

**From:** Energy ODDG [EnergyODDG@dnrme.qld.gov.au]

**Sent:** Tuesday, 6 June 2017 1:11 PM

**To:** DEWS Energy Division

**CC:** SIMSHAUSER Paul; BOWERMAN Melissa; ANGLESEY Jodana

**Subject:** DDG Update June 2017

**Attachments:** Powering Queensland Plan.pdf; [redacted] s.73 [redacted] s.73  
[redacted] s.73 Stabilising electricity prices for Queensland consumers.pdf; Palaszczuk Government powers up  
an energy and jobs bonanza; [redacted] s.73 [redacted] s.73  
[redacted] s.73 Palaszczuk Government powers up an energy and jobs bonanza

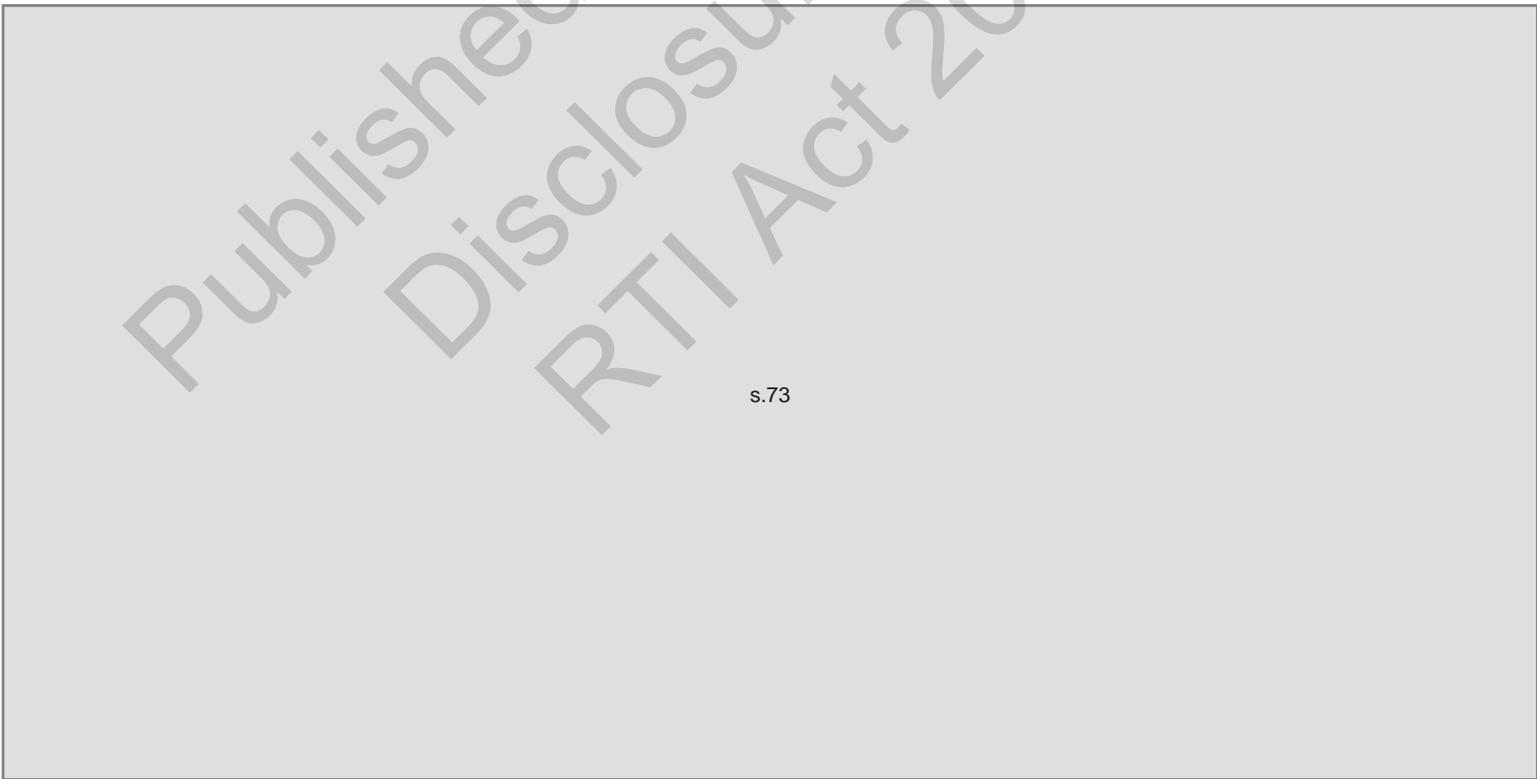
[/storage/emulated/0/.polaris\\_temp/image1.jpeg](/storage/emulated/0/.polaris_temp/image1.jpeg)



Hi all,

**Powering Queensland Plan**

Yesterday the Premier, Treasurer and Minister Bailey announced the \$1.16 billion *Powering Queensland Plan*, which brings together key actions on electricity prices, wholesale markets, renewable energy and energy security. This is one of the most significant pieces of work I have been involved in during my Personal years in the Division.



