Powering Queensland’s Future: Affordable, Stable and Balanced
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Message from the Premier

We will power Queensland’s future by ensuring we have the right energy mix, balanced by renewables and our fleet of coal and gas-fired generation.

Getting this balance right will deliver affordable and stable power for Queensland households, businesses and industry, while acting on climate change.

Queensland is the only State in mainland Australia that has been assessed by the Australian Energy Market Operator to have a secure supply of baseload power over the next decade.

This assessment was supported by the $20 billion renewable energy investment boom being delivered because of my government’s commitment to at least 50 percent renewable energy in Queensland by 2030.

We now have a huge pipeline of renewable energy projects delivering thousands of jobs and opportunities in regional Queensland, with many more on the way.

Energy is undergoing transformational change in the way it is generated, transported and used. We need to responsibly plan for this change and harness opportunities in this transition.

A re-elected Palaszczuk Government will create a third publicly-owned power generation company with a mandate to deliver 1,000MW of new renewable energy projects for Queensland.

As Queensland moves to a greater uptake of renewables we will deliver a down payment of up to $50 million to support a baseload solar thermal power station, which can power Queensland even at night.

Queensland is an energy powerhouse and the envy of the nation because my government saved energy assets from sale under the Newman-Nicholls Government.
Our Commitment

A clear pathway to a clean energy future will not only place downward pressure on power prices by delivering more new energy generation and giving households and businesses bill relief, it will also ensure that Queensland is doing its part to combat climate change and save the Great Barrier Reef.

A re-elected Palaszczuk Government will use both our public ownership of electricity infrastructure and the market to power Queensland’s clean energy future.

We will ensure that Queensland’s electricity generation includes the right mix of solar photovoltaic (PV) and wind generation, with battery and pumped hydro storage, as well as flexible, dispatchable forms of new generation like the concentrated solar thermal plant which uses molten salt storage to power Las Vegas at night.

Queensland’s abundant natural resources mean that renewable generation can power Queensland 24 hours a day, 7 days a week – even when the sun doesn’t shine and the wind doesn’t blow.
A re-elected Palaszczuk Government will take action to deliver our target of at least 50 per cent renewable energy by 2030 and ensure that our grid remains secure and delivers affordable energy for Queenslanders by:

- Keeping our state-owned electricity network and generation assets in public hands
- Locking in our target of at least 50 per cent renewable energy generation in Queensland by 2030
- Establishing ‘CleanCo’ – re-structuring our two publicly-owned electricity generation companies into three with a strategic portfolio of low and no emission power generation assets designed to reduce power prices
- Supporting delivery of at least 1000MW of new renewable generation through CleanCo
- Committing up to $50 million towards the development of Queensland’s own baseload solar thermal plant with storage
- Progressing the development of hydro generation in Queensland

Investing $97 million to install solar and energy efficiency measures in Queensland state schools

- Rolling out renewable energy solutions for remote and isolated communities
- Partnering with the Australian Energy Market Operator (AEMO) to investigate a sustainable energy solution for the Daintree
- Advocating for national policy certainty through consistent and integrated climate and energy policy.

Wholesale prices: 1 March to 29 October 2017

Comparison to National Electricity Market Average

Data: Load weighted price
Source: Department of Energy and Water Supply (DEWS) analysis based on Australian Energy Market Operator (AEMO) data.
The Newman-Nicholls Government decimated Queensland’s early renewable energy industry and their current policy will once more see renewable energy projects bypassing Queensland for southern states.

Not one large scale renewable project was commissioned during their term in government.

Their failure to support clean energy saw 2,860 jobs lost in the renewable energy industry sector in Queensland.

Funding was cut for the Solar Dawn project, which would have delivered Queensland’s first solar thermal plant near Chinchilla, along with investment and job and training opportunities in regional Queensland.

The Newman-Nicholls Government had committed to cutting over $600 million from renewable energy programs saying that this essential and inevitable transition of our electricity systems was a ‘luxury’.


Support for new businesses in sustainable technologies to get started in Queensland also ended with the axing of the Queensland Sustainable Energy Innovation Fund.

