bonds on renewable energy projects in a REZ to ensure the Queensland Government holds the financial capacity to rehabilitate the land at the end-of-life stage of projects. The Mackay Conservation Group stated that 'we should not be leaving the land in a mess', and that the requirement should be legislated so the rehabilitation is 'stringently controlled'. The Mackay Conservation Group added that the process should include a 'diverse mapping of plant and animal species and a return of the original species, if possible' and that this should be addressed in initial phases during the development of a REZ.<sup>143</sup>

The Greater Whitsunday Alliance was also of the view that 'we cannot have one set of rules for one sector and a separate set of rules for another' and that there was currently not enough clarity around end-of-life, bond and rehabilitation of 'green energy projects'. The Greater Whitsunday Alliance stated that the Bill was an opportunity to address this and ensure clarity across all sectors about rehabilitation.<sup>144</sup>

The North Queensland Conservation Council also supported the requirement for decommissioning plans to be submitted at the time of applications for renewable energy projects, including financial

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<sup>139</sup> Matilda Widdowson, Campaign Assistant, Environmental Advocacy in Central Queensland, public hearing transcript, Rockhampton, 30 January 2024, p 10.

<sup>140</sup> Colin Boyce, Member for Flynn, Parliament of Australia, public hearing transcript, Rockhampton, 30 January 2024, p 15.

<sup>141</sup> Colin Boyce, Member for Flynn, Parliament of Australia, public hearing transcript, Rockhampton, 30 January 2024, p 15.

<sup>142</sup> Public hearing transcript, Brisbane, 22 January 2024, p 43.

<sup>143</sup> Donna Kennedy, Coordinator, Mackay Conservation Group, public hearing transcript, Mackay, 31 January 2024, pp 7, 8.

<sup>144</sup> Kylie Porter, Chief Executive Officer, Greater Whitsunday Alliance, public hearing transcript, Mackay, 31 January 2024, p 12.



security to manage end-of-life matters. They acknowledged that it is not yet known what will happen at the end of the life of these projects but that the impacts are likely to be different to those found in a mining project. The North Queensland Conservation Council sought ‘transparency and the commitment of funding from the proponent at the beginning about their plans for the long-term future of that area’.<sup>145</sup>

The Cairns and Far North Environment Centre (Centre) discussed issues of decommissioning when commitments are made by the original proponent of a project but are not passed on to another proponent when the project is sold. According to the Centre, ‘there is not a mechanism for holding the new proponent accountable to the commitments that the original proponent was putting forward.’ On this point, the Centre recommended a mechanism be implemented to hold entities responsible for the commitments made at the beginning of a project for the life span of the project. The Centre stated that it was important to invest early rather than leaving management of the environment to the end of the project: ‘For example, there is a lot of rehabilitation and different activities that can happen while the project is still producing energy’.

The Centre also acknowledged that wind farms have a short life span compared to some other projects, of about 30 to 40 years and called for consideration of how to extend the life span of infrastructure without adversely impacting on the environment. For example, replacing wind turbines requires clearing of land to move the equipment and then rehabilitation each time.<sup>146</sup>

Similarly, the Renewable Energy Alliance stated that incentivising rehabilitation and extending the life of wind and solar farms should be considered as part of the end-of-life rehabilitation plan, stating further:

It is about providing that certainty to communities that they are not going to be left with the responsibility of doing the clean-up. I do not think there has been enough certainty provided around end-of-life, so we definitely advocate for that responsibility to be made clear in the landholder agreements. I think there is a lot of variation in landholder agreements across the country. Having some kind of standardisation so that there are basic things in each of those agreements would be a useful way to make sure there is at least a minimum bar for things like decommissioning and rehabilitation of sites.<sup>147</sup>

The Centre supported this approach to consult with communities at the beginning of a project in terms of the end-of-life stage of a project and decommissioning. Similar to the Renewable Energy Alliance, the Centre stated this would provide certainty for communities that a mechanism was in place to ensure environmental protocols would be met without cost to the community.<sup>148</sup>

#### **Committee comment**

Transforming the energy sector in Queensland by facilitating the increased generation of electricity from renewable energy sources requires a significant amount of new infrastructure to be built throughout the state. The REZ framework aims to support the connection of the new large-scale wind and solar generation projects needed to do this. Some submitters were concerned that not enough consideration had been given to requiring end-of-life decommissioning plans for these projects and the associated infrastructure. Some submitters also queried the regulatory framework of renewable

<sup>145</sup> Crystal Falknau, Coordinator, North Queensland Conservation Council, public hearing transcript, Townsville, 1 February 2024, p 12.

<sup>146</sup> Lucy Graham, Director, Cairns and Far North Environment Centre, public hearing transcript, Cairns, 2 February 2024, p 9.

<sup>147</sup> Lucy Allan, Advocacy Director, Renewable Energy Alliance, public hearing transcript, Cairns, 2 February 2024, p 12.

<sup>148</sup> Lucy Graham, Director, Cairns and Far North Environment Centre, public hearing transcript, Cairns, 2 February 2024, pp 12, 13.

energy projects as compared to the regulatory frameworks associated with the mining, resources and agricultural industries in terms of environmental protocols, noting that it did not appear as stringent.

Implementing a regulatory environment that provides clarity to proponents in terms of what is required of them throughout the life span of a project and at the decommissioning stage is vital as it provides certainty for the community that commitments made at the start will be met regardless of change of ownership or time lapsed. Ensuring the project site will be rehabilitated as infrastructure is replaced and following the project's decommissioning should be requirements of decommissioning plans that are submitted at the time of application for renewable energy projects, including notice of financial security to manage end-of-life matters.

In this regard, we make the following recommendation.

### **Recommendation 3**

The committee recommends the Queensland Government considers further how to incorporate decommissioning plans into applications for renewable energy projects to manage the replacement of equipment throughout the life of a project and full site rehabilitation at end stage, so proponents meet agreed environmental protocols in a timely manner.

#### **2.6.7 Compliance with the Legislative Standards Act – delegation of power**

The Bill delegates many legislative powers related to the REZ framework. The Bill would enable the following matters to be prescribed by regulation:

- other matters that must be included in a management plan for a REZ<sup>149</sup>
- for the meaning of a 'REZ assessment', another matter to be assessed<sup>150</sup>
- any other matter that must be stated in a notice given to a REZ delivery body by the Minister<sup>151</sup>
- requirements with which the REZ delivery body must comply when conducting a REZ assessment and preparing a report<sup>152</sup>
- requirements with which the transmission network service provider and a proposed participant for a REZ may negotiate an access standard for the REZ transmission network for the REZ<sup>153</sup>
- any other matter<sup>154</sup> that must be stated in a declaration by the Minister<sup>155</sup> that all or a part of the REZ assessment costs may be recovered by the transmission network service provider through charges for prescribed transmission services provided by the service provider<sup>156</sup>

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<sup>149</sup> Bill, cl 41(1)(e).

<sup>150</sup> Bill, cl 49(c).

<sup>151</sup> Bill, cl 50(2)(e).

<sup>152</sup> Bill, cl 51(2).

<sup>153</sup> Bill, cl 55(1).

<sup>154</sup> The Bill provides the declaration must state matters including the amount of the REZ assessment costs that may be recovered through charges for prescribed transmission services provided by the transmission network service provider and the period over which the amount may be recovered. Bill, cl 72(3).

<sup>155</sup> With the Treasurer's approval. Bill, cl 72(2).

<sup>156</sup> Bill, cl 72(3)(d).

- the way, and the requirements, for making the transmission determination providing for charges for prescribed transmission services provided by the transmission network service provider for the period<sup>157</sup>
- any other function of a REZ delivery body for part 6 (Renewable energy zones) of the Bill.<sup>158</sup>

The Bill would also enable a regulation to provide for:

- how particular existing rights are to be given effect if a transmission network<sup>159</sup> is or includes a designated network asset<sup>160</sup>
- a matter to facilitate the transition of the transmission network to the operation of the national electricity laws<sup>161</sup>
- the application of a provision of the national electricity laws (a national provision) in relation to the REZ transmission network or REZ controlled assets (for example, a regulation may provide that a national provision does not apply in relation to a matter or applies with stated modifications).<sup>162</sup>

The Bill would allow the Minister to decide a reasonable period within which a person may make submissions, and how the submissions may be made, to the REZ delivery body about the draft management plan, if the draft management plan is to replace an existing management plan for a REZ.<sup>163</sup>

In addition, the Bill proposes to delegate power to the Minister, with the Treasurer's approval, to declare:

- that all or part of a shortfall between the establishment and operational costs incurred by the transmission network service provider and the amount of fees and charges paid or payable by participants may be recovered by the transmission network service provider through charges for prescribed transmission services provided by the service provider<sup>164</sup>
- that all or part of the REZ assessment costs may be recovered by the transmission network service provider through charges for prescribed transmission services provided by the service provider.<sup>165</sup>

#### **Committee comment**

In considering whether these delegations of power have sufficient regard to the institution of Parliament, we reviewed the explanatory notes and noted the justifications cite various reasons including the impracticalities of including the matters in primary legislation, enhanced flexibility and the limited nature of the power. In this regard, we are satisfied that these delegations of legislative power have sufficient regard to the institution of Parliament.

<sup>157</sup> Bill cl 73(2) and cl 73(3).

<sup>158</sup> Bill, cl 76(1)(e).

<sup>159</sup> Or a part of a transmission network.

<sup>160</sup> Bill, cl 62.

<sup>161</sup> Bill, cl 82

<sup>162</sup> Bill, cl 84.

<sup>163</sup> Bill, cl 46(2)(b).

<sup>164</sup> Bill, cl 71

<sup>165</sup> Bill, cl 72.

## 2.7 Part 7 - Job Security Guarantee Fund

Part 7 of the Bill comprises clauses 85 to 92. These clauses include outlining the Job Security Guarantee, defining who is an affected energy worker, establishing the Job Security Guarantee Fund (Fund), and detailing the purposes of the Fund and mechanisms for making payments from the Fund.

The Plan and the Queensland Energy Workers' Charter committed to a Job Security Guarantee. The Job Security Guarantee, as implemented through the Fund, aims to ensure affected energy workers have access to support through the energy transformation. Enshrining the Fund in law aims to ensure that workers have clarity and certainty that they will be supported.<sup>166</sup>

Clause 86 of the Bill defines 3 categories of affected energy workers who will be eligible to receive support from the Fund. These categories of workers are:

- affected energy government owned corporations (GOC) workers: GOC employees at publicly owned coal-fired power stations, or employees whose roles are related predominately to the operations of these stations.
- prescribed energy workers: non-GOC employees, working at either a coal mine or electricity generating facility to be prescribed by Regulation. Kogan Creek Mine and Meandu Mine are intended to be prescribed under this category.
- affected energy contractors: non-GOC employees working onsite at publicly owned coal-fired power stations who have performed a total amount of work to be prescribed by Regulation. This category is intended to capture individuals who are long-term contractors at publicly owned coal-fired power stations.<sup>167</sup>

Clause 89 provides that the purposes of the Fund are to:

- implement the Job Security Guarantee
- ensure a sufficient number of workers are retained for the safe and reliable operation of coal-fired power stations, and
- provide funding for the Energy Industry Council and Queensland Renewable Energy Jobs Advocate.<sup>168</sup>

A number of submissions commented on, or proposed amendments to, the Fund-related clauses in the Bill.<sup>169</sup> These submitters mainly addressed issues regarding eligibility for the Fund, the types of support available, and maintaining local jobs.