Attached is the overarching Plan along with supporting factsheets. Please familiarise yourself with the plan, as it will shape our forward work plan as a Division.



s.73

Thanks again to all.

s.73

Regards,

**Benn Barr**  
**Deputy Director-General, Energy**

Published on DNRME  
Disclosure Log  
RTI Act 2009

# Powering Queensland Plan

Transmission lines, rural Queensland

The Queensland Government is investing \$1.16 billion to ensure Queenslanders can continue to enjoy an affordable, secure and sustainable supply of electricity.

## The plan addresses Queensland's current and future energy needs

Australia's energy markets are facing significant challenges relating to electricity and gas prices, system security, gas availability, and energy and climate policy.

These challenges are being driven by closure of ageing coal-fired generation and gas supply restrictions in southern states, a lack of investor confidence and an uncertain national policy.

These challenges are resulting in higher prices for households and businesses, and if left unaddressed may threaten energy security and Australia's ability to meet its emissions reduction targets.

The *Powering Queensland Plan* sets out the Government's strategy to guide the state through the short-term and long-term challenges occurring in the market. The plan aims to deliver stable energy prices, ensure long-term security of electricity supply, transition to a cleaner energy sector and create new investment and jobs.

Release



# Our actions in more detail

## Provide electricity price relief by investing \$770 million to cover the cost of the Solar Bonus Scheme

The Queensland Government is committed to stable electricity prices and due in part to the Government's efforts, average residential electricity bills have risen by just 1.2 per cent per annum over the last two years.

However, the Government understands that recent supply and demand shocks have led to unprecedented increases in wholesale energy prices in Queensland and across the National Electricity Market.

To ensure continued price stabilisation, the Government has:

- ▶ directed Energy Queensland to remove the cost of the Solar Bonus Scheme from electricity bills over the next three years
- ▶ reissued a new delegation to the Queensland Competition Authority to set 2017–18 prices in line with the reduced rates.

This action will limit the bill increase for a typical regional household customer in 2017–18 to around 3.3 per cent, and place downward pressure on prices in 2018–19 and 2019–20. The benefits will also flow to South East Queensland customers. As a result, the bill for a typical household will have increased by just over 1.9 per cent per annum over the last three years.

The cost of the Solar Bonus Scheme will be transferred to the Government at an estimated cost of \$770 million.

## Return Swanbank E gas-fired power station to service

As a result of extreme heat wave events in Queensland and in southern states, there has been significant volatility and upward pressure on wholesale electricity prices across the National Electricity Market. Increasing generation supply will help minimise future volatility and reinforce the state's energy security over the coming summers.

To achieve this objective, the Queensland Government has directed Stanwell to return its 385 megawatt Swanbank E power station to service in late 2017 to support the market over the summer period.

The Queensland Government does not want to see a repeat of the events of last summer, including record wholesale prices and load shedding in southern states in February 2017 due to unprecedented demand on the electricity system – which put industrial customers and jobs at risk.

Wholesale costs make up a larger proportion of electricity bills for large customers – industrial users and manufacturing plant – meaning they are more exposed to the impacts of market volatility.

The Queensland Government understands an affordable and secure energy supply is essential for a strong economy, which is why we are acting to protect our industrial customers most affected by wholesale market volatility, as well as the jobs they provide.

By bringing Swanbank E back online for summer 2017-18, the Queensland Government aims to support more stable wholesale prices in Queensland, helping to ensure Queensland customers continue to have security of supply even when demand is at its highest, protecting jobs and our economy.

Release



Koombooloomba Hydro

### Direct Stanwell Corporation to undertake strategies to place downward pressure on wholesale prices

As a shareholder of electricity assets, we have the ability to take steps to counter some of the impacts being seen in the broader national electricity market that are resulting in higher wholesale prices and volatility during peak demand periods.

To complement the return of Swanbank E, the Queensland Government has directed Stanwell to alter its bidding strategies to help put as much downward pressure on wholesale electricity prices as possible.

This action is only possible because we have kept our electricity assets in public hands, enabling the Government to deliver better outcomes for Queensland electricity consumers.

### Investigate the restructure of Government owned generators and the establishment of a 'CleanCo'

In parallel with implementing other strategies to reduce wholesale prices, the Government will investigate a restructure of Government owned generators to deliver improved market outcomes.

The Government will consider establishing a separate 'CleanCo' generator to operate Queensland's existing renewable and low-emissions energy generation assets and develop new renewable energy projects.

The investigation will provide recommendations to the Queensland Government in the first half of 2018.

