

**QUEENSLAND**

**ENERGY AND JOBS PLAN**

Power for **generations**

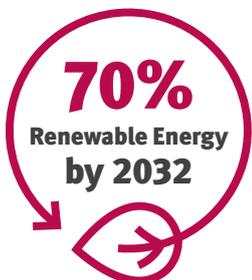
*Queensland*

*Good jobs  
Better services  
Great lifestyle*



# Energy (Renewable Transformation and Jobs) Bill 2023

## CONSULTATION SUMMARY REPORT



**Queensland  
Government**

# 1. Introduction

Last year, the Queensland Government released the Queensland Energy and Jobs Plan (the Plan) to set a clear vision and pathway for transformation of Queensland's electricity system. The Plan commits Queensland to achieving 50% renewable energy by 2030 and sets two new targets of 70% renewable energy by 2032 and 80% by 2035. The Queensland SuperGrid Infrastructure Blueprint outlines how the Government intends to achieve these targets, while maintaining a safe, secure, and reliable supply of electricity and minimising costs to consumers.

To support achievement of the Plan, the Queensland Government is developing new legislation.

On 3 June 2023, the Queensland Government released an exposure draft of the Energy (Renewable Transformation and Jobs) Bill 2023 (draft Bill) for four weeks' public consultation. It sought to:

- enshrine three commitments to the public in legislation, namely the Queensland renewable energy targets; the Job Security Guarantee; and public ownership commitments
- create the frameworks needed to build Queensland's SuperGrid, which are the Queensland SuperGrid Infrastructure Blueprint; Priority Transmission Investments (PTI); Queensland Renewable Energy Zones (REZ); and grid-supporting technology
- establish governance and advice functions for the transformation, including the Queensland Energy System Advisory Board; Energy Industry Council; and Queensland Renewable Energy Jobs Advocate.

Consultation on the draft Bill closed on 30 June 2023. A total of 91 individuals and organisations made submissions. This report summarises stakeholder feedback and subsequent changes to the draft Bill.

The Department of Energy and Public Works (EPW) is appreciative of those who took the time to respond to the consultation. For any questions on the Bill or this consultation report, please contact EPW via [energybill@epw.qld.gov.au](mailto:energybill@epw.qld.gov.au).

## 2. Summary of feedback

Ninety-one responses were received on the exposure draft of the Bill. Of these 91 responses, 43% were individuals and 57% were organisations. A diverse range of stakeholders participated, including industry participants, peak bodies, local governments, and individuals. The elements of the Bill that attracted the most interest were the renewable energy targets, public ownership commitments and REZ. Collectively, this accounted for more than half the total responses received during the consultation period.

Three key themes emerged from the consultation.

- **Theme 1: Broad support for policy intent:** Most respondents supported the transition to renewable energy and key elements of the Plan, and how these elements were translated into legislation. Respondents were pleased Government had a clear vision and committed to timeframes for the transition. Most respondents considered there would be delivery challenges to overcome, but that the Government's approach was sound.
- **Theme 2: Fairness:** Respondents wanted assurances that the frameworks underpinning the transition, and their execution, would not have unintended consequences. This theme appeared across all topics. Fairness meant slightly different things for each topic, but the actions to achieve fairness were similar: genuine engagement (education, consultation, transparency), consideration of multiple options and co-design, and where applicable fair compensation and cost allocation.
- **Theme 3: Greater focus on social licence:** Respondents felt that there should be a greater focus on social licence as part of the energy transformation. Respondents believed without proper consideration of social licence, the energy transformation would fail. Respondents considered social licence not to be a form of 'consent', sought after the plan was laid out, but that it must be embedded into planning and execution. Social licence was considered to require the same level of analysis, policy rigour, planning and funding as the other areas of the plan.

Respondents wanted evidence based, long-term prosperity and prospects for impacted communities and regions (including First Nations people and landowners). To achieve this, respondents called for robust planning and coordination of energy infrastructure, cumulative impact assessment and mitigation, genuine local initiatives and benefits for host communities, and assistance to help communities take advantage of renewable development employment opportunities.

## Commitments to the transition

More than half of respondents provided feedback on one or more of the commitments to the transition outlined in the exposure draft Bill including renewable energy targets, public ownership commitments and the Job Security Guarantee Fund.

### Renewable energy targets

Respondents were generally supportive of enshrining the renewable energy targets in legislation, and of the approach taken in the exposure draft Bill. Some submissions did flag that achieving the targets will require:

- meaningful engagement and support for host communities to ensure benefits are distributed fairly
- an attractive investment environment, for both the public and private sector, and coordination of infrastructure delivery
- formal mechanisms to ensure the targets are met and propel progress.