The LNP slashed 2,860 jobs from the renewable sector.

Under Labor nearly 3,000 jobs created on currently committed large-scale projects; with potential for almost 15,000 more from announced projects.

$600m
PLANNED CUTS TO RENEWABLE PROGRAMS UNDER NEWMAN-NICHOLLS
Programs which could have been helping households to save on their electricity bills were slashed. The Solar Hot Water Rebate program was cut. The ClimateSmart Home service, which provided households with the tools to reduce their electricity bills and take control of their energy use in a sustainable way – cut.

Their cuts didn’t stop there. The energy and water supply workforce was cut by 35 per cent, including 40 jobs that were lost when the Office of Clean Energy was cut, ending the valuable assistance it provided to help households and business implement energy efficiency and clean energy solutions.

They abolished the solar feed-in tariff, calling those who took up solar as “champagne sippers and the latte set”.

It was a complete renewable energy blackout under the Newman-Nicholls Government.

They also cut jobs and power production at government-owned coal and gas-fired power generators, mothballing Swanbank E and putting two units at the Tarong power station in ‘cold storage’.

In their three years of government, wholesale power prices increased by 80 per cent - the largest increase in the National Electricity Market.

They were focused on fattening Queensland’s publicly-owned power generation companies for sale, as well as the electricity transmission and distribution companies that own and operate the infrastructure households and businesses rely on for their electricity supply.

In fact they spent more than $100 million preparing to sell off our assets – breaking an election promise to wait for a mandate.

After inflicting a 43 per cent hike in electricity prices on Queenslanders, the LNP now wants the chance to lock in higher prices for 40 years by building a new coal-fired power station.

Even the Federal LNP Treasurer Scott Morrison has said new cheap coal is a myth, a new ‘high efficiency low emissions’ plant would cost $3 billion and take seven years to turn up.

Further, a report commissioned by the Department of Energy and Water Supply (DEWS) has found the LNP’s plan would only be viable under sustained high wholesale energy prices over the 40-year life of the plant and would likely result in the exit of existing coal-fired power generation.

Wholesale electricity price increases under LNP (2011-12 to 2014-15)

Source: Australian Energy Market Operator (AEMO)
The Palaszczuk Government’s Record

The Palaszczuk Government has stabilised electricity prices, ensuring Queensland had the lowest household price increase of any mainland state this year, after the 43 per cent price increase inflicted on Queensland by Campbell Newman and Tim Nicholls.

By keeping our assets in public hands we have been able to take action on network, wholesale and retail costs. Modelling by ACIL Allen shows that our actions have reduced bill increases by $146 this year and $210 next year.

All retailers in Queensland have now signed up to our Affordable Energy Pledge and committed to passing on these savings, with our Affordable Energy Plan to deliver even more savings for Queenslanders.

We committed to a target of 50 per cent renewable energy by 2030, with an independent Renewable Energy Expert Panel having delivered advice on three credible pathways to unlock Queensland’s renewable energy resource potential, and confirming this can be achieved with a broadly cost neutral impact on electricity prices while maintaining system security and reliability.

Our Powering Queensland Plan and Powering North Queensland Plan have kick-started Queensland’s transition to a clean energy future, with our 50 per cent renewable energy target creating a stable investment environment, unleashing a renewable energy boom.

During the current term of the Palaszczuk Government, three large-scale solar farms have commenced operation and, by October 2017, a further 21 were committed or under construction, with those committed projects set to deliver 1,900MW of generation capacity, $3.7 billion in investment and almost 3,000 construction jobs primarily in regional Queensland.

That’s 24 projects being delivered under the Palaszczuk Government compared to the Newman-Nicholls Government’s record of zero.

Queensland now has the most large-scale renewable projects under construction of any state in Australia. More is on the way with another 8,800MW of proposed large-scale renewable energy projects at earlier stages of development – $20 billion investment which would support 15,000 jobs.

Renewable energy is now the cheapest and quickest way to deliver new generation, which is what we need to put downward pressure on prices.