Release



Establishing a 'CleanCo' has the potential to deliver improved market outcomes

## Deliver a \$386 million Powering North Queensland Plan to strengthen and diversify the north's energy supply and create a North Queensland clean energy hub

Under the *Powering North Queensland Plan*, the Queensland Government will:

- ▶ Commit \$150 million to develop strategic transmission infrastructure in North and North-West Queensland to support a clean energy hub, subject to a feasibility study. This will unlock around 2000 megawatts of renewable energy projects and support up to 4600 jobs.
- ▶ Provide a \$100 million equity injection into SunWater and reinvestment of dividends to deliver improvement works to ensure that the Burdekin Falls Dam continues to meet design standards. These works, which are estimated to support 250 jobs, will support the proposed hydro-electric power station.
- ▶ Invest a further \$100 million to help fund a 50 megawatt hydro-electric power station at the dam, subject to completion of a business case. The Burdekin Falls power project will create 200 jobs during construction and generate enough electricity to power 30000 homes.



Indicative transmission path in North Queensland

New transmission infrastructure in North Queensland could unlock around 2000 megawatts of new renewable projects and support up to 4600 jobs

Release



Wind turbine in Atherton Tablelands

## Confirm the Government's commitment to a 50 per cent renewable energy target by 2030

Based on the positive outcomes of the independent Expert Panel public inquiry, the Government reaffirms its commitment to a 50 per cent renewable energy target for Queensland by 2030.

Achieving a 50 per cent renewable energy target has the potential to deliver broad benefits to the economy, particularly in regional Queensland. The Expert Panel found that the target could drive \$6.7 billion of new investment, and deliver a net increase in employment of 6400–6700 full-time equivalent positions on average per year between 2020 and 2030.

## Facilitate the next wave of up to 400 megawatts of diversified renewable energy, including 100 megawatts of energy storage through a reverse auction

In the period up to 2020, a significant opportunity exists for additional renewable energy projects to be developed in Queensland under the national large-scale renewable energy target.

In addition to creating an attractive environment for these projects, there is also a role for the Queensland Government in supporting a diverse mix of renewable technologies, some of which are not currently being deployed on a fully commercial basis. This diversity is important for maintaining system security and reliability.

The Government will undertake a reverse auction for up to 400 megawatts of renewable capacity, to commence in the second half of 2017, with priority given to projects that support local jobs and businesses.

Energy storage technology is expected to play an important role in the transition to higher levels of renewable energy.

As part of the 400 megawatt auction, and to support the accelerated deployment of this technology, the Government will undertake a specific process to secure up to 100 megawatts of energy storage prior to 2020.

## Improve large-scale project facilitation, planning and network connections

Most renewable projects will need to connect to a transmission or distribution network. Under a 50 per cent renewable energy target, there will be an increasing workload for Queensland's network businesses to deliver network connection services.

The Queensland Government will work with Powerlink and Energy Queensland to ensure efficient and timely network connections.

Timely provision of information to project proponents and entities assessing project proposals will be critical to facilitating the rapid expansion of Queensland's renewable energy industry. To meet this need, the Queensland Government will establish a centralised web portal in the second half of 2017 to provide an integrated information service for renewable energy project proponents.

The Queensland Government will also work with stakeholders to develop best practice guidance material on project planning and development. This guidance material will help the renewable energy industry, local governments and landholders have a common understanding of best practice, and ensure that strategic land use considerations are factored into the planning process.

Release



Gatton Solar Research Facility (photo courtesy of The University of Queensland)

## Establish the Queensland Energy Security Taskforce

System security has emerged as a critical issue across the National Electricity Market.

Queensland has a strong fleet of baseload generators, and is well placed to commence its transition to a 50 per cent renewable energy target, ongoing vigilance is needed. The Queensland Government will establish a Queensland Energy Security Taskforce to develop an energy security plan for the state.

The taskforce will be quickly mobilised, with its first priority to develop a Queensland summer preparedness plan for 2017–18 by September 2017. This plan will map out what needs to be done to ensure Queensland’s system remains secure in the short term.

The taskforce will also develop a demand management and energy efficiency strategy to help Queenslanders manage their power bills and to better manage peak demand, improving the resilience of the grid.

The taskforce will provide advice on long-term market design for Queensland and the National Electricity Market, taking into account outcomes of the Finkel Review.

The taskforce will investigate:

- ▶ deployment of new hydro-electric and pumped storage generation capacity
- ▶ strategic transmission infrastructure in North and North-West Queensland to support a clean energy hub
- ▶ expanding interconnection between Queensland and other states.

The taskforce will be chaired by Mr Terry Effeney, former CEO of Energex and member of the Finkel Review panel. The Taskforce will also comprise Prof Suzanne Miller (Queensland’s Chief Scientist), Prof Paul Simshauser (Director-General of the Department of Energy and Water Supply) and Mr Jim Murphy (Queensland’s Under Treasurer).