### 2.7.1.1 Eligibility criteria for affected workers

Master Electricians Australia submitted that the eligibility criteria to access the Fund was restrictive and inequitable. The submission proposed expanding the eligibility criteria to include workers transitioning from energy GOCs to privately run businesses and recommended 'upskilling to all workers in the sector whether they be publicly or privately employed'.<sup>170</sup>

MEU 'strongly' supported the Job Security Guarantee, noting that it 'must apply to all affected workers including those directly employed as well as labour hire and contractors'.<sup>171</sup>

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<sup>166</sup> Department of Energy and Climate, written briefing, 13 November 2023, p 7.

<sup>167</sup> Department of Energy and Climate, written briefing, 13 November 2023, p 8.

<sup>168</sup> Explanatory notes, p 61.

<sup>169</sup> See, for example, submissions 2, 5, 8, 12, 14, 17, 18, 19, 20, 23, 25, 26, 31, 33, 35, 38, 39, 44 and 46.

<sup>170</sup> Submission 2, p 1.

<sup>171</sup> Submission 17, p 1.

QCU and ETU supported expanding the Fund to cover workers at privately owned coal mines and coal-fired power stations, subject to an application from the relevant facility.<sup>172</sup>

ETU noted that there have been 13 closures of coal-fired power stations in a little over a decade in Australia, 'none of which have occurred with any meaningful plan or support for impacted workers or their communities'. ETU expressed the view that the Plan 'sets out a bold and achievable program to change the course of how Queensland workers in their communities experience the largest transformation since the Industrial Revolution'.<sup>173</sup>

Powerlink Queensland supported the provisions as the Plan has a 'holistic system transformation' focus' that supports not only transmission upgrades but also the building of significant amounts of new renewable energy'.<sup>174</sup> Powerlink Queensland added:

The Queensland Energy and Jobs Plan requires us to deliver more than 2,000 kilometres of new high-voltage transmission lines. We are already growing our workforce and we expect that we will need to continue to grow the workforce. We also have obligations to support the transition of affected workers in the energy sector.<sup>175</sup>

The National Electrical and Communications Association (NECA), ETU and QCU recommended that the Fund should have a mechanism by which its responsibilities and the definition of affected energy worker may be expanded, to ensure it remains flexible and responsive to the needs of the transformation.<sup>176</sup>

QCU suggested clause 86 would benefit 'from defining what "directly and adversely affected" means'.<sup>177</sup>

The Central Highlands Regional Council and Mr Boyce MP noted that the Fund excluded sections of the coal mining workforce, such as supply chain workers.<sup>178</sup> NECA and the Australian Institute for Progress also argued that coverage should be extended to every worker affected by the energy transformation process.<sup>179</sup>

Banana Shire Council submitted that:

It would be good for the Job Security Guarantee Fund to also prioritise opportunities for non-FIFO energy sector employees to be retrained or provided employment within the same communities where they already live as part of the guarantee. This will help retain as much possible expertise and high-income employees in local communities.<sup>180</sup>

QRC was concerned 'that the \$150 million in funding may not be adequate' as a result of 'defining the eligibility in terms of an employee of a business partly owned by a Government Owned Corporation in section 86(2) ...'.<sup>181</sup> Western Downs Regional Council sought more information on how the \$150 million would be used to mitigate the impacts of the energy transformation process.<sup>182</sup>

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<sup>172</sup> See submissions 25 and 33.

<sup>173</sup> Public hearing transcript, Brisbane, 22 January 2024, p 37.

<sup>174</sup> Public hearing transcript, Brisbane, 22 January 2024, p 15.

<sup>175</sup> Public hearing transcript, Brisbane, 22 January 2024, p 15.

<sup>176</sup> Submission 33, pp 8-10; submission 25, p 6; submission 38, p 2.

<sup>177</sup> Submission 25, p 6.

<sup>178</sup> See submissions 8 and 20.

<sup>179</sup> See submissions 23 and 38.

<sup>180</sup> Submission 46, p 1.

<sup>181</sup> Submission 18, p 12.

<sup>182</sup> Submission 44, p 3.

In regards to the eligibility criteria for affected workers, the department explained the intention of the Bill is to set in law how the State will support affected energy workers in relation to employment matters through the Fund. The aim will be to use the Fund to support eligible workers to pursue their preferred pathway, which may include transitioning from an energy GOC to the private sector. In this regard, the Bill includes a mechanism for privately owned coal mines or electricity generating facilities to be prescribed by regulation, if appropriate. The department highlighted that this would enable the workforces at these sites to receive support from the Fund (clause 86(3)).<sup>183</sup>

On the point of eligibility, the department advised that affected energy contractors are captured if an individual meets the requirements in clause 86(4). The definition of affected energy contractor also includes a head of power to prescribe by regulation the amount of work an individual must perform at a publicly owned coal-fired power station to be eligible. The department also clarified the intention of clause 86(2) in relation to workers employed by an entity which may be partially owned by a GOC: the clause is 'sufficiently limited by the requirement to work at a publicly owned coal-fired power station, or to have a role related predominately to its operation' which ensures the definition is not broader than intended.<sup>184</sup>

On the point of extending the Fund to support individuals other than the workforces of publicly owned coal-fired power stations or prescribed facilities, the department noted that this is currently out of scope of the Fund, which 'is consistent with the commitments contained in Queensland Energy Workers' Charter'.<sup>185</sup>

In relation to management of the Fund and how it will be used to support eligible affected workers, the department advised that the Bill:

... provides for the chief executive and under-Treasurer to make a guideline about the administration of the Fund, including procedures relating to making payments from the Fund and for dealing with complaints. Details on requirements for additional facilities to be prescribed could also be detailed in these guidelines.<sup>186</sup>

#### **2.7.1.2 Fund bank account**

Clause 88 outlines the operation of the bank account of the Fund. ETU proposed an amendment to provide 'for the Fund to become independent such as similar to QLeave' and 'for the Fund to receive income from other sources'.<sup>187</sup> The department advised that the Bill requires the department to keep a Fund bank account (see clause 88(1)), and that there is nothing in the Bill restricting the inclusion of income from other non-government sources.<sup>188</sup>

#### **Committee comment**

Some submitters supported the expansion of definitions of affected workers, which would increase the type and number of individuals who would be eligible to receive support from the Job Security Guarantee Fund. Several submitters specifically called for workers within privately owned coal mines or electricity generating facilities to be eligible. However, clause 86(3) includes a mechanism for privately owned coal mines or electricity generating facilities to be prescribed by regulation, if appropriate, to enable the workforces at those sites to receive support from the Fund.

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<sup>183</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 32.

<sup>184</sup> Department of Energy and Climate, correspondence, 22 January 2024, pp 32-33.

<sup>185</sup> Department of Energy and Climate, correspondence, 22 January 2024, pp 32-33.

<sup>186</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 34.

<sup>187</sup> Submission 33, p 10.

<sup>188</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 36.

We note the department's advice that supporting individuals other than the workforces of publicly owned coal-fired power stations or prescribed facilities is currently out of scope of the Fund.

We also note that the Bill is consistent with commitments contained in the Queensland Energy Workers' Charter, a tripartite agreement between relevant energy unions, publicly owned energy businesses and the Queensland Government for the purpose of supporting affected energy workers through the energy transformation.

### 2.7.2 Compliance with Legislative Standards Act – delegation of power

The Bill would enable a regulation to prescribe the following matters relating to the Job Security Guarantee Fund:

- the amount of work performed by an individual at one or more publicly owned coal-fired power stations<sup>189</sup> that results in the individual being defined as an 'affected energy contractor'<sup>190</sup>
- a coal mine or an electricity generating facility that is a 'prescribed facility' for clause 86<sup>191</sup>
- any other matter the chief executive and under-Treasurer must have regard to in making a payment from the fund<sup>192</sup>
- the categories of cost for which amounts may be paid from the fund<sup>193</sup>
- various matters relating to the fund, such as requirements or obligations that must be complied with by a recipient or proposed recipient of a payment from the fund, and any other matter necessary or convenient to ensure the fund is administered in accordance with the proposed Act, and in an effective and efficient way.<sup>194</sup>

The Bill would also permit the chief executive and under-Treasurer to make a guideline about the administration of the fund.<sup>195</sup>

The explanatory notes contend that the matters regarding affected energy contractors and prescribed facilities for the purposes of the Job Security Guarantee Fund 'require some variability within the definition'.<sup>196</sup> The explanatory notes explain:

This is because of the changing workforce profile and the need to have a fund that is best able to support affected energy workers. Prescribing certain matters by Regulation is necessary to ensure the criteria for the Job Security Guarantee Fund has appropriate parameters to optimise support to workers and communities throughout the energy transformation. The delegation is therefore justifiable as the matters delegated to Regulation are limited in scope and have strict criterion that must apply under the primary definitions in the Act.<sup>197</sup>

With respect to the matters relating to costs, requirements that a recipient must comply with, and making of a guideline about the administration of the fund, the explanatory notes contend that any breach of fundamental legislative principles relating to the delegation of legislative power is justified because '[t]he categories of supports required to deliver secure choices, opportunities and pathways

<sup>189</sup> Other than as an employee or contractor otherwise dealt with in clause 86.

<sup>190</sup> Bill, cl 86(4)(c).

<sup>191</sup> Bill, cl 86(5).

<sup>192</sup> Bill, cl 90(3)(e).

<sup>193</sup> Bill, cl 90(4).

<sup>194</sup> Bill, cl 90(5).

<sup>195</sup> Bill, cl 91.

<sup>196</sup> Explanatory notes, p 16.

<sup>197</sup> Explanatory notes, p 16.

may change over time, and it is critical the State has sufficient flexibility to amend the categories of support available'.<sup>198</sup>

### **Committee comment**

Noting the justifications in the explanatory notes for the delegations of legislative power relating to the Job Security Guarantee Fund, we are satisfied that the provisions have sufficient regard to the institution of Parliament.

## **2.8 Part 8 - Queensland Energy System Advisory Board**

Part 8 of the Bill comprises clauses 93 to 121, which focus on the establishment and operation of the Queensland Energy System Advisory Board (Board).

The Board will provide technical advice on Queensland's optimal infrastructure pathway to ensure a secure, reliable, and affordable electricity supply is maintained for Queensland consumers. Key functions of the Board will include providing advice to Government and publishing an annual statement on progress made towards achieving the renewable energy targets and in relation to delivery of the optimal infrastructure pathway.<sup>199</sup>

Clause 94 of the Bill outlines the functions of the Board, with clause 99 outlining the membership requirements of the Board. This includes a range of specific qualifications and skills that are required for various member positions.

### **2.8.1 The Board's composition and skills**

A number of submitters commented on the composition of the Board and the skills and experience required of prospective members.<sup>200</sup>

While QRC expressed support for the establishment of the Board 'as a vital source of technical advice and guidance for the Minister', QRC recommended that the functions of the Board under clause 94 be amended 'to explicitly encompass the delivery, safety, security, reliability and affordability of electricity supply in addition to simply increasing the share of renewable energy'.<sup>201</sup>

QRC further recommended including a category of board member:

... who has knowledge, qualification or skills in relation to advocacy for producers and users of energy. QRC would recommend the newly established Queensland Renewable Energy Council (QREC) as ideally placed to fill this new role. QRC would further suggest that it may well be worth having a Board member appointed explicitly to represent a regional perspective in the Board's deliberations.<sup>202</sup>

QCOS also welcomed the establishment of the Board but noted that the role should 'be filled by someone with skills in client advocacy, such as a financial counsellor or financial resilience worker'.<sup>203</sup>

Western Downs Regional Council suggested 'elected Board Members be selected on a merits process, based on their skills and expertise and that final selection ensures that the board represents skills and expertise listed'.<sup>204</sup>

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<sup>198</sup> Explanatory notes, p 16.