In 2016 almost two-thirds of new electricity generation capacity added across the world was renewables. And it’s now been more than a decade since a new coal-fired power station has been built in the National Electricity Market.

$20b INVESTMENTS SUPPORTING 15,000 JOBS
In fact, the capital cost of building a new ultra-supercritical coal-fired power station is now at least 34 per cent more than an equivalent solar farm, and while the costs of renewable generation will continue to come down, the cost of coal-fired generation will remain stable.

Australia’s Chief Scientist Alan Finkel advised earlier this year that “the actual cost of bringing on new coal in this country per megawatt hour is projected to be substantially more expensive than the cost of bringing on wind or solar”.

We are seeing the cost of renewables fall through the delivery of our renewable programs.

Over 450,000 Queensland households now have solar panels, with the combined generation capacity of these rooftops becoming Queensland’s largest power station providing over 1,800MW of generation, overtaking the 1,680MW Gladstone power station.

Our Solar 150 initiative, in collaboration with the Australian Renewable Energy Agency, is supporting four large-scale solar projects. Our Renewables 400 initiative will now deliver up to 400MW of diverse large-scale renewable energy projects, including 100MW of storage to support the affordability, security and sustainability of Queensland’s electricity supply.

Under our $386 million Powering North Queensland Plan, we are developing a North Queensland Clean Energy hub - strategic transmission infrastructure linking up to 2,000MW of large scale renewable energy projects including peak hydro and 24 hour dispatchable clean energy, supporting up to 4,600 jobs.

We’re also acting to give our most vulnerable households access to the benefits of rooftop solar through our Sunny Savers trial, which is currently offering public housing tenants in Cairns, Rockhampton and Logan access to bill savings through solar power purchase agreements. We are also installing rooftop solar in the remote Lockhart River community, sharing the savings from reduced diesel use with eligible public housing tenants in the community.

Our new Affordable Energy Plan will extend the benefits of solar further through our no interest loan scheme to help households with the upfront costs of installing solar and batteries and provide ongoing energy bill savings. We are also conducting a trial into technology which will incentivise landlords to install solar, to extend the benefits of solar to tenants in the private rental market.
Queensland has an abundant supply of renewable energy resources – it’s our natural advantage. Our renewable energy target will deploy these resources to deliver affordable electricity for Queenslanders.

A re-elected Palaszczuk Government will continue our transition to at least 50 per cent renewable energy in Queensland by 2030, with actions to deliver more of the cheapest form of new generation, sooner.

We will continue to deliver the lowest wholesale future prices over the next three years by keeping our power assets in public hands and using them to support electricity consumers in Malcolm Turnbull’s broken National Electricity Market.

We will also ensure Queensland is doing its part to combat climate change and protect our natural assets like the Great Barrier Reef, while delivering jobs in regional Queensland.
50 per cent renewable energy by 2030

Queensland is an energy powerhouse, with the most secure system in the nation. Our young and efficient fleet of coal and gas-fired generation puts us in a strong position to transition to a clean energy future.

A re-elected Palaszczuk Government will ensure that renewable energy is added to our generation fleet in a steady way to achieve our 50 per cent target. This clear policy will give business the certainty it needs to continue to invest in renewables, bringing jobs, training and business opportunities to our regions.

New renewable energy development – investment and jobs

A re-elected Palaszczuk Government will continue to facilitate new renewable generation to ensure that Queensland continues to have the mix of generation sources, which will provide an affordable, secure and sustainable supply of electricity into the future.

We believe that a balance of public and private ownership of electricity generating assets will deliver the best outcome for Queensland. We are committed to keeping our existing electricity assets in public ownership to keep them working for the people of Queensland, and we will also ensure that Queensland continues to be the leader in new large-scale renewable generation delivered by the market.

We are committed to delivering our Renewables 400 reverse auction which will deliver up to 400MW of new diversified renewables, some of which are not currently being deployed on a fully commercial basis, including 100MW of storage.

This diversity is important for maintaining system security and reliability, and priority will be given to projects that support local jobs and businesses.