It was also suggested that the definition of renewable energy be expanded from solar, wind and biomass resources.

### Public ownership

There was general support for enshrining the Government's long-standing public ownership commitments in legislation. It was considered an effective lever for Government to provide certainty to Queenslanders through the energy transformation. However, several submissions cautioned that the right balance between public and private sector investment must be struck for Queensland to achieve its transformation ambitions. Many respondents also sought additional clarity on the methodology for calculating progress toward the targets, and the definition of deep storage.

### Job Security Guarantee

There was strong support for the Job Security Guarantee, and its inclusion in the exposure draft Bill. Stakeholders considered it would provide security for affected energy workers, their families and communities and enable valued workers to be retained. Some respondents wanted the definition of an affected energy worker to be expanded, to capture long-term contractors, privately owned facilities and/or communities who host publicly owned coal-fired power stations.

## Infrastructure frameworks

### Queensland SuperGrid Infrastructure Blueprint

Respondents considered the Infrastructure Blueprint would ensure Queensland had a coordinated, well-sequenced energy transformation and that it could facilitate private sector investment decisions. Multiple respondents requested the scope of the Infrastructure Blueprint be expanded, for example, to include customer energy resources (CER), detail material differences to the national framework's Integrated System Plan and include consultation requirements with impacted communities and First Nations People.

## Priority transmission investments

The PTI framework was considered necessary to assist Queensland in building critical backbone transmission at the scale and pace identified in the Infrastructure Blueprint. It was recognised that the PTI framework had been modelled off existing national processes, and, by some, was considered to be robust and to have retained critical measures to minimise costs to consumers. Many respondents sought assurances Queensland would deliver a well scrutinised, transparent process and adequate consultation opportunities.

## Renewable Energy Zones

The REZ framework was considered to provide a straightforward framework connecting the required renewable energy to the grid to help reach the renewable energy targets. Respondents highlighted the need for broader community and cumulative impact considerations to be included in the process. Many respondents also highlighted the need for a longer requirement for community engagement on the draft REZ Management Plan. Industry stakeholders also sought more certainty and transparency about key parts of the framework.

## Grid supporting technology

Varied responses were received regarding this element of the exposure draft Bill. The critical role of CER was highlighted in many of the responses. A significant group of respondents were concerned the amendments would have unintended consequences for competitive markets.

## Governance and advice functions

There was strong support for all three governance and advice functions outlined in the draft Bill. However, many respondents suggested improvements – these improvements related to increased diversity, consideration of First Nations representation, and the need to ensure there are local Government and/or community voice avenues. Some stakeholders also suggested increased functions, including for the:

- Queensland Energy System Advisory Board (the Board) to provide advice to the Minister on affordability of electricity and on the general planning and coordination of electricity infrastructure
- Energy Industry Council (EIC) to provide advice to the Minister on the scope and operation of the Job Security Guarantee Fund
- Queensland Renewable Energy Jobs Advocate (the Advocate) to provide updates to the EIC on the progress of their work and to facilitate relationships and information sharing with communities.

Stakeholders also sought confirmation of clear, robust, and transparent appointment processes for all governance and advice functions.

### 3. Response to feedback

The Plan outlines an ambitious pathway to transform the State's electricity system to achieve clean, reliable, and affordable power for generations. This transformation will require investment and support from across the public and private sectors. The Bill seeks to create the foundations for success, and to put Queensland on a pathway for achievement.

The feedback received on the exposure draft Bill is appreciated; it provides a valuable base for refinement and improvement. As a result of feedback, key changes have been made. These are detailed in the 'Changes to the Bill' table, below.

It is essential the strategy and legislative settings are well considered. The right settings create a clear understanding of the vision and foster trust, which will be vital to a coordinated, collaborative energy transformation.

The Queensland Government is committed to building genuine partnerships with stakeholders – local communities, including First Nations people; workers; investors; and national and peak bodies. Following feedback, the Bill now includes an even greater focus on transparency and seeks to embed fairness and inclusiveness from the outset. This is being driven by changes to:

- provide greater clarity on the public ownership strategy and what assets fall under the strategy
- legislate a framework for broader community readiness assessments for REZ development
- provide greater transparency across all elements of the Bill.

All these elements are essential for a fair energy transition that maximises shared social, economic, and environmental benefits and long-term holistic prosperity.