<sup>199</sup> Department of Energy and Climate, written briefing, 13 November 2023, p 9.

<sup>200</sup> See, for example, submissions 2, 4, 8, 18, 24, 26, 32, 33, 35, 37, 38, 41, 42, 44 and 47.

<sup>201</sup> Submission 18, p 12.

<sup>202</sup> Submission 18, p 13.

<sup>203</sup> Submission 26, p 3.

<sup>204</sup> Submission 44, p 5.



Energetic Communities advised that an energy consumer advocate position on the Board 'have skills and knowledge in systemic and individual energy consumer advocacy, and be able to support genuine and best practice community engagement to achieve social licence'.<sup>205</sup>

QREC recommended the Board's composition include a representative that has the 'knowledge, qualifications or skills in relation to advocacy or support for generators of energy'.<sup>206</sup>

NECA recommended a broad range of stakeholders be represented on the Board, including employer and employee representatives from the energy sector included.<sup>207</sup>

In response to the above suggestions and proposed amendments, the department advised that the Board's proposed composition includes consideration of advocacy for energy consumers and workers and technical expertise for advice to Government:

The Board membership's composition is designed to ensure it can provide technical advice to Government and is informed by issues and concerns across the energy system, including the operation of the energy system, energy infrastructure investment and infrastructure delivery. Having at least one member of the Board with knowledge, qualifications, or skills in relation to advocacy or support for consumers of energy (clause 99(3)(b)) will help the Board consider the broader implications for the energy transformation on Queensland consumers, particularly when considering the Optimal Infrastructure Pathway objective of long-term cost minimisation of electricity for Queensland consumers. The views of employer representatives will also be captured by the requirement at least one appointed Board member must have knowledge, qualifications, or skills in relation to advocacy for workers in the energy industry or manufacturing industry (clause 99(3)(c)).<sup>208</sup>

### 2.8.2 Opposition to the Board

Masters Electricians Australia (MEA) did not support the establishment of the Board, stating that its:

... function is unnecessary and can adequately be performed by existing governance structures in the energy market. The energy market is already overly regulated with Departments, Qangos and GOCs across different jurisdictions ... and that this extra layer of governance and red tape is not required. The Minister has it in their remit to consult and seek advice already.<sup>209</sup>

In response to the above comments from MEA, the department said:

The Board will play a critical role in ensuring Queensland continues a least cost energy transformation. It will have a uniquely Queensland focus, providing key functions that are not contemplated by another body within the Bill or in current establishment...<sup>210</sup>

#### **Committee comment**

We note the general support for the establishment of the Queensland Energy System Advisory Board. We acknowledge the transformation of Queensland's energy system to renewable electricity generation is a task of unprecedented scale, pace and complexity. We expect the Board will play a critical role in ensuring that Queenslanders experience secure and reliable electricity supply in a 'least cost energy transformation way'.

## 2.9 Part 9 - Energy Industry Council

Part 9 of the Bill comprises clauses 122 to 153. These clauses focus on the establishment and operation of the Energy Industry Council (Council).

<sup>205</sup> Submission 35, p 6.

<sup>206</sup> Submission 37, p 6.

<sup>207</sup> Submission 38, p 3.

<sup>208</sup> Department of Energy and Climate, correspondence, 22 January 2024, pp 40-41.

<sup>209</sup> Submission 2, p 2.

<sup>210</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 38.

The Council will be an advisory body with tripartite representation from government, relevant energy unions and publicly owned energy businesses, reflective of the Queensland Energy Workers' Charter. Its role will be to provide advice on opportunities and pathways for affected energy workers and support implementation of the Fund.<sup>211</sup>

This part of the Bill also provides for other administrative arrangements related to the Council, including appointment of members, remuneration, the formation of a subcommittee, reporting requirements and processes for dealing with conflicts of interest.<sup>212</sup>

Although submitters generally welcomed the establishment of the Council,<sup>213</sup> the following matters were raised.

### **2.9.1 Establishing the Council**

MEA stated there was insufficient evidence for the need to create the Council as a separate entity as this would create 'another level of governance and red tape that is not necessary'.<sup>214</sup> In response, the department advised that the Bill 'implements the commitment in the Plan to establish a new Council to provide advice to Government on opportunities and pathways for affected energy workers and their communities through the energy transformation'.<sup>215</sup>

### **2.9.2 Functions of the Council**

Clause 124 provides the functions of the Council.

The ETU suggested the following additional functions be added to clause 124(a) to enhance the Council's 'ability to engage directly on courses of action available to the Government to improve outcomes for energy workers' by providing for the Council to:

- have more input to the Minister on the management of the Fund, including its administration, allocations, and scope of the Fund
- have a function of advising the Minister on the effectiveness of REZ management plans in delivering against the purposes of the Act as they relate to Section 3(c).<sup>216</sup>

On the first point, the department advised that the Council has an existing function to advise on the implementation of the Fund (clause 89(a)) which is provided for in clause 124(iv). As part of this function, the Council can provide the Minister advice on the Fund's administration, allocations and scope.

On the second point, the department advised that management plans for a REZ are technical documents, which do not fall under the intended area of expertise of Council. However, Council members, individually or together, are already able to provide input into the development of all REZ management plans through the mandatory public consultation process under clause 46 of the Bill with the REZ delivery body required to consider each submission and make amendments to deal with the submissions, as well as provide a report to the Minister and Treasurer outlining how the submissions have been dealt with.<sup>217</sup>

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<sup>211</sup> Department of Energy and Climate, written briefing, 13 November 2023, p 9.

<sup>212</sup> Department of Energy and Climate, written briefing, 13 November 2023, p 10.

<sup>213</sup> See, for example, RES Australia Pty Ltd, submission 11, p 2; LGAQ, submission 14, p 5; Queensland Renewable Energy Council, submission 37, p 7; National Electrical and Communications Association, submission 38, p 3; Western Downs Regional Council, submission 44, p 5.

<sup>214</sup> Submission 2, p 2.

<sup>215</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 43.

<sup>216</sup> Submission 33, p 12.

<sup>217</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 44.

### 2.9.3 Subcommittees

Clause 127 provides the Council may establish the subcommittees it considers appropriate for purposes related to the Council's functions, including identifying eligible persons to be a member of the subcommittee. Clause 127(3) states, 'However an appointed council member is not eligible to be a member of a subcommittee'. The ETU found the clause to be 'unnecessarily limiting' as 'it is usual practice for boards and committees to nominate a substantive member as the presiding chair of subcommittees'. Consequently, ETU recommended clause 127(3) be amended to 'The Council may appoint a member to the Chair of any subcommittee of the council by a vote of the Council'.<sup>218</sup>

In response, the department advised that the process for appointing subcommittee members will occur outside the Bill. The department will engage with Council on the process for appointing subcommittee members.<sup>219</sup>

### 2.9.4 Appointed council members

Clause 130 provides the types of individuals that may be appointed as a council member by the Governor in Council on the recommendation of the Minister. Several submitters recommended the Bill be amended in relation to the membership of the Council.

Central Highlands Regional Council (CHRC) observed that clause 130 did not specifically provide for representation within the Council through its membership of impacted regions – 'namely regions currently hosting coal-fired power stations and thermal coal mines' and recommended that the Bill be amended to reflect this. CHRC also recommended that LGAQ be included as a Council member to ensure local government representation.<sup>220</sup>

Western Downs Regional Council (WDRC) also sought 'wide representation across the advisory bodies and the Energy Industry Council to represent the interests of the workers and support energy transformation'. In this regard, WDRC recommended one local and qualified member or adviser should be appointed to the Council from each of the 3 REZs to ensure approaches are tailored to each REZ, and that appointments go through an expression of interest process with an independent panel, rather than by recommendation of the Minister. WDRC recommended this because members will have higher duties than an advisory board and have a significant influence on the proposed Fund. Furthermore, WDRC suggested that Council members be bound and abide by the Queensland Energy Workers' Charter. Finally, WDRC suggested the Council should meet 'in a frequency that remains relevant to the pace' of energy development to mitigate risks and communicate in a timely manner with stakeholders and communities. WDRC suggested the minutes of these meetings be published on the department's website for transparency.<sup>221</sup>

While the Bill provides for 5 representatives from 'an industrial organisation' in clause 130(1)(b), the MEU recommended this clause be amended to list the specific industrial organisations from which representatives would be appointed. These should include the 5 unions currently on the Council and party to the Queensland Energy Workers' Charter: the Australian Manufacturing Workers' Union; Australian Services Union; Construction, Forestry, Maritime, Mining and Energy Union; Electrical Trades Union; and Professionals Australia. According to MEU, 'this would align the Bill with interstate practices'.<sup>222</sup>

Similarly, the ETU recommended that clause 130(1)(b) be amended to define who would be eligible to be a representative of an industrial organisation. The ETU suggested the following addition to clause

<sup>218</sup> Submission 33, p 13.

<sup>219</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 44.

<sup>220</sup> Submission 8, p 7.

<sup>221</sup> Submission 44, pp 5, 6.

<sup>222</sup> Submission 17, pp 3-4.

130(1)(b) of 5 persons, each of whom the Minister is satisfied is a representative of an industrial organisation under the Industrial Relations Act 2016 prescribed by regulation that:

- (i) is a signatory to the Energy Industry Workers Charter, or
- (ii) may be described as an industrial organisation with coverage of energy workers.<sup>223</sup>

While NECA supported establishing the Council as being ‘essential to the successful implementation of the transition from coal to renewable energy’, it also considered it:

... essential to have private sector employer representatives on the Energy Industry Council to ensure that supply chain and local communities workforce requirements in the electrical industry are adequately considered as part of the transformation.<sup>224</sup>

AgForce also urged ‘representation by the agricultural industry in governance arrangements to ensure protection of agricultural land use’.<sup>225</sup>

QREC recommended the Council’s membership be expanded to include a representative with the ‘knowledge, qualifications or skills in relation to advocacy or support for public generators of energy’.<sup>226</sup>

#### Department’s response

In response to recommendations to expand the Council’s membership, the department advised that the membership approach for the Council as outlined in the Bill ‘reflects the tripartite nature of the Queensland Energy Workers’ Charter. The department further advised that while it does not intend to expand the membership in the Bill, ‘the Council can consult with any entity it considers is appropriate (clause 124(b)) to perform its functions, including obtaining advice from stakeholders in local impacted regions’.<sup>227</sup>

In response to WDRC’s recommendation that the appointment process be by expression of interest and an independent assessment panel process, the department advised that it is conducting an ‘open recruitment process for the position of Chairperson of the Council’.<sup>228</sup>

In regard to the frequency of Council meetings, the department advised that the Bill outlines the minimum frequency of meetings and will not prevent the Council from meeting more often. Additionally, the Bill also allows for the Council to establish the subcommittees it considers appropriate to support it to achieve its functions.<sup>229</sup>

In regard to the suggestion that the Bill legislate the publishing of Council minutes, the department advised that the interim Council has been publishing a public communiqué that outlines the key discussion points of each meeting on the department’s website, and this practice is intended to continue upon the Council’s formal creation under the legislation. Further, Council documentation will remain subject to the *Freedom of Information Act 2009*.<sup>230</sup>

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<sup>223</sup> Submission 33, pp 12-13.

<sup>224</sup> Submission 38, p 3.

<sup>225</sup> Submission 42, p 2.

<sup>226</sup> Submission 37, p 7.

<sup>227</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 43.

<sup>228</sup> Department of Energy and Climate, correspondence, 1 February 2024, pp 16-17.