## Implement the Queensland Gas Action Plan and increase gas supply for the Australian market

Gas supply issues are having significant impact on industrial users and the electricity market. The lack of availability of gas nationally for generation is contributing to upward pressure on wholesale electricity prices.

The Queensland Gas Action Plan will deliver a range of initiatives to increase gas supply and reduce barriers to market.

In order to increase gas supply, in February 2017, the Government released a tender for gas development and production in the Surat Basin involving 58 square kilometres of land with an Australia-only sale condition on the gas produced.

The Government is looking at further and larger land releases in the Surat Basin with the same Australian market conditions, and will soon release another 395 square kilometres of land for gas development to supply the east coast Australian market. Releasing more land will drive employment and investment in regional Queensland and eventually add to the gas currently available for domestic use.

## Continue to advocate for stable, integrated national climate and energy policies

The Queensland Government will also continue to advocate for stable and more integrated national climate and energy policies, to ensure the electricity sector can deliver a meaningful contribution to Australia’s emission reduction commitments and to support new clean energy investment.

The Queensland Government will further consider its renewable energy policy in 2019, following the completion of the Finkel Review and the national review of climate change.

Release

# Stabilising electricity prices for Queensland consumers

High voltage tower in rural Queensland

Since 2015, the Queensland Government has delivered a range of reforms to successfully stabilise electricity prices in Queensland. In response to emerging challenges, the Government will implement a package of new initiatives to ensure consumers can continue to access affordable and secure electricity supply.

Over the past two years, average residential electricity prices in Queensland have increased by only 1.2 per cent per annum

This outcome is the result of the Queensland Government taking strong and proactive action to improve electricity affordability, including:

- ▶ deregulating South East Queensland electricity prices on 1 July 2016 to enhance market competition
- ▶ providing over \$1 billion between 2015–16 and 2016–17 to support regional Queensland consumers through the Uniform Tariff Policy
- ▶ directing Energex and Ergon Energy not to challenge the Australian Energy Regulator's decision on network revenues, thereby locking in lower network tariffs between 2015 and 2020
- ▶ extending the Electricity Rebate to Health Care Card holders and asylum seekers.

While this action has helped reduce the pressure on electricity bills, recent supply and demand shocks have led to unprecedented increases in wholesale energy prices across the National Electricity Market.

Given these pressures, the Queensland Government will take additional steps to provide immediate price relief over the next three years.

## ACTIONS

- ▶ Provide electricity price relief by investing \$770 million to cover the cost of the Solar Bonus Scheme
- ▶ Return Swanbank E gas-fired power station to service to increase supply and reduce volatility in the Queensland wholesale market
- ▶ Direct Stanwell Corporation to undertake strategies to place downward pressure on wholesale prices
- ▶ Investigate the restructure of Government owned generators and the establishment of a 'CleanCo'
- ▶ Implement the Queensland Gas Action Plan and increase gas supply for the Australian market

Release



# Our actions in more detail

## Provide electricity price relief by investing \$770 million to cover the cost of the Solar Bonus Scheme

The Queensland Government is committed to stable electricity prices and due in part to the Government's efforts, average residential electricity bills have risen by just 1.2 per cent per annum over the last two years.

However, the Government understands that recent supply and demand shocks have led to unprecedented increases in wholesale energy prices in Queensland and across the National Electricity Market.

To ensure continued price stabilisation, the Government has:

- ▶ directed Energy Queensland to remove the cost of the Solar Bonus Scheme from electricity bills over the next three years
- ▶ reissued a new delegation to the Queensland Competition Authority to set 2017–18 prices in line with the reduced rates.

This action will limit the bill increase for a typical regional household customer in 2017–18 to around 3.3 per cent, and place downward pressure on prices in 2018–19 and 2019–20. The benefits will also flow to South East Queensland customers. As a result, the bill for a typical household will have increased by just over 1.9 per cent per annum over the last three years.

The cost of the Solar Bonus Scheme will be transferred to the Government at an estimated cost of \$770 million.

## Return Swanbank E gas-fired power station to service

As a result of extreme heat wave events in Queensland and in southern states, there has been significant volatility and upward pressure on wholesale electricity prices across the National Electricity Market. Increasing generation supply will help minimise future volatility and reinforce the state's energy security over the coming summers.

To achieve this objective, the Queensland Government has directed Stanwell to return its 385 megawatt Swanbank E power station to service in late 2017 to support the market over the summer period.

The Queensland Government does not want to see a repeat of the events of last summer, including record wholesale prices and load shedding in southern states in February 2017 due to unprecedented demand on the electricity system – which put industrial customers and jobs at risk.

Wholesale costs make up a larger proportion of electricity bills for large customers – industrial users and manufacturing plant – meaning they are more exposed to the impacts of market volatility.

The Queensland Government understands an affordable and secure energy supply is essential for a strong economy, which is why we are acting to protect our industrial customers most affected by wholesale market volatility, as well as the jobs they provide.