## 4. Changes to the Bill

Bill topic	Changes to the Bill in response to consultation feedback
<i>Commitments to the transition</i>	
Renewable energy targets	<p>The definition of renewable energy source has been amended to explicitly identify all renewable energy sources included in the methodology for calculating renewable energy generation.</p> <p><u>Clarification:</u> Queensland’s methodology for calculating renewable energy generation in Queensland will include CER.</p>
Job Security Guarantee	<p>The definition of “affected energy worker” has been expanded to include long-term contractors at publicly owned coal-fired power stations.</p> <p>An amendment has been made to require the Chief Executive and under-Treasurer to consider any advice received from the Council when deciding whether to make a payment from the Job Security Guarantee Fund.</p> <p><u>Clarification:</u> The legislative framework allows for additional facilities to be included through prescription via Regulation. This mechanism is intended to initially be used to prescribe Meandu and Kogan Creek mines, which were identified in the Charter.</p>
Public ownership	<p>The following amendments have been made:</p> <ul style="list-style-type: none"> <li>• The public ownership targets are to be achieved by 2035, with two reporting periods for the public ownership strategy and report (2025 to 2030 and 2030 to 2035).</li> <li>• The generation target is now 54%, and generation assets that predominantly generate electricity for export in the form of energy (e.g. generation for green hydrogen or ammonia export) have been excluded.</li> <li>• The definition of “deep storage assets” includes a capacity size of at least 1.5 gigawatts (GW) for 24 hours to provide certainty about the type of assets which will be prescribed by Regulation.</li> </ul> <p><u>Clarification:</u> The legislative framework will give workers, investors, and the community greater certainty about the Government’s approach to public ownership, with further information to be provided in a public ownership strategy.</p>
<i>Infrastructure frameworks</i>	
Queensland SuperGrid Infrastructure Blueprint	<p>The requirements of what must be included in the Infrastructure Blueprint have been updated and clarified, including estimates of:</p> <ul style="list-style-type: none"> <li>• total installed large-scale renewable generation capacity required to achieve the renewable energy targets</li> <li>• capacity of energy storage required to achieve the optimal infrastructure pathway objectives</li> <li>• capacity for generating electricity on demand required to achieve the optimal infrastructure pathway objectives</li> <li>• electricity to be generated in Queensland by 2035 from devices owned by consumers.</li> </ul>

Bill topic	Changes to the Bill in response to consultation feedback
	<p>The membership of the Board has been expanded (see details under 'Queensland Energy System Advisory Board' below).</p> <p><u>Clarification:</u> Queensland's Infrastructure Blueprint is timed and designed to use the Integrated System Plan as a strong foundation upon which it will add a Queensland focus.</p>
Priority transmission investments	<p>The following amendments have been made to:</p> <ul style="list-style-type: none"> <li>• require the responsible PTI Ministers to seek a submission from Powerlink on how it proposes to assess a proposed PTI project</li> <li>• require the responsible PTI Ministers to seek advice from a suitably qualified person about Powerlink's submission, including whether the modifications proposed by Powerlink to the Regulatory Investment Test - Transmission (RIT-T) process are appropriate and as minimal as practical.</li> </ul> <p><u>Clarification:</u></p> <ul style="list-style-type: none"> <li>• Responsible PTI Ministers must follow PTI guidelines when directing Powerlink or when seeking advice. These guidelines are being developed. The Department will consult with key stakeholders during the development of these guidelines, including around considerations for determining what costs may be included in Powerlink's regulatory asset base.</li> <li>• Current Queensland processes and laws will continue to apply in relation to PTI projects, and this includes seeking relevant planning and environmental approvals, and compliance with right to information laws.</li> <li>• Feedback received in relation to the supporting Regulation is still being considered.</li> </ul>
REZ	<p>The following amendments have been made to the draft Bill:</p> <ul style="list-style-type: none"> <li>• The definition of "REZ controlled assets" has been amended to include that the effect of the REZ controlled assets on the capacity or functioning of the REZ transmission network be 'material'.</li> <li>• The required consultation period for a draft management plan has been extended from 28 to 60 days.</li> <li>• The Minister can require the REZ Delivery Body (RDB) carry out REZ Assessments that may consider the suitability of areas to accommodate the development and operation of relevant infrastructure through the lens of 'critical enablers' but also potential impacts that might arise by way of the development of a REZ within a local area or larger region.</li> </ul> <p><u>Clarification:</u></p> <ul style="list-style-type: none"> <li>• The REZ framework does not override existing development and planning processes.</li> <li>• Consultation on the REZ Roadmap (a draft of which was published in July 2023) provides an opportunity for public input on potential REZ areas. The feedback from the draft Roadmap will aid in guiding future declarations. Further engagement with stakeholders on REZs and associated impacts will also take place through Regional Energy Reference Groups when these are established.</li> </ul>