<sup>229</sup> Department of Energy and Climate, correspondence, 1 February 2024, p 17.

<sup>230</sup> Department of Energy and Climate, correspondence, 1 February 2024, p 17.

On the recommendations of MEU and ETU to list or clarify specific industrial organisations, the department advised that ‘Council members from the publicly owned energy businesses and industrial organisations will be prescribed by Regulation’.<sup>231</sup>

Finally, the department noted QREC’s suggestion for knowledge or skills in advocacy or support for public generators of energy and considered this was addressed through the inclusion of government-owned generators on the Council.<sup>232</sup>

### **Committee comment**

We note the general support for establishing the Energy Industry Council. Some submitters proposed expanding the functions of the Council, as well as the number of members. We are satisfied with the department’s advice regarding the Electrical Trade Union’s recommendations to expand the functions of the Council. We are also satisfied with the department’s response to comments on Council membership but encourage the department to review submitter suggestions on this after the first year of operation of the Council, taking into account the success or otherwise of the outcomes achieved by the Council during this period.

The department has confirmed the Council can advise the Minister on the Fund’s administration, allocations and scope and that while advice to the Minister on the REZ management plans are not the responsibility of the Council, members are able to provide input on the development of plans through the mandatory consultation process either as individuals or as a Council.

We acknowledge the interest of stakeholders in Council membership and suggestions to expand specific interests on the Council, given its roles to advise on opportunities and pathways for affected energy workers and support the implementation of the Fund. However, we are satisfied that the Bill supports the Council to consult with any entity it considers appropriate to assist it with performing its functions (clause 124(b)). The purpose of the Council is to support affected energy workers, many of whom will be in regional areas, and we are reassured that the Council will have the capacity to obtain advice from relevant stakeholders, particularly in the regions.

Finally, we are satisfied with the department’s response regarding the appointment process, the frequency of Council meetings, and the publication of Council minutes.

### **2.9.5 Compliance with Legislative Standards Act**

The Bill would enable a regulation to prescribe publicly owned energy businesses and industrial organisations for the purpose of appointing council members and subcommittees.<sup>233</sup> It would also enable a regulation to require an appointed council member to be a person who holds a particular type of position or has particular qualifications or experience.<sup>234</sup>

These matters are not relevantly discussed in the explanatory notes in the context of fundamental legislative principles. We sought advice from the department about the businesses and organisations, and the positions and qualifications or experience, that are likely to be prescribed under the provisions.

The department advised:

The organisations represented on the Energy Industry Council that will be prescribed by Regulation are intended to be Energy Queensland Limited, Powerlink Queensland, Stanwell Corporation, CS Energy, CleanCo, the Electrical Trades Union, the Mining and Energy Union, the Services Union, the Australian Manufacturing Workers Union, and Professionals Australia. These organisations are all signatories of the Queensland Energy Workers’ Charter and are represented on the interim Energy Industry Council.

<sup>231</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 43.

<sup>232</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 43.

<sup>233</sup> Bill, cls 127, 130(1).

<sup>234</sup> Bill, cl 130(2).

It is not intended that any positions or qualifications be prescribed by Regulation. However, the intention is to appoint to the Council the State Secretaries for the relevant unions and Chief Executive Officers for the publicly owned energy businesses, consistent with the current membership of the interim Energy Industry Council.<sup>235</sup>

We are satisfied that the provisions relating to the Energy Industry Council have sufficient regard to the institution of Parliament.

## **2.10 Part 10 - Queensland Renewable Energy Jobs Advocate**

Part 10 of the Bill comprises clauses 154 to 170, which focus on the establishment and operation of the Queensland Renewable Energy Jobs Advocate (Jobs Advocate).

The key functions of the Jobs Advocate will include providing advice to the Minister regarding how to increase opportunities for employment in the energy industry, the presence and extent of any barriers to creating opportunities, and strategies to overcome these barriers. The Jobs Advocate will also facilitate collaboration and information sharing between communities and the energy sector and will consult and engage First Nations peoples, businesses, and other entities in relation to how employment opportunities can be increased.<sup>236</sup>

Several submitters supported the Jobs Advocate provision of the Bill.<sup>237</sup> For example, the Queensland Conservation Council welcomed the expansion of the remit of the Jobs Advocate to:

... include broader consultation and information sharing to attempt to overcome the information gaps and recognise that jobs are an important, but partial, part of long term benefits for communities.<sup>238</sup>

Submitter views regarding the establishment, functions and appointment of the Jobs Advocate, along with corresponding responses from the department, are included below.

### **2.10.1 Establishing the Jobs Advocate**

Similar to its view on the establishment of the Council, MEA stated there was insufficient evidence for the need to create the Jobs Advocate as a separate entity as this would create 'another level of governance and red tape that is not necessary'.<sup>239</sup>

CHRC noted the benefits and opportunities of establishing the Jobs Advocate but also held the view that there were potential risks associated with the role, including:

- economic viability of the Jobs Advocate's initiatives and strategies to increase employment opportunities in the renewable energy sector
- the potential risk that political agendas or partisan interests may influence the Jobs Advocate's recommendations and actions, potentially compromising the impartiality and objectivity of their work
- the Jobs Advocate's interventions in promoting specific electricity infrastructure projects or employment opportunities could lead to market distortions

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<sup>235</sup> Department of Energy and Climate, correspondence, 17 January 2024, p 2.

<sup>236</sup> Department of Energy and Climate, written briefing, 13 November 2023, p 10.

<sup>237</sup> See, for example, RES Australia Pty Ltd, submission 11, p 2; LGAQ, submission 14, p 5; Queensland Conservation Council, submission 30, p 3; National Electrical and Communications Association, submission 38, pp 3-4; Queensland Law Society, submission 39, p 2; Western Downs Regional Council, submission 44, p 6.

<sup>238</sup> Submission 30, p 3.

<sup>239</sup> Submission 2, p 3.

- there may be unrealistic expectations from the community and industry of the Jobs Advocate's ability to guarantee employment opportunities and resolve workforce development challenges
- the Jobs Advocate's effectiveness may be limited if there is insufficient representation and consultation with key industry stakeholders
- there may be a risk of prioritising quality over quantity in terms of employment, including factors such as fair wages, workplace conditions and career growth prospects.<sup>240</sup>

QCOSS commented that more detail was needed to determine how the position would work with other structures, such as local chambers of commerce and training centres, including the Future Energy Workforce Roadmap.<sup>241</sup> The department advised that 'once the role is established, it is intended the Advocate will provide more information to stakeholders about how they will perform their functions in the Bill, including their role working with Government and the Council'.<sup>242</sup>

In response to the MEA, the department advised the Jobs Advocate will 'work with existing government agencies and non-government stakeholders to provide additional support to increase the employment, workforce development, education, and training opportunities associated with the energy transformation in regional Queensland'. The Advocate would also have a 'specific role in consulting and engaging with First Nations people and the energy sector to deliver improved outcomes for First Nations peoples and local communities'.<sup>243</sup>

In response to CHRC's concerns about the potential risks associated with the role, the department advised that the Jobs Advocate is 'independent and does not represent the State (clause 154)'. In this regard:

The Advocate can carry out research relating to opportunities for employment in the energy sector, which may include gaining information on market or global shifts that could impact on job creation prior to providing advice to the Minister. The Advocate is not intervening in the market.

In terms of employment outcomes, the Bill does not create any targets. The role of the Advocate is to provide advice to the Minister, and consult, foster relationships, and facilitate information sharing. This includes consulting with businesses in the energy industry; the type of business is not restricted.<sup>244</sup>

### 2.10.2 Functions of the Jobs Advocate

Clause 155 of the Bill provides for the functions of the Jobs Advocate. The Australian Sugar Milling Council called for caution in relation to clause 155(i)(i) which states as one of the functions to:

Promote to the community in which a particular electricity infrastructure project, that forms part of the optimal infrastructure pathway, is being carried out—

- (i) the benefits of the project for the community

The Australian Sugar Milling Council stated the role of the Jobs Advocate should be 'intermediary' rather than promotional as 'it could be highly problematic for a state funded representative to be promoting the benefits of a project before listening to the community or industry, or addressing concerns about the potential detriments of electricity projects'.<sup>245</sup>

<sup>240</sup> Submission 8, pp 8-9.

<sup>241</sup> Submission 26, p 3.

<sup>242</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 47.

<sup>243</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 46.

<sup>244</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 47.

<sup>245</sup> Submission 1, p 4.

AgForce urged representation by the agricultural industry in the governance arrangements of the 3 governance and advisory bodies to be established under the Bill, including the Jobs Advocate, to 'ensure the protection of agricultural land use'.<sup>246</sup>

WDRC expressed concern about the wide scope of work for the Jobs Advocate and recommended that key performance indicators and measurable targets around the role's success in attracting investment, workforce development and engagement with indigenous communities be implemented. WDRC also called for 'a method of evaluating the effective use of public investment in relation to the dollar amount the advocate can bring to the region as well as the number of jobs will be created upon the advocate facilitation'. In addition, WDRC advocated for an additional clause in the Bill to stipulate that the chief executive of the department provides the Jobs Advocate with administrative support.<sup>247</sup>

In response to the Australian Sugar Milling Council, the department advised that a 'key part of the Advocate's role is to foster relationships between members of the community and energy infrastructure proponents', and that 'these relationships will be integral to understanding any community concerns and enabling proponents to take steps to address these concerns in a timely manner'.<sup>248</sup>

#### 2.10.2.1 Role of the Jobs Advocate in relation to community engagement and supporting local jobs

Several submitters suggested the role of the Jobs Advocate be expanded to include a focus on supporting local jobs and business.

The QRC suggested that the Jobs Advocate also be given responsibility as the 'Local Content Advocate' based on its experience that local governments and local economic development bodies can be 'key allies in helping to refine and hone a local content policy for their community'. According to QRC, delivering local content outcomes would be as 'important as delivering jobs in terms of securing the social licence to operate in the renewable energy zones and the SuperGrid infrastructure'. In this regard, QRC recommended adding a new subsection that focusses on delivering local content to clause 155 and amending clause 154 in regards to the establishment of the role.<sup>249</sup>

Similarly, QREC suggested the functions of the role be expanded to include local business and manufacturing capability as:

Building local capability is a prerequisite for providing local jobs in the regions and in particular for First Nations people where research shows a higher jobs uptake where the business is a First Nations business.<sup>250</sup>

WDRC sought clarification on how the Jobs Advocate will work with local government and energy businesses on electricity infrastructure projects to ensure positive outcomes for all, including for local communities and specifically in supporting employment outcomes.<sup>251</sup> Banana Shire Council stated that clause 155 should 'specifically include consultation with local governments in affected areas about how the changes brought about by this Bill will affect their resourcing and ability to respond to increased activity demand while conducting business as usual'.<sup>252</sup>

The LGAQ stated that 'while the role of the advocate will be critical, local host communities deserve further guarantees on the employment dividend that will be provided by project developers – and the

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<sup>246</sup> Submission 42, p 2.

<sup>247</sup> Submission 44, pp 6, 7.

<sup>248</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 45.

<sup>249</sup> Submission 18, pp 7, 14.

<sup>250</sup> Submission 37, p 7.

<sup>251</sup> Submission 44, p 7.