By bringing Swanbank E back online for summer 2017-18, the Queensland Government aims to support more stable wholesale prices in Queensland, helping to ensure Queensland customers continue to have security of supply even when demand is at its highest, protecting jobs and our economy.

Release

## Direct Stanwell Corporation to undertake strategies to place downward pressure on wholesale prices

As a shareholder of electricity assets, we have the ability to take steps to counter some of the impacts being seen in the broader national electricity market that are resulting in higher wholesale prices and volatility during peak demand periods.

To complement the return of Swanbank E, the Queensland Government has directed Stanwell to alter its bidding strategies to help put as much downward pressure on wholesale electricity prices as possible.

This action is only possible because we have kept our electricity assets in public hands, enabling the Government to deliver better outcomes for Queensland electricity consumers.

## Investigate the restructure of Government owned generators and the establishment of a 'CleanCo'

In parallel with implementing other strategies to reduce wholesale prices, the Government will investigate a restructure of Government owned generators to deliver improved market outcomes.

The Government will consider establishing a separate 'CleanCo' generator to operate Queensland's existing renewable and low-emissions energy generation assets and develop new renewable energy projects.

The investigation will provide recommendations to the Queensland Government in the first half of 2018.

## Implement the Queensland Gas Action Plan and increase gas supply for the Australian market

Gas supply issues are having significant impact on industrial users and the electricity market. The lack of availability of gas nationally for generation is contributing to upward pressure on wholesale electricity prices.

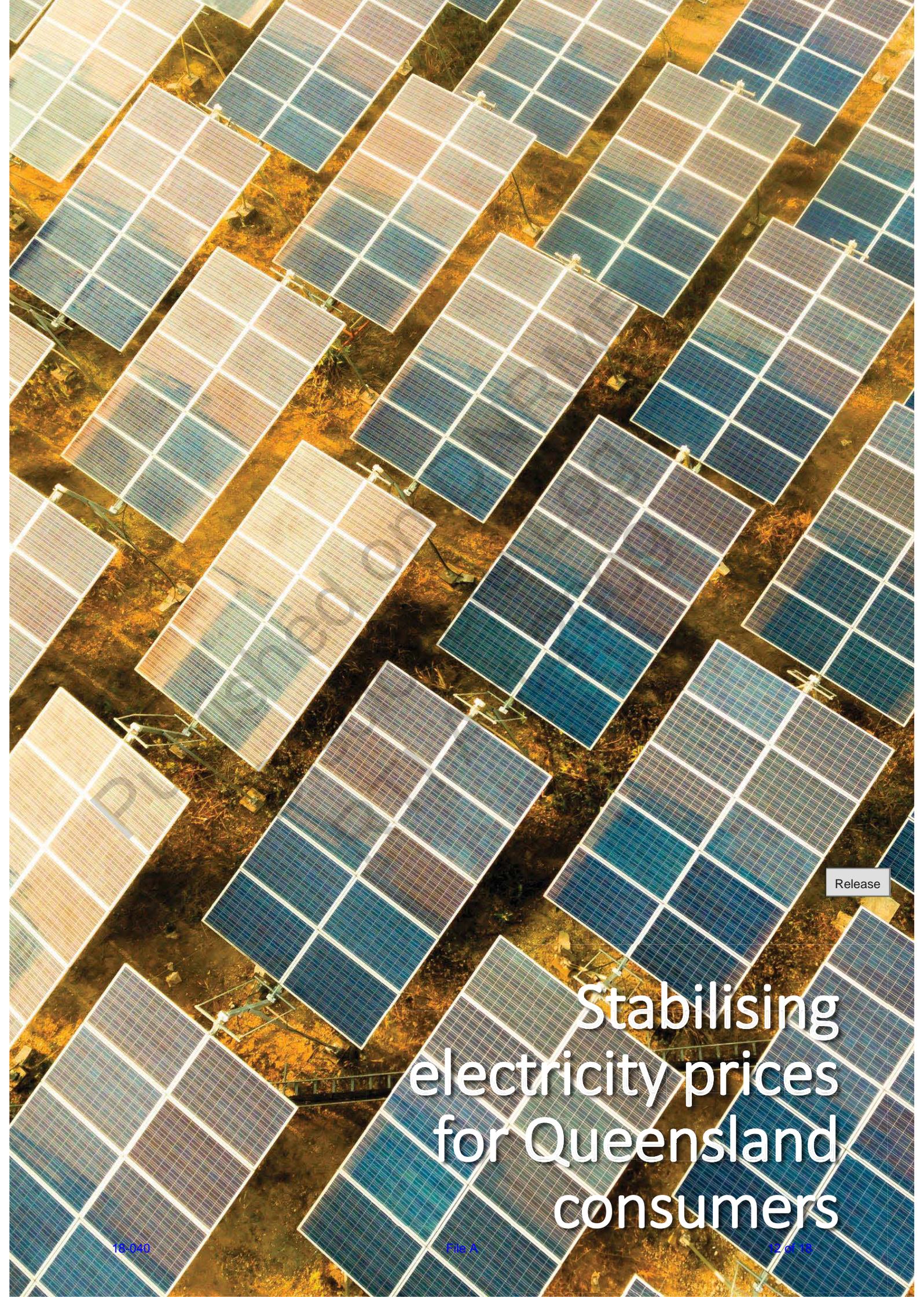
The Queensland Gas Action Plan will deliver a range of initiatives to increase gas supply and reduce barriers to market.