Bill topic	Changes to the Bill in response to consultation feedback
	<ul style="list-style-type: none"> <li>• REZ assessment activities, also known as REZ Readiness Assessments, may take place prior to a REZ declaration to facilitate consideration of ‘critical enablers’ that may include environment, cultural heritage, workforce, social infrastructure and services, and transport infrastructure. These assessments provide scope to capture the cumulative impacts associated with planned REZs across a REZ region and within a local area.</li> <li>• Queensland’s Government Owned Corporations (GOCs) participate in the market on a commercial basis, and this will continue to be the case in the REZs (as per existing competitive neutrality provisions in the <i>Government Owned Corporations Act 1993</i>).</li> </ul>
Grid supporting technology	<p>The following amendments have been made:</p> <ul style="list-style-type: none"> <li>• The term “synchronous condenser” has been replaced with “reactive power compensation device” to be more technology neutral. For reference, a synchronous condenser has been included as an example of a reactive power compensation device.</li> <li>• The definition of “battery storage device” has now been refined to relate only to plant that stores electricity as chemical energy. Example battery technology types have been included to provide greater clarification. These examples are for guidance only and do not prescribe the only forms of battery storage applicable under this section.</li> <li>• The operating works definition for generation entities has now been amended to include “battery storage devices” and “reactive power compensation devices”. This inclusion removes any unintended or perceived discrimination against generation entities and accurately reflects the range of entities seeking to deploy these assets.</li> </ul> <p><u>Clarification:</u> The Queensland Government recognises the advancements in CER and the important role these technologies will play in Queensland’s future energy system. The Queensland Government, through the Plan, is progressing Action 2.1: Deliver a smarter grid that benefits all Queenslanders that aims to accelerate the effective integration of CER. In addition, the Queensland Government is also supporting households to take up smart technology such as energy efficient appliances and household batteries to help them manage their energy use and participate in the energy transformation, responding to emerging options such as electric vehicles (EVs). Work is also underway to enable a smarter grid, facilitate more effective integration of CER including generation (e.g. solar), storage and EVs into the electricity system to help Queensland achieve its optimal infrastructure pathway objectives.</p> <p>The proposed amendment is limited to planning processes only; it does <i>not</i>:</p> <ul style="list-style-type: none"> <li>• allow a Transmission Network Service Provider (TNSP) or Distributed Network Service Provider (DNSP) the ability to build this infrastructure as of right.</li> <li>• exempt TNSPs and DNSPs from compliance with existing ring-fencing or RIT–T processes (i.e. any ownership and operation of battery storage devices by TNSPs and DNSPs because of this legislative change, remains subject to compliance with current laws and regulatory control). Given this, the models for owning these technologies to provide grid or contestable services remains unaffected and competition is retained.</li> <li>• exclude or privilege certain proponents from developing these assets. The proposed amendment does not disadvantage the private sector</li> </ul>

Bill topic	Changes to the Bill in response to consultation feedback
	<p>investment in battery storage devices and synchronous condensers. The Queensland Government desires to encourage private proponents to own and/or operate such equipment in the Queensland electricity grid and realises private investment is critical to driving competition in market services and placing downward pressure on energy costs to consumers. To further reinforce this point, and for consistency, the scope of the amendment has been extended to generation entities.</p>
<i>Governance and advisory functions</i>	
<p>Queensland Energy System Advisory Board</p>	<p>The following amendments have been made:</p> <ul style="list-style-type: none"> <li>• The membership of the Board is increased to at least five and no more than seven appointed members, one independent Chairperson and two ex-officio members. <ul style="list-style-type: none"> <li>○ One appointed Board member must have knowledge, qualifications, or skills in relation to workforce advocacy in the energy and/or manufacturing industry.</li> <li>○ At least one appointed Board member must be an Aboriginal person or a Torres Strait Islander person.</li> </ul> </li> </ul> <p><u>Clarification:</u></p> <ul style="list-style-type: none"> <li>• The Board is designed to be an independent governance body.</li> <li>• In line with Queensland Government policies, all appointments to the Board will be subject to a significant appointment process. An expression of interest will