<sup>252</sup> Submission 46, p 1.



need for a commitment to supporting local jobs'.<sup>253</sup> LGAQ noted that Queensland councils considered the GasFields Commission has successfully implemented its functions and 're-shaped the coal seam gas industry's engagement with community' and welcomed the Queensland Government announcement in October 2023 that it was:

... investigating an expanded remit of the GasFields Commission Queensland to promote coexistence of renewable energy developments, resources, agriculture and other industries and provide support for communities with a trusted, independent body for information, education and engagement.<sup>254</sup>

WDRC also commented on the 'challenges' that exist for landholders who are approached by renewable energy companies as 'there is currently no established body that can assist and support landholder negotiations, compensation, access agreements, and dispute resolution'.<sup>255</sup> WDRC noted that landholders faced similar challenges during the development of traditional resources, particularly the CSG industry, noting that the 'GasFields Commission was developed to assist landholders and manage and improve the sustainable co-existence of landholders, regional communities, and Queensland's onshore gas industry'. In this regard, WDRC recommended the 'diversification of the GasFields Commission' to support landholders and stakeholders in the renewables space.<sup>256</sup> This matter is discussed further in section 2.15.5.

In response to submitter views on the proposed functions of the Jobs Advocate, the department advised that:

The Advocate will provide advice to the Minister on strategies to encourage investment, workforce development, employment, education, and training in the energy sector. While local content outcomes and building business and manufacturing capacity is not specified as a function of the Advocate in the Bill, encouraging investment and employment in the energy sector could support local supply chain outcomes. In addition, under the Plan, the Government has also committed to growing the renewable energy supply chain in Queensland, with \$11.6 million allocated to help build capacity in the manufacturing sector and encourage local content.

The Advocate also has a role:

- in consulting with the energy industry about employment opportunities, with the specific focus on improving outcomes for First Nations peoples.
- in promoting the benefits of energy infrastructure projects in the Infrastructure Blueprint and the emerging opportunities for employment in the energy sector created by these projects. This aims to meaningfully build awareness of the economic opportunities associated with the energy transformation.<sup>257</sup>

The department also clarified how the Jobs Advocate would operate in day-to-day operations, stating that it was intended the Advocate would provide more information to stakeholders about how they will perform their functions in the Bill, including their role working with Government and the Council.<sup>258</sup> The Advocate would also help foster relationships and share information between members of the community and energy infrastructure proponents, 'which will mean in practice, regular meetings between stakeholders – such as renewable energy industry, supply chain businesses, the Council, training providers, local governments, regional communities, and First Nations communities – and State Government'. The department noted that it was 'unnecessary to be specific

<sup>253</sup> Submission 14, p 17.

<sup>254</sup> Submission 14, p 18.

<sup>255</sup> Submission 44, p 7.

<sup>256</sup> Submission 44, p 7.

<sup>257</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 45.

<sup>258</sup> Department of Energy and Climate, correspondence, 22 January 2024, pp 46-47.

about the types of meetings in the Bill.<sup>259</sup> In relation to support and resources on energy planning and impacts, and recommendations on local investment priorities, the department advised that there are other activities outside of the Bill that Government is progressing to achieve these objectives, which include:

- REZ Readiness Assessments: assess the potential implications for infrastructure, transport, housing and accommodation, workforce, supply chains, waste management, other land uses, and social infrastructure, as well as local industry and First Nations considerations of the REZ development.
- The Local Energy Partnerships: provide local voices, local choices and local benefits to regional communities. This includes \$2.9 million to partner with agriculture, community, environmental and First Nations peak bodies to better equip communities, support the delivery of information and education, and identify options for technology like agrivoltaics to facilitate improved coexistence outcomes.<sup>260</sup>

### 2.10.3 Appointment of Jobs Advocate

Clause 158 provides for the appointment of the Jobs Advocate by the Governor in Council on the recommendation of the Minister. The Minister may only recommend a person be appointed if the person is appropriately qualified for the position.<sup>261</sup>

On the point of qualification, WDRC called for the person appointed to not only be appropriately qualified but ‘having already established strong local government relationships within the impacted regions for the purpose of supporting ‘place-based workforce development solutions to businesses and stakeholders’.<sup>262</sup> In this regard, WDRC recommended that clause 158 provide that the Jobs Advocate have experience in:

... employment, industry, and training, extensive stakeholder engagement experience in Renewable Energy, Knowledge and expertise within the sector, experience in attracting investment and business resilience coaching, and strong organisational transformation experience.<sup>263</sup>

Also in relation to clause 158(1), WDRC expressed concern about the proposed appointment of the Jobs Advocate by the Governor in Council on the recommendation of the Minister as follows:

Clause 1 does not allow for an open and transparent appointment of a Queensland Renewable Energy Advocate, and as mentioned on the above, we also note there is no stipulation that the Jobs Advocate needs to be a resident of a REZ zone. This risks the appointment of someone who is not familiar with regional and remote Queensland issues being appointed in such a position.<sup>264</sup>

WDRC expressed concern about the appointment of only one Jobs Advocate ‘to cover the whole of Queensland’.<sup>265</sup> WDRC explained:

Council is concerned about the ability and effectiveness of just one Jobs Advocate, particularly in relation to the placement and location of this Advocate, as well as around the ability of the Jobs Advocate to be able to deliver the level of in person engagement needed to facilitate this Energy overhaul.<sup>266</sup>

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<sup>259</sup> Department of Energy and Climate, correspondence, 22 January 2024, pp 46-47.

<sup>260</sup> Department of Energy and Climate, correspondence, 22 January 2024, pp 46-47.

<sup>261</sup> Explanatory notes, p 78.

<sup>262</sup> Submission 44, p 6.

<sup>263</sup> Submission 44, p 6.

<sup>264</sup> Submission 44, p 6.

<sup>265</sup> Submission 44, p 7.

<sup>266</sup> Submission 44, p 7.

On this, WDRC proposed that 3 Jobs Advocates be appointed to cover each REZ, 'as each REZ will have different needs'.<sup>267</sup>

In response to submitter views on the appointment of the Jobs Advocate, the department advised that:

The Advocate will be appointed by the Governor in Council on the recommendation of the Minister. Only someone with appropriate qualifications to perform the functions of the Advocate may be recommended (clause 158(2)). Having existing strong LGA relationships would support the suitability of a person for the role of Advocate.

It is not necessary to require an additional eligibility criterion for the role of the Advocate by requiring them to be a resident of a REZ.<sup>268</sup>

#### 2.10.4 Term of appointment

Clause 160 provides that a person can hold office as the Jobs Advocate for the term, of not more than 3 years, stated in the person's instrument of appointment, and that the person may be reappointed only once for a further term of not more than 3 years.

QRC suggested that once a Jobs Advocate has completed one, or, no more than 2 terms, that if the individual was willing to continue contributing, they would be 'ideally qualified to join the Queensland Energy System Advisory Board'.<sup>269</sup>

#### **Committee comment**

We note general submitter support for the establishment of the Queensland Renewable Energy Jobs Advocate. Submitters commented on the qualifications required of a Jobs Advocate and proposed expanding the functions of the Jobs Advocate and the number of Jobs Advocates. We note the department's advice that only someone with appropriate qualifications would be recommended for appointment and that having strong local government relationships would support the suitability of a person for the role of Jobs Advocate. However, this matter and the suggestion that each REZ would require more than one Jobs Advocate could be considered further after the first year of operation of the Jobs Advocate and be dependent on the success or otherwise of the outcomes achieved by the Jobs Advocate during this period. In this regard, we encourage the department to conduct a review in line with this suggestion.

#### 2.11 Part 11 - Miscellaneous

Part 11 of the Bill comprises clauses 171 to 177. These miscellaneous clauses include:

- Clause 175 - Delegation. This provides that the functions (including powers) of the Minister and chief executive under the Act may be delegated to an appropriately qualified public service employee of the department, except for particular functions outlined in the clause. It then outlines when the Minister must not delegate.
- Clause 176 - Review of particular parts of Act. This requires that the Minister must review the operation and effectiveness of Parts 7, 8, 9 and 10 of the Act as soon as practicable after the day that is 5 years following commencement.
- Clause 177 - Regulation-making power. This provides that the Governor in Council may make Regulations under the Act.

<sup>267</sup> Submission 44, p 7.

<sup>268</sup> Department of Energy and Climate, correspondence, 12 February 2024, p 18.

<sup>269</sup> Submission 18, p 14.

In regards to clause 175, QRC suggested:

... that it would be useful to clearly differentiate between new joint powers that the Act would give to shareholding Ministers (in plural) and the powers that relate to the Energy Minister alone, particularly around section 175(2), where the limits on delegation apply to joint Ministerial (aka “Ministers’ functions”), rather than “Minister’s function’s”, as currently drafted.<sup>270</sup>

The department advised that the Bill ‘has been drafted by the Office of the Queensland Parliamentary Counsel in accordance with legislative drafting conventions’.<sup>271</sup>

In regards to clause 176, QRC and QREC commented on the appropriateness of the timeframes for reviewing the Act. QRC recommended a 3-year review, instead of the proposed 5-year review, while QREC recommended a 2-year review in 2026, followed by another review in 2030.<sup>272</sup>

In regards to clause 177 and other instances of regulation-making powers contained in the Bill, the Queensland Law Society repeated its general concerns about the wide-ranging regulation-making powers contained in this legislation.<sup>273</sup> This is also noted in a number of sections of this report considering compliance of the Bill with the LSA.

Queensland Law Society advised that ‘it is critical that regulations are meaningfully consulted on before being made to ensure they are appropriate and fit for purpose as well as to avoid any unintended consequences’.<sup>274</sup>

## 2.12 Part 12 - Transitional Provisions

Part 12 of the Bill comprises clauses 178 to 180. Clause 180 provides for a transitional regulation-making power.

While supportive of transitional regulations, particularly for the major changes proposed in this Bill around derogating from national electricity laws to apply bespoke Queensland regulatory tests to infrastructure investments of an unprecedented scale, QRC submitted the following in regards to clause 180:

... this section proposes that the transitional provision can be retrospective for a period of up to two years after the Bill commences, section 180(3).

The Bill’s proposal for retrospective transitional provisions is difficult to reconcile with fundamental legislative principles, particularly when the threshold for making the regulation is as broad as set out in section 180(1)(a)(ii) – “to allow or facilitate the doing of anything to allow the operation of this Act or the national electricity laws in relation to a priority transmission infrastructure (PTI) matter or renewable energy zone (REZ) matter”. It would be difficult to consider how to formulate the threshold in this retrospective regulation section any more broadly than it currently has been.

QRC suggests that in order to have sufficient regard for the institution of Parliament that before any regulation is made under this section, it should be first tabled in Parliament. If the retrospective transitional provisions are sufficiently material, it might be appropriate for them to be also referred to a Parliamentary Committee for review.<sup>275</sup>

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<sup>270</sup> Submission 18, p 14.

<sup>271</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 48.

<sup>272</sup> See submissions 18 and 37.

<sup>273</sup> Submission 39, p 2.

<sup>274</sup> Submission 39, p 4.

<sup>275</sup> Submission 18, pp 14-15.

The department responded as follows:

The interaction of clause 180 with the *Legislative Standards Act 1992* was considered by the Department and the Office of the Queensland Parliamentary Counsel throughout the drafting process for the Bill.

Any potential inconsistency is limited as this transitional Regulation making power is subject to several restrictions. Firstly, the matters for which transitional regulation may provide are limited to those explicitly stated in the Bill. These matters allow or facilitate the doing of anything to help the operation of a Priority Transmission Investment or a REZ, or the transition of the energy sector generally. The Priority Transmission Investment and REZ frameworks and their interrelationship with the national electricity laws are the most complex and technical elements of the Bill, which is why this transitional Regulation-making power specifically targets these Parts.

Should there be a need for a transitional regulation on Priority Transmission Investment or REZ matters, it would be notified by publication on the Queensland legislation website and tabled in the Legislative Assembly. All instruments of subordinate legislation are examined by a Parliamentary Committee, and the Legislative Assembly may vote to disallow any instrument.

The regulation-making power under clause 180 of the Bill, as well as any regulation made pursuant to the power, is subject to a two-year expiry date from the time the clause commences.<sup>276</sup>

### 2.13 Part 13 - Legislation amended

Part 13 of the Bill details the 5 Acts proposed to be amended.

In relation to proposed amendments to the *Electricity Act 1994*, NECA sought assurances ‘that any amendments align with the work of the Office of Industrial Relations on modernising the *Electrical Safety Act 2002*, and that any safety requirements on battery storage devices are not compromised’.<sup>277</sup>

The department noted that amendments to definitions in the *Electricity Act 1994* do not change the existing safety requirements under the *Electrical Safety Act 2002*.<sup>278</sup>

Also, in regards to proposed amendments to the *Electricity Act 1994*, clause 184 includes that:

The amendments clarify that generating plant includes battery storage devices for generation entities whilst battery storage devices are considered as other property used for operating or managing the transmission grid or the supply network for transmission or distribution entities.<sup>279</sup>

The Queensland University of Technology made the following 2 recommendations about the noted definition of ‘battery storage device’:

- it may be worth considering alignment of terms with definitions used in Australian Standard AS NZ 5139:2019 for consistency. The Standard defines ‘battery’ as ‘unit consisting of one or more energy storage cells connected in series, parallel or series parallel arrangement’ (1.3.11). Associated definitions include ‘battery bank’ (1.3.12), ‘battery energy storage system’ (1.3.13) and ‘battery energy storage system enclosure’ (1.3.14)
- QUT recommends that consideration be given to either removing the technological specificity of the definition of ‘battery storage device’ or supplementing it with another sub-section that admits other forms of energy storage and allows scope for technologies not yet in production.

The department stated:

AS NZ 5139:2019 sets out general installation and safety requirements for battery energy storage systems, where the battery system is installed and connected with power conversion equipment to

<sup>276</sup> Department of Energy and Climate, correspondence, 22 January 2024, pp 48-49.

<sup>277</sup> Submission 38, p 2.

<sup>278</sup> Department of Energy and Climate correspondence, 22 January 2024, p 50.

<sup>279</sup> Bill, cl 184.

supply electric power to other parts of an electrical installation. The Bill does not conflict with the standard and allows flexibility should the standard's definition evolve over time.

The Department will also monitor and review these requirements as required, as these energy technologies become more certain and impacts of definitional requirements are better understood.<sup>280</sup>

## 2.14 Schedule 1

Schedule 1 contains a Dictionary providing definitions for 74 words, terms and acronyms relevant to the Bill.

ResourceCo Energy and Cleanaway submitted that the Bill's definition of 'renewable energy source' should mirror that contained in section 17 of the *Renewable Energy (Electricity) Act 2000* (Cwlth).<sup>281</sup>

Cleanaway added that this change would provide consistency with the Queensland Government's Energy from Waste Guideline and provide 'maximum cohesion between State and Federal Government laws, policies and programs'.<sup>282</sup>

The department responded to this proposal, stating:

The Commonwealth definition of renewable energy was considered during development of the Bill, but not adopted as it would have unintentionally limited the inclusion of future renewable energy sources due to its more prescriptive nature. The definition of renewable energy source in Schedule 1 of the Bill is reflective of Queensland's existing renewable energy technologies and provides flexibility for additional sources to be prescribed by regulation. The Bill does not restrict the development of other energy sources in Queensland.<sup>283</sup>

## 2.15 Topics and recommendations outside the scope of the Bill

Submitters made approximately 50 recommendations that were outside the scope of the Bill. However, we identified some common themes in regards to these additional recommendations, which are noted below.

### 2.15.1 Planning issues and impacts on local government

Submitters noted the potential impacts of the Bill and energy transformation projects in general on the local government sector. [This potential impact on the local government sector was also discussed in relation to priority transmission investments in section 2.5.]

Noting the Bill does not specifically provide for local government involvement in the planning and review processes, Isaac Regional Council called for a statutory role to be identified in the Bill for local government areas 'to ensure intergovernmental cooperation and collaboration on this critical plan for Queensland's future'.<sup>284</sup> The department responded, stating that:

- the Queensland Government has been engaging with local councils and will continue to do so, with the Local Energy Partnerships initiatives including a commitment of \$1.65 million to work with local councils to support their ability to engage on energy matters
- local councils will retain their existing roles in planning and infrastructure development
- the Government will assist local councils to access energy from the east coast National Electricity Market to understand how to access greater benefits from the market

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<sup>280</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 49.

<sup>281</sup> Submission 9, p 2, and Submission 45, p 2.

<sup>282</sup> Submission 45, p 3.

<sup>283</sup> Department of Energy and Climate correspondence, 22 January 2024, p 4.

<sup>284</sup> Submission 19, p 5.

- the department will continue to work with remote and isolated communities.<sup>285</sup>

#### 2.15.1.1 *Planning issues regarding solar and wind farm projects*

LGAQ made the following 2 recommendations:

- the Queensland Government amend the *Planning Act 2016* to enable submitter appeal rights for renewable energy projects such as solar farms and wind farms
- the Queensland Government require solar farm project proponents to enter into make-good agreements with immediate and impacted neighbouring properties, prior to the submission of the development application to council.<sup>286</sup>

In response to LGAQ, the department advised:

The Government will continue to address local government concerns through Local Energy Partnerships by continuing to review planning frameworks for renewable energy development, including considering if the development regime is aligned with community expectations; update the state code 23: wind farm development and the associated planning guidance.<sup>287</sup>

#### **Committee comment**

We acknowledge the significant role the local government sector will continue to play in partnership with the Queensland Government in delivering Queensland's energy transformation.

We support the department's commitment to continue engaging fulsomely with local government, noting that local government will retain its existing roles in planning and infrastructure development.

#### 2.15.2 Road infrastructure upgrades

A number of submitters commented on the requirement for road infrastructure upgrades to facilitate the achievement of the renewable energy targets in the Bill.<sup>288</sup>

Port of Brisbane Pty Ltd suggested 'a DTMR audit of all relevant supply chain infrastructure, particularly high-risk roads and bridges, would enable better planning to mitigate against potential disruption'.<sup>289</sup> Specifically, the Port of Brisbane expressed the view that 'direct investment in the upgrade of the Bremer River Bridge by the State Government must be of the highest priority' for 'without this investment, the logistics of moving these components to site becomes more costly and therefore puts long-term energy transition projects at risk'.<sup>290</sup>

LGAQ said:

Probably one of the biggest impacts that our members raise with us is obviously the transport and logistics effort needed, particularly for wind farm development, to transport the large wind turbine blades from the ports out through the regional road network. It has an impact on the bridge capacity or the load capacity of some of the bridge networks ... that is not just through southern Queensland ... but through central and northern Queensland...<sup>291</sup>

Mr Boyce MP said that 'the four bridges accessing the Port of Gladstone all have weight and load restrictions on them'.<sup>292</sup>

<sup>285</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 57.

<sup>286</sup> Submission 14, p 7.

<sup>287</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 52.

<sup>288</sup> See submissions 14, 29 and 48.

<sup>289</sup> Submission 29, p 4.

<sup>290</sup> Submission 29, p 4.

<sup>291</sup> Public hearing transcript, Brisbane, 22 January 2024, p 27.

<sup>292</sup> Public hearing transcript, Rockhampton, 30 January 2024, p 13.

Mr Neville Ferrier, Mayor, Banana Shire Council, added, 'The state government will not let them take a heavy load over the Calliope River bridge in Gladstone so they have to use council bridges in Gladstone to get the heavy loads out of town'.<sup>293</sup> The Mayor noted the costs involved in this process, stating:

If we have to get consultants in to work out if the bridge is good enough, we cannot pay for that. There should be a bond ... whether the state government holds it or whatever, so that these jobs can be done first because this is going to be holding them up later on as well and then they will be blaming everybody else, and us of course. This should be worked out first.<sup>294</sup>

The Mayor also noted that police were required to assist with the transporting process of renewables infrastructure and that this caused issues as well.

There are not enough police and there are not enough police cars. They have to get the private pilot cars on the road again. They have been doing that in the mining industry here for 40 years and there were very few accidents, if any. It works well, they know what they are doing, it is their professional job, they are a lot quicker and you can get the police back on the beat where they are supposed to be.<sup>295</sup>

Townsville Enterprise Limited submitted:

The delivery of generation and transmission infrastructure in Renewable Energy Zones and the subsequent ability to deliver on the Queensland Government's renewable energy targets will be highly dependent on the capacity of transport infrastructure to enable construction.<sup>296</sup>

Ms Jenny Hill, Mayor, Townsville City Council, advised 'On the Flinders Highway at the moment we have some concerns with some of the bridges and the ability to transport some of the wind turbines into the Hughenden area', and that 'If we are going to drive energy production into the regions, we need that sort of infrastructure built to accommodate it'.<sup>297</sup>

Ms Claudia Brumme-Smith, Chief Executive Officer, Townsville Enterprise Ltd, expanded on these concerns:

... these bridges will not be able to hold the heavy equipment needed for CopperString nor the heavy equipment needed for some of the wind and solar farms. They will need basically airlifting, which is highly expensive and will cause time delays. That will have a major impact on production costs for construction of not only CopperString but all of the proponents out west. We have some really large infrastructure to go into this area. Our predictions in terms of the modelling of road transport into the Hughenden area will mean that we will have 10 years of 20 kilometres per hour of road transport of wind modules. What that means is that, because there are not passing lanes, we will impact the traffic into Mount Isa and the traffic into communities out west, and that is a highway that is already doing \$6.6 billion worth of trade. What we do not want is those new industries holding up the existing industry. We want them to coexist and be able to thrive together. We need passing lanes and to strengthen the surface of the highway. All of that is part of the infrastructure assessment that we need and we need it done quickly.<sup>298</sup>

#### **Committee comment**

We acknowledge the critical role that Queensland's roads and bridges will play in facilitating the achievement of the Bill's renewable energy targets through ensuring the delivering of the supply chain infrastructure required to construct renewable energy projects. We have made a recommendation below in this regard.

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<sup>293</sup> Public hearing transcript, Rockhampton, 30 January 2024, p 2.

<sup>294</sup> Public hearing transcript, Rockhampton, 30 January 2024, p 3.

<sup>295</sup> Public hearing transcript, Rockhampton, 30 January 2024, p 5.

<sup>296</sup> Submission 48, p 1.

<sup>297</sup> Public hearing transcript, Townsville, 1 February 2024, p 3.

<sup>298</sup> Public hearing transcript, Townsville, 1 February 2024, p 6.



**Recommendation 4**

The committee recommends the Department of Transport and Main Roads works with the Department of Energy and Climate to review and consider the upgrade of relevant supply chain infrastructure, particularly high-risk roads and bridges, to facilitate the achievement of the Bill's renewable energy targets.

**2.15.3 Benefits to local communities**

Submitters provided a range of views and recommendations on how to best ensure local communities benefit from the renewable energy transition.

LGAQ provided the following recommendations in this regard:

- ... the State Government condition renewable energy projects to provide long-term economic and social benefits for their host communities, such as a permanent housing dividend located within the local township – or at the very least a location determined in consultation with the local council. This community legacy should only be building new homes, or the purchase of empty homes that are already listed for sale.<sup>299</sup>
- ... the establishment of community contribution fees, based on capacity, for all renewable projects to support better community outcomes and decommission bonds held in trust, to protect prime agricultural land and support better decommissioning at an acceptable standard for community.<sup>300</sup>
- ... the State Government specifically legislates to ban 100% FIFO, DIDO and BIBO renewable energy developments in Queensland to ensure industry commitment that supports local jobs and secure work for those who live and want to work in a rural, remote or regional community.<sup>301</sup>

Barfield Road Producer Group similarly advocated for economic and social opportunities to be maximised, recommending:

- A local Investment Fund could be established that allocates a portion of the revenue generated from renewables to invest in local priorities.
- ... upgrades and improvements to infrastructure such as roads, health, communication, housing and education, agricultural land valuations, and personal security all due to an increase of population during construction phase.<sup>302</sup>

In response to these recommendations, the department advised:

Under the Local Energy Partnerships, the Government is investigating additional opportunities to provide financial benefits to host communities and to develop opportunities for local businesses and local supply chains. This includes supporting the equitable distribution of financial benefits to host communities, including potentially pooling industry contributions, and exploring ways in which regional household can benefit from renewable energy.<sup>303</sup>

**Committee comment**

As discussed above and in section 2.1, we note the importance of local communities benefitting from the renewable energy projects planned and constructed in their regions. It is critical for the success of

<sup>299</sup> Submission 14, p 7.

<sup>300</sup> Submission 14, p 7.

<sup>301</sup> Submission 14, p 6.

<sup>302</sup> Submission 12, p 2.

<sup>303</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 54.

Queensland's renewable energy agenda that meaningful and ongoing consultation occurs, that benefits are shared, and that any negative impacts to local communities are minimised.

We acknowledge that these goals extend to matters outside the scope of the Bill and will require a government-wide approach to succeed.

#### **2.15.4 Importance of social licence**

Several submitters commented that the Bill did not include sufficient provisions to deliver social licence.<sup>304</sup>

Energetic Communities submitted:

Community backlash to renewables projects is growing around Australia, and affecting support for renewables more broadly. While Energetic Communities understands some of this is through mis- and dis-information, bad development practice has given communities legitimate concerns. Jurisdictions in Australia and internationally have experienced significant delays due to community-driven campaigns when project proponents and the industry more broadly do not have social licence, often through poor community engagement practice, or when the community more broadly does not support the need for the project or the increase in renewables or transmission.<sup>305</sup>

LGAQ highlighted this aspect of the renewable energy agenda as well, advising:

The livability of every Queensland community should be enhanced, not negatively impacted, from renewable energy projects. Critical to that success is the need for proponents to engage early with the community and also councils, and that engagement needs to be genuine and receptive to feedback and input. Host and supply communities should have specific benefits that are identified and tangible. These legacy benefits should also be responsive to the needs of that local community. That can only be identified through genuine engagement. A commitment to local and regional benefit sharing is important to the long-term success of any industry or specific project. Empowering local communities and building social licence can reduce costs with the time taken to develop a project. That has to recognise the impact on essential service delivery and enabling infrastructure, for example roads housing and water, and also on the local environment. Transparency of process will build trust and credibility with the community.<sup>306</sup>

Other submitters also commented on social licence issues, with Farmers for Climate Action highlighting the importance of meaningful consultation between transmission network service providers and landholders to build trust and collaborative models for coexistence.<sup>307</sup>

The Queensland Conservation Council recommended establishing a system to ensure that projects, especially those backed by GOCs, adhere to the principles of the Regional Energy Transformation Partnerships Framework.<sup>308</sup>

North Queensland Conservation Council said:

In some cases there is not social licence because there has not been community engagement and adequate environmental considerations have not been taken. We have some threatened species habitat right now where there are multiple developments planned that really threaten to wipe out the last remaining habitat for some species. Of course communities are going to be concerned about that. It means that the whole rollout, this whole transition, is not going to have the backing of regional Queenslanders which it really needs.<sup>309</sup>

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<sup>304</sup> See, for example, submissions 7 and 12.

<sup>305</sup> Submission 35, p 4.

<sup>306</sup> Public hearing transcript, Brisbane, 22 January 2024, p 24.

<sup>307</sup> Submission 15, p 1.

<sup>308</sup> Submission 30, p 2.

<sup>309</sup> Public hearing transcript, Townsville, 1 February 2024, p 11.

Renewable Energy Alliance recommended opening an office in each renewable energy zone staffed by outreach officers who will work with councils, First Nations groups and communities. This would ensure communities are consulted and that development is delivered appropriately to meet local needs and aspirations on time while also meeting ‘critical climate and energy goals’.<sup>310</sup> Renewable Energy Alliance expanded on the importance of social licence:

Developers have their own responsibilities to build social licence, but, in the context of this rapid transition that we are doing, governments also have a really strong responsibility when it comes to social licence. That means being incredibly clear with communities about what needs to happen and why and why things need to happen where they are happening. It also has to involve consultation and engagement that is genuinely two ways. Communities need to see—they want to see—that they have had input into a process and they are seeing how that is reflected back to them and that it is contributing to their local aspirations for their regions and solving the local challenges that they have in their regions.<sup>311</sup>

In response to these views, the department advised:

The Bill has a number of mechanisms that help to contribute to social licence, including the Job Security Guarantee Fund, REZ Assessments in the REZ framework and the Queensland Renewable Energy Jobs Advocate. Outside of the Bill, Powerlink as Queensland’s TNSP will continue to have a strong focus on engaging with communities as part of providing transmission infrastructure and services safely, reliably and cost effectively. Powerlink has a Community Engagement Strategy that outlines their community engagement planning approach and the principles for operating and maintaining the electricity network. These principles include:

- Building relationships based on trust and communicating in an accurate and clear way.
- Being an active community member that engages early and often.
- Delivering tangible benefits where they operate the network.
- Partnering with key stakeholders and communities
- Enabling open and transparent dialogue.

Under the Plan, the Queensland Government committed to partnering with industries and communities to maximise the benefits from the energy transformation and drive regional economic opportunities. The Local Energy Partnerships initiatives outlines how local benefits will be delivered through investigating opportunities for sharing benefits with communities from renewable development, increasing regional internet speeds, and helping to mobilise local supply chains.<sup>312</sup>

#### **Committee comment**

Similar to our comments in section 2.15.5, wherever there is the potential for conflict between the needs of landholders and new renewable projects proponents, stakeholders need to know there is a defined pathway to understanding and cooperation under an agreed-upon collaborative model for coexistence. Defining this pathway is essential for the success of engaging with local communities, landholders and other relevant stakeholders through the renewable energy transition. We note the Bill has several mechanisms that help to contribute to social licence and that there will be other opportunities as outlined above outside the scope of the Bill to engage with communities. We encourage the Queensland Government to continue consulting with stakeholders to achieve a shared understanding and pathway to coexistence.

<sup>310</sup> Public hearing transcript, Cairns, 2 February 2024, pp 10-11.

<sup>311</sup> Public hearing transcript, Cairns, 2 February 2024, pp 10-11.

<sup>312</sup> Department of Energy and Climate, correspondence, 22 January 2024, pp 53-54.

### 2.15.5 Diversification of the GasFields Commission

Several submitters proposed that the GasFields Commission be used, or that a body modelled on it be created, to assist landholders and industry through the renewable energy transition.<sup>313</sup>

WDRC suggested an entity be created with more authority to act as a conduit between landholders, government, and industry and recommended the diversification of the GasFields Commission in regard to 'energy co-existence'.<sup>314</sup>

RES Australia Pty Ltd recommended that the Bill presents 'an opportunity to bring forward the renewables coverage for the GasFields Commission (GFCQ) (acting as 'Coexistence Queensland') to strengthen that co-existence with traditional industries, including agriculture and the resources sector'.<sup>315</sup>

LGAQ also recommended establishing a new statutory body like the GasFields Commission 'with regulatory powers and sufficient resourcing, as part of a regulatory oversight model that manages the development of renewable energy infrastructure and also carbon farming, with a focus on community impacts, engagement and industry social licence'. LGAQ highlight that the new body should include representation from the local government sector.<sup>316</sup>

QREC supported expanding the remit of the GasFields Commission to include the renewable energy industry. QREC added:

The GasFields Commission has played an integral role with the coal seam gas sector in the last decade with regard to information sharing, stakeholder management and really being that honest broker between community and industry.

...

Having that separate, independent point of truth is very important, particularly in the development of a new industry in Queensland.<sup>317</sup>

Ms Jenny Hill, Mayor, Townsville City Council, said that the GasFields Commission had 'allowed the gas industry to progress with investment and minimise the impact on agriculture' and that 'there has to be a way to bring everyone together and that may be a model that parliament should consider'.<sup>318</sup>

Central Queensland Power stated:

We need independent, trusted sources of information, and government can be a very useful tool for making that available. Groups like the Queensland Farmers' Federation have done a great job on their toolkit, as raised earlier, which at least in our view is a nice balanced education of landowners of the sorts of issues.<sup>319</sup>

In response to these recommendations, the department advised:

The Local Energy Partnerships initiative includes the Queensland Government's commitment to support the proposed expansion of the GasFields Commission to promote coexistence of renewable energy

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<sup>313</sup> See submissions 11, 14 and 44 and public hearing transcripts Brisbane, 22 January 2024, Rockhampton, 30 January 2024, and Townsville, 1 February 2024.

<sup>314</sup> Submission 44, p 7.

<sup>315</sup> Submission 11, p 3.

<sup>316</sup> Submission 14, p 7.

<sup>317</sup> Public hearing transcript, Brisbane, 22 January 2024, p 11.

<sup>318</sup> Public hearing transcript, Townsville, 1 February 2024, p 4.

<sup>319</sup> Public hearing transcript, Rockhampton, 30 January 2024, p 21.

developments, agriculture and other industries in host communities, and support communities with a trusted, independent body for information, education, and engagement.<sup>320</sup>

...

Under the Local Energy Partnerships initiative, the Government will improve community consultation through:

- investigating the opportunity for the first Community Leader Energy Councils with the GasFields Commission to formalise channels of engagement on the first REZs.
- supporting the proposed expansion of the GasFields Commission Queensland to promote coexistence of renewable energy developments, agriculture and other industries in host communities and support communities with a trusted, independent body for information, education and engagement.<sup>321</sup>

#### **Committee comment**

We note the Local Energy Partnerships initiative which focuses on improving community consultation and its support of the proposed expansion of the GasFields Commission. We are also supportive of the proposed expansion of the GasFields Commission to promote coexistence between renewable energy developments, agricultural and other industry stakeholders in host communities, particularly given the feedback on the success of the GasFields Commission in managing matters in the past related to traditional industries and the resources sector as noted in section 2.10.2.1.

#### **2.15.6 Inclusion of smaller-scale renewables projects**

Three submissions advocated for the incorporation of small-scale renewables projects in the Bill.

Environmental Advocacy in Central Queensland stated:

It is critical that the Queensland Government continues to support and encourage local renewable energy generation to the same degree as large-scale renewable energy. Encouragement to further scale up small scale community renewable energy, combined with increased local battery storage facilities will be important in achieving emissions reductions from power generation as quickly and cheaply as possible.<sup>322</sup>

Similarly, LGI Limited stated:

... we believe the Bill should also consider smaller scale (sub 30MW, in particular 1-5MW sized projects) opportunities to contribute to the emissions reduction and renewable energy objectives by establishing targets for dispatchable renewable energy and storage connected to the distribution network. A target of [1GW] would provide clear direction to the private sector, distribution companies and encourage new investment in these important technologies.<sup>323</sup>

Farmers for Climate Action recommended:

- Establishing mid-scale community and farmer 'informal Renewable Energy Zones (REZs)' outside of declared REZs to identify under-utilised hosting capacity and encourage dispersed 1-5 megawatt solar developments, and
- Trialling the integration of a community energy component within large-scale REZs to develop and sustain social licence for substantial investments, with accommodations within the transmission infrastructure for smaller 1-5 megawatt projects.<sup>324</sup>

<sup>320</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 57.

<sup>321</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 55.

<sup>322</sup> Submission 16, p 2.

<sup>323</sup> Submission 43, p 2.

<sup>324</sup> Submission 15, pp 2-3.

In response to these recommendations, the department acknowledged that:

Small scale solar development is not addressed in the Bill. Action 3.5 of the Queensland Energy and Jobs Plan includes measures to promote clean energy for remote and First Nations communities, and includes a Queensland Microgrid Pilot Fund, and the implementation of national reforms on third party owned microgrids and standalone power systems.<sup>325</sup>

**Committee comment**

Although outside the scope of the Bill, we are supportive of the incorporation of small-scale renewables projects in the Bill as part of the progress towards meeting the Queensland renewable energy targets.

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<sup>325</sup> Department of Energy and Climate, correspondence, 22 January 2024, p 31.

## Appendix A – Submitters

<b>Sub #</b>	<b>Submitter</b>
1	Australian Sugar Milling Council
2	Master Electricians Australia
3	QEM Limited
4	Galilee Energy
5	Adam Burling
6	Climate Council of Australia Ltd
7	Terrance Wilkie
8	Central Highlands Regional Council
9	ResourceCo
10	Clean Energy Investor Group
11	RES Australia Pty Ltd
12	Barfield Road Producer Group
13	Queensland University of Technology
14	Local Government Association of Queensland
15	Farmers for Climate Action
16	Environmental Advocacy in Central Queensland
17	Mining and Energy Union (Qld District)
18	Queensland Resources Council
19	Isaac Regional Council
20	Colin Boyce MP, Member for Flynn, Parliament of Australia
21	Remote Area Planning & Development Board
22	Powerlink Queensland
23	Australian Institute for Progress
24	AJ Lucas Services
25	Queensland Council of Unions
26	Queensland Council of Social Service
27	RevAir Australia Pty Ltd
28	David Arthur
29	Port of Brisbane Pty Ltd
30	Queensland Conservation Council
31	Australian Energy Council
32	Genuity Pty Ltd
33	Electrical Trades Union

- 34 Smart Energy Council
- 35 Energetic Communities
- 36 Windlab Australia
- 37 Queensland Renewable Energy Council
- 38 National Electrical and Communications Association
- 39 Queensland Law Society
- 40 Glenys Bolck
- 41 GE Vernova
- 42 AgForce Queensland Farmers Limited
- 43 LGI Limited
- 44 Western Downs Regional Council
- 45 Cleanaway
- 46 Banana Shire Council
- 47 Queensland Electricity Users Network
- 48 Townsville Enterprise Limited



## Appendix B – Officials at public departmental briefing

### Department of Energy and Public Works – 13 November 2023

- Mr David Shankey, Deputy Director-General, Energy
- Ms Leanne Caelars, Executive Director, Transmission and Transformation, Energy
- Ms Kaitlyn Stutz, Director Transformation, Energy

## Appendix C – Witnesses at public hearings

### Brisbane – 22 January 2024

#### **Australian Sugar Milling Council**

- Mr David Rynne, Director, Policy, Economics and Trade

#### **Queensland Resources Council**

- Mr Andrew Barger, Policy Director, Economics
- Ms Eloise Linneth, Communications Assistant

#### **Clean Energy Investor Group**

- Mr Simon Corbell, Chief Executive Officer

#### **Queensland Renewable Energy Council**

- Mr Andrew Brier, Chief Operating Officer
- Mrs Katie Anne Mulder, Chief Executive Officer

#### **Powerlink Queensland**

- Ms Dana Boxall, General Manager, Community and Delivery Services
- Ms Jacqui Bridge, Executive General Manager, Energy Futures
- Mr Frank Montiel, Project Director, Strategic Renewable Developments

#### **Smart Energy Council**

- Mr Leigh Heaney, Manager, Government Relations, (via videoconference)
- Mr Wayne Smith, Manager, External Affairs, Smart Energy Council (via videoconference)

#### **National Electrical and Communications Association**

- Ms Irma Beganovic, Director, Government Relations
- Mr Neil Roberts, Director, Policy, Technical and Safety

#### **Local Government Association of Queensland**

- Ms Crystal Baker, Manager, Strategic Policy
- Mr Nathan Ruhle, Manager, Intergovernmental Relations - Advocate

#### **Central Highlands Regional Council**

- Cr Kerry Hayes, Mayor

#### **Queensland Law Society**

- Ms Kate Brodrik, Special Counsel, Legal Policy,
- Ms Rebecca Fogerty, President
- Mr Giri Sivaraman, Chair, Industrial Law Committee

#### **Queensland Council of Unions**

- Ms Jacqueline King, General Secretary
- Mr Nate Tosh, Legislation and Policy Officer

**Electrical Trades Union**

- Mr Trevor Gauld, National Assistant Secretary

**Queensland Council of Social Service**

- Ms Selvin Kwong, Research and Policy Officer

**Mining and Energy Union**

- Mr Shane Bruncker, District Vice-President, Queensland District
- Ms Alison Goodwin, National Research and Policy Officer, Queensland District
- Mr Mitch Hughes, District President, Queensland District
- Mr Chris Newman, Senior Legal Officer, Queensland District

**Queensland Conservation Council**

- Ms Clare Silcock, Energy Strategist

**Rockhampton – 30 January 2024**

**Banana Shire Council**

- Cr Neville Ferrier, Mayor

**Environmental Advocacy in Central Queensland**

- Ms Matilda Widdowson, Campaign Assistant

**Parliament of Australia**

- Mr Colin Boyce, Member for Flynn

**Central Queensland Power**

- Mr Vincent Dwyer, Director

**Agforce Queensland**

- Dr Annie Ruttledge, Senior Policy Advisor, Sustainability and Biosecurity
- Mr Mark Collins, Chair, Agforce Queensland Sustainability Committee

**Private Capacity**

- Mr Glen Kelly

**Mackay, 31 January 2024**

**Mackay Region Chamber of Commerce**

- Mr James Wortley

**Mackay Conservation Group**

- Ms Donna Kennedy, Coordinator

**Greater Whitsunday Alliance**

- Ms Kylie Porter, Chief Executive Officer

**Townsville, 1 February 2024**

**Townsville City Council**

- Cr Jenny Hill, Mayor

**Townsville Enterprise Ltd**

- Ms Claudia Brumme-Smith, Chief Executive Officer

**North Queensland Conservation Council**

- Ms Crystal Falknau, Coordinator

**Master Electricians Australia**

- Mr Chris Lehmann, National Advocacy Manager

**Cairns, 2 February 2024**

**Queensland Electricity Users Network**

- Ms Jennifer Brownie, Coordinator

**Cairns and Far North Environment Centre**

- Ms Lucy Graham, Director

**Renewable Energy Alliance**

- Ms Lucy Allan, Advocacy Director

## Appendix D – Abbreviations and acronyms

AER	Australian Energy Regulator
Bill	Energy (Renewable Transformation and Jobs) Bill 2023
CEIG	Clean Energy Investor Group
CAFNEC	Cairns and Far North Environment Centre
CHRC	Central Highlands Regional Council
the committee	Clean Economy Jobs, Resources and Transport Committee
department	Department of Energy and Climate
EnvA	Environmental Advocacy in Central Queensland
ETU	Electrical Trades Union (Queensland and Northern Territory Branch)
former committee	Transport and Resources Committee
the Fund	Job Security Guarantee Fund
GOCs	government owned corporations
GW	gigawatt
HRA	<i>Human Rights Act 2019</i>
Jobs Advocate	the Queensland Renewable Energy Jobs Advocate
LGAQ	Local Government Association of Queensland Ltd
LSA	<i>Legislative Standards Act 1992</i>
MEA	Masters Electricians Australia
MEU	Mining and Energy Union
MW	megawatts
NECA	National Electrical and Communications Association
the Plan	Queensland Energy and Jobs Plan
QCU	Queensland Council of Unions
QEUN	Queensland Electricity Users Network
QRC	Queensland Resources Council
QREC	Queensland Renewable Energy Council
QREZ	Queensland Renewable Energy Zones
RAPAD	Remote Area Planning & Development
RDB	REZ Delivery Body
renewable energy targets	Queensland Renewable Energy Targets
REZ	Renewable Energy Zone
RIT-T	Regulatory Investment Test for Transmission
TNSP	transmission network service provider
WDRC	Western Downs Regional Council



## Statement of Reservation

### LNP Members of the Clean Economy Jobs, Resources and Transport Committee

*Renewable energy is critical to Queensland's energy mix, and when implemented correctly, assists in providing affordable and sustainable power supply. We must do everything we can to harness investment directed towards regional Queensland, and provide certainty to investors in doing so.*

*At the same time, government must ensure regional communities directly benefit from the roll out of renewables. The LNP acknowledges the frustration of regional and rural Queenslanders stemming from some poorly developed and badly communicated large scale solar and wind farms. Impacts on landholders and their communities need to be appropriately managed. It is clear these issues jeopardise social licence and the Opposition is concerned about how it will impact the future of the industry if left unchanged.*

*Put simply, serious challenges remain, which the government is failing to consider with the development of this Bill. There are well publicised issues around a shortage of workers to deliver projects by targets, supply chain issues, approvals processes particularly on wind and hydro projects and challenges with transporting large components from port to site. There are concerns around social licence, the time required to get permits for roads and traffic management, the need for three police escorts for transportation of wind blades placing further pressure on already strained police resources, consistency in environmental approvals when compared to other land uses like mining and agriculture, queries around decommissioning and end of life land use, the recycling of solar panels and wind turbines at end of life, and the impact on the environment from wind and hydro.*

*Whilst the Opposition acknowledges ambition is important to the future of the industry, especially as the transition occurs, we have concern the methodology for calculating the renewable energy targets will be determined by the Minister. It has been proposed by the Government for the Minister to review targets every five years, however the Opposition believes this review should be every two years.*

*There are a tranche of questions that the government needs to answer, including, how the calculation of targets will be determined, will it be by name plate capacity or actual generation, will the input into battery storage be included or will the output from batteries be included? The Opposition would like to see a commitment from government to publicise more information regarding the makeup of the targets, including by projects already online and generating, and by projects proposed, all listed by individual generation and their percentage as a total of the targets. This information should be readily available to Queenslanders in real time.*

*We further note these targets rely on major infrastructure, like the Borumba and Pioneer Burdekin Pumped Hydro Projects. There has still been no business case released for either project. Borumba is estimated to cost \$15 billion, yet without a business case or the Detailed Analytical Study the Opposition has serious concerns with how these figures can be trusted. Furthermore, if these projects do not proceed, it is highly likely the targets the government are seeking to legislate will not be met.*

*The Opposition is seeking clarity with respect to Renewable Energy Zones. The government has failed to outline how a REZ will be determined, will local government be involved, will the impact on roads, bridges and traffic be included, will local government be financially impacted and what services would they be expected to provide?*

*The Bill proposes a Queensland Energy System Advisory Board and Energy Industry Council. The Opposition believes this board should include representation from local government and agriculture.*

*The Opposition hopes the government will take note of these issues and for the benefit of the industry moving forward and future social licence, make the appropriate changes for the benefit of all Queenslanders.*



**Pat Weir MP**  
Member for Condamine  
Deputy Chair



**Bryson Head MP**  
Member for Callide



**Trevor Watts MP**  
Member for Toowoomba North