In order to increase gas supply, in February 2017, the Government released a tender for gas development and production in the Surat Basin involving 58 square kilometres of land with an Australia-only sale condition on the gas produced.

The Government is looking at further and larger land releases in the Surat Basin with the same Australian market conditions, and will soon release another 395 square kilometres of land for gas development to supply the east coast Australian market. Releasing more land will drive employment and investment in regional Queensland and eventually add to the gas currently available for domestic use.

Release





Release

# Stabilising electricity prices for Queensland consumers

**From:** Media Statements QLD [statements@qld.gov.au]  
**Sent:** Monday, 5 June 2017 11:51 AM  
**To:** RICHARDSON Phil  
**Subject:** Palaszczuk Government powers up an energy and jobs bonanza



## JOINT STATEMENT

Premier and Minister for the Arts

The Honourable Anastacia Palaszczuk

Treasurer and Minister for Trade and Investment

The Honourable Curtis Pitt

Minister for Main Roads, Road Safety and Ports and Minister for  
Energy, Biofuels and Water Supply



The Honourable Mark Bailey

### **Palaszczuk Government powers up an energy and jobs bonanza**

In a major pre-Budget announcement, the Palaszczuk Government is investing \$1.16 billion to ensure affordable, secure and sustainable energy supply for Queensland homes, businesses and industry.

Premier Anastacia Palaszczuk today announced the Government's Powering Queensland Plan - a roadmap to put downward pressure on electricity prices, power jobs and investment and lead the State's transition to a low-carbon electricity sector.

"We know that rising wholesale prices and energy security have emerged as key issues in Australia over the last six months, driven by a lack of federal policy leadership undermining industry investment, gas supply restrictions in southern states, retirement of ageing coal-fired power stations and unprecedented demand during recent summer heatwaves," the Premier said.

"That's why last week my Government took swift action in response to the QCA's regional price determination, investing \$770 million to slash the price increase by more than half.

"My Government is committed to delivering stable electricity prices which have increased by just 1.9 per cent per year on average under our first term. This is in stark contrast to the 43 per cent increase inflicted by the Newman-Nicholls government over their term in office.

"We have used our public ownership of electricity assets to bring more supply into the market to reduce volatility and put downward pressure on wholesale prices, action would not have been possible if the LNP sold off these public assets.

"The Powering Queensland Plan – which includes the \$386 million plan to strengthen and diversify North Queensland's energy and water supply which I announced in Townsville on Friday - is by far the most comprehensive and decisive action by a State government to deal with Australia's current energy crisis."

#### **Powering Queensland Plan**

- Provide electricity price relief by investing \$770m to cover the cost of the Solar Bonus Scheme
- Restart Stanwell Corporation's 385 megawatt (MW) Swanbank E gas-fired power station
- Direct Stanwell Corporation to undertake strategies to place downward pressure on wholesale prices
- Investigate the restructure of the Government owned Corporation generators and potential establishment of 'CleanCo'
- Deliver a \$386m Powering North Queensland Plan to strengthen and diversify the north's energy supply
- Establish Queensland Energy Security Taskforce which will implement outcomes of the Finkel Review which are accepted by Queensland, among other actions

Release

- Confirm the government’s commitment to a 50 per cent renewable energy target
- Undertake a reverse auction for up to 400MW of renewable energy, including 100MW of energy storage
- Improve large-scale project facilitation, planning and network connections
- Implement the Queensland Gas Action Plan
- Continue to advocate for stable, integrated national climate and energy policies

Treasurer Curtis Pitt said Queensland has a highly secure energy supply, including the four youngest and cleanest coal-fired generators in the National Electricity Market; however ongoing vigilance is needed to ensure our future energy security.

“The Powering Queensland plan includes commissioning the Energy Security Taskforce - a team of experts to guide the state’s robust energy security for both the short and long-term which includes implementing the Finkel Review recommendations,” he said.

“The Taskforce will implement Finkel Review outcomes accepted by Queensland, providing options for maintaining system security and reliability to power our communities and industries with the energy and the jobs of the future.

“The Taskforce will be chaired by energy expert, Finkel Review panel member and former Energex Chief Executive Terry Effeney, and members include Professor Suzanne Miller, Queensland’s Chief Scientist as well as Mr Jim Murphy Queensland’s Under Treasurer and Professor Paul Simshauser Director-General of Queensland’s Department of Energy and Water Supply.”

Energy Minister Mark Bailey said the first priority for the Taskforce would be to work with Queensland’s energy businesses to ensure Queensland’s system remains secure during the high demand periods over the 2017–18 and 2018–19 summers.

“The Taskforce will also lead work into developing transmission infrastructure in Queensland’s North-West to support a clean energy hub, assess the need for expanded interconnection between Queensland and other states, and investigate new hydro-electric generation sites,” Mr Bailey said.

“The Palaszczuk Government is today releasing its response to the Renewable Energy Expert Panel Final Report and re-affirming our commitment to a 50 per cent renewable energy target by 2030 (RET).

“The Expert Panel’s Final Report confirms its draft findings that the RET will deliver significant economic benefits to Queensland, with a broadly cost neutral impact on electricity prices while maintaining system security and reliability.

“On the basis of these recommendations, the Government will support investment for up to 400 megawatts of a diversified renewable energy capacity by providing revenue certainty through a reverse auction process, including a 100 megawatt energy storage component, with an emphasis on supporting local jobs and benefits”

Mr Bailey said the Powering Queensland Plan positions Queensland to ensure affordability, supporting industry and jobs as the State transitions to a clean energy economy.

“The Palaszczuk Government will continue to work at the national level to support integrated policy, but in the absence of federal leadership we will not stand idly by and ignore the challenges facing the market,” he said.

“The Powering Queensland plan is firm action to ensure we continue to meet Queensland’s current and future energy needs.”

For more information visit [www.dews.qld.gov.au](http://www.dews.qld.gov.au)

**Media contact:**

Premier’s office –	Geoff Breiusch	reasonably invade an indiv
Treasurer’s office –	Lindsay Marshall	reasonably invade an indiv
Minister Bailey’s office –	Zoe Russell	unreasonably invade an individu

[Unsubscribe](#)

**From:** DEWS CLLO [DEWS.CLLO@dnrme.qld.gov.au]  
**Sent:** Thursday, 8 June 2017 11:31 AM  
**To:** CARDWELL Alethea; JENSEN Rebekah  
**Subject:** FW: \*Overdue\* PPQ's due to CLLO

**Importance:** High

Please refer below email.

Thanks

**Kate Magar**

Cabinet & Executive Services Officer (CLLO) | Cabinet and Executive Services Unit

**Department of Energy and Water Supply**

Telephone: 07 3199 4957 (ext. 74957) | Email: [kate.magar@dews.qld.gov.au](mailto:kate.magar@dews.qld.gov.au)

Level 34, 1 William Street, Brisbane QLD 4000

PO Box 15456, City East QLD 4002

**CABINET-IN-CONFIDENCE**



---

**From:** DEWS CLLO

**Sent:** Thursday, 8 June 2017 11:30 AM

**To:** Energy ODDG; CUSSEN Catherine; RICHARDSON Phil; SCHNEIDER Darren; LEAVER Gayle; STANDEN Kathie; WALSH Paul; ROBERTS Liz; VERRILLS Theo; RATNAYAKE Jayalath

**Cc:** BOLES Jennifer; Corro EWS Energy ECP; Corro EWS Energy ERG; Corro EWS Energy LFE; Corro EWS Energy EIP; AUSTIN Rhyllie

**Subject:** \*Overdue\* PPQ's due to CLLO

**Importance:** High

Hi All,

PPQ's are due to Mins Office today. Below is a summary of outstanding PPQs which will need to be progressed to CLLO as soon as possible.

---

sch3( 6)(c)(i) Infringe the privileges of Parliament

Any concerns, please let me know.

Many thanks,

**Kate Magar**

Cabinet & Executive Services Officer (CLLO) | Cabinet and Executive Services Unit

**Department of Energy and Water Supply**

Telephone: 07 3199 4957 (ext. 74957) | Email: [kate.magar@dews.qld.gov.au](mailto:kate.magar@dews.qld.gov.au)

Level 34, 1 William Street, Brisbane QLD 4000

PO Box 15456, City East QLD 4002

**CABINET-IN-CONFIDENCE**



Published on DNRME  
Disclosure Log  
RTI Act 2009

From: DEWSletter  
Sent: Friday, 30 June 2017 7:06 AM  
To: CARDWELL Alethea  
Subject: Friday Feature - Power plan a team effort

Department of Energy and Water Supply

# Friday feature

## Power plan a team effort



Department of Energy and Water Supply

Open the newspaper, listen to a radio news broadcast or check out the latest news online and chances are there's a story about electricity costs or energy security.

You'll hear how Australia's energy markets are facing significant challenges in relation to electricity and gas prices, system security, gas availability, and energy and climate policy. This situation, if left unaddressed, may threaten energy security and Australia's ability to meet its emissions reduction targets. And, importantly for all consumers, it will continue to result in higher prices for households and businesses.