We know that Queensland’s abundant hydro resources have an important role to play in our clean energy future. That is why we will implement the findings of our statewide hydro-electric study under the Powering North Queensland Plan to deliver flexible, dispatchable conventional and pumped hydro plants at locations that are environmentally sustainable and economically viable.

We also remain committed, subject to the outcomes of the current feasibility study, to delivering 50MW of new hydro generation at Burdekin Falls Dam with $100 million reinvestment of Stanwell dividends committed to the project.

But that is just the beginning.
CleanCo – new publicly-owned generation company to deliver 1,000MW

We will create a new, publicly-owned, clean energy generation company – CleanCo – that will own a strategic portfolio of energy assets and deliver new renewable energy development on behalf of the people of Queensland.

CleanCo will initially own a strategic portfolio of low and no emission electricity generation assets which will be aimed at bringing down electricity prices by incentivising the company to deploy its generation assets, and add competition to the market, at those peak demand times when electricity prices are the highest.

A new generation company with this type of strategic portfolio will deliver more competition than existed in the market when Queensland’s conventional generation assets were operated by three generation companies.

We will also deliver at least 1,000MW of new renewable energy generation by 2025, focusing on flexible dispatchable energy generation like hydro and solar thermal with storage that can supply clean energy around the clock, to ensure that our electricity grid remains the most secure and robust power grid in the nation.

We will do this through giving our new CleanCo a mandate to add to its portfolio of power generation assets by developing new clean energy generation assets and through other mechanisms, such as further reverse auctions and power purchase agreements.

CLEANCO: NEW PUBLICLY OWNED COMPANY TO DELIVER 1000MW RENEWABLE ENERGY
Solar Thermal for Queensland

As part of our commitment to deliver at least 1,000MW of new renewable generation we will also commit up to $50 million in capital funding towards the development of a concentrated solar thermal plant with storage, providing clean baseload power for Queensland.

Solar thermal power generation allows heat from the sun to be stored until it is needed to generate and supply power to the grid, including evening and morning peaks when the sun might not be shining, or the wind blowing.

Importantly, a new solar thermal power plant will mean manufacturing and operational jobs in the regions.

It also means that Queensland will be able to start running on solar power even at night – truly turning the Sunshine State into the Solar State.

Clean Energy Schools

A re-elected Palaszczuk Government will also commit $97 million to deliver new and innovative solutions to reduce energy costs and embed energy sustainability solutions in state schools. This investment includes $40 million for 35 MW of solar PV generation and $57 million for energy efficiency measures.

We will ensure solar energy solutions are installed in more than 800 schools, delivering significant savings, while supporting up to 300 jobs.

This will provide a clean energy future for our kids while cutting more than $10 million in energy costs each year for Queensland state schools, which are among the government’s largest energy consumers.
Clean Energy solutions for remote and isolated communities

A re-elected Palaszczuk Government will roll out clean energy solutions to remote and isolated communities which currently rely on diesel generation under our Jobs and Regional Growth Fund.

We will deliver tailored renewable generation, demand management and energy efficiency solutions to power remote and isolated communities by 2030.

We will start in our next term by working with Energy Queensland to build on the work already done in Lockhart River, Thursday Island and Doomadgee by rolling out renewable energy solutions to Bamaga, Mapoon, Pormpuraaw and an additional stage at Doomadgee.

We will also partner with the Australian Energy Market Operator (AEMO) to develop a solution to deliver sustainable energy for the Daintree, to provide residents with a quality, clean, power supply to enhance their standard of living, reduce local pollution and support local businesses and jobs.
National policy certainty

A re-elected Palaszczuk Government will continue to advocate for policy certainty across the National Electricity Market through the Federal Government finally delivering national and consistent climate and energy policy, which will guide the country to its clean energy future.

The policy uncertainty flowing from a divided Federal Government’s failure to confront reality has been the largest single factor underlying recent power price increases. We know how important it is to finally end this policy paralysis and we are willing to act in a bipartisan way to achieve that.

What we won’t do is agree to any policy until it is fully formed and fully modelled, so that we know it’s in the best interests of Queensland – particularly in relation to household bills, and regional investment.