This month, there was some good news when the \$1.16 billion *Powering Queensland Plan* was released. The plan, developed by DEWS and Queensland Treasury, sets out the Queensland Government's strategy to guide the state through these challenges—both short-term and long-term. It aims to deliver stable energy prices, ensure long-term security of electricity supply, transition to a cleaner energy sector and create new investment and jobs.

Actions under the plan are wide-ranging and include the investment of \$770 million to cover the cost of the Solar Bonus Scheme. Meanwhile, government-owned generator Stanwell is being directed to return its Swanbank E power station to service and alter its bidding strategies to help put downward pressure on wholesale electricity prices. The restructure of government-owned generators will be investigated, including the establishment of a 'CleanCo' generator. This new generator would operate Queensland's existing renewable and low-emissions energy generation assets and develop new renewable energy projects. Steps will also be taken to improve large-scale renewable project facilitation, planning and network connections.

The plan also includes delivery of a \$386 million *Powering North Queensland Plan* to strengthen and diversify the north's energy supply and create a North Queensland clean energy hub. And, under the plan, the government will establish the Queensland Energy Security Taskforce to develop an energy security plan for the state. This taskforce will be quickly mobilised—its first priority is to develop a Queensland summer preparedness plan for 2017–18 by September.

To say the body of work required to develop and finalise the plan was substantial would be an understatement. A number of teams from throughout the department's Energy Division were involved and Deputy Director-General Benn Barr is proud of his team's efforts. "This is one of the most significant pieces of work I have been involved in during my seven years in the division," says Benn. "It's a fantastic piece of policy work and it was a genuine team effort across the division and with our colleagues in BCP and central agencies. The division has already been congratulated by the Minister and several other agencies on the work undertaken."

Work on the *Powering Queensland Plan*—or its preceding iterations—first began in early 2016, when the government appointed the Renewable Energy Expert Panel, supported by a team in Consumer and Pricing Branch, to investigate credible pathways to achieving its 50 per cent renewable energy target by 2030.

General Manager, Consumer and Pricing, Phil Richardson explains, however, that the focus of the plan broadened beyond renewables. "The 2016–17 summer saw a raft of events impacting on the country's electricity prices and energy security," he says. "We saw the closure of Hazelwood power station in Victoria, a series of extreme weather events, wholesale price volatility and energy security issues in southern states. We knew then we had to widen the focus of the strategy to include actions on electricity prices and energy security."

Phil is thankful for the collaboration and teamwork that made the plan's release possible. "This plan has been a huge effort from so many areas of DEWS," he says. "The Consumer and Pricing branch coordinated the development of the plan, including the Cabinet process, and led the work on renewable energy and retail pricing. The Regulation,



*"This is one of the most significant pieces of work I have been involved in during my seven years in the division."*

- Benn Barr

Release

Governance and Analytics branch led the work on wholesale prices, while Energy Industry Policy provided input on energy security," he explains.

"We also had great help from the Business and Corporate Partnership communication teams who were heavily involved. And the support of Queensland Treasury was vital, especially in securing the funding package of \$1.16 billion."

A body of work this significant doesn't come without challenges. According to Phil, the scope and complexity of the issues involved kept the team on their toes. "We were constantly responding to the rapidly changing policy environment and having to adjust the strategy frequently," he recalls. "Navigating through Cabinet on multiple occasions was challenging, and delivering four major announcements in six days was certainly demanding."

But Phil said the experience has also been a positive one. "I know the teams feel a sense of pride in being part of a plan that has made a genuine difference—delivering short-term objectives like moderating electricity prices for consumers, but also influencing the national debate," he says.

"The team has also appreciated the recognition and celebration of the team's success by the DG and Minister's Office. And we were pleased to learn from the Minister's Office that the Powering Queensland Plan has been highlighted as an example to other agencies of a successful approach."

While it was great to get the plan released, Phil concedes that the really hard work has now begun – delivering the plan! "This is a really exciting time for the Energy Division to be at the forefront of the Queensland Government's policy priorities and the national policy debate."

*"I know the teams feel a sense of pride in being part of a plan that has made a genuine difference."*

- Phil Richardson



*Pictured above: Some of the key members of the team who collaborated on the Powering Queensland Plan, left to right: Mitch McCrystal and Andrew Burnett (Pricing Policy), Melissa Bowerman and Jo Anglesey (Corporate Communications) and Ian Chapman (Energy Market Policy).*

**Find out more:**

Visit the Powering Queensland Plan page on the [DEWS website](#)

Read the [Powering Queensland Plan fact sheet](#)

30 June 2017



Do you have an idea for a Friday Feature? [Email us now.](#)

This email was sent by DEWSletter, Level 6, 1 William Street, Brisbane to  
Alethea.Cardwell@dews.qld.gov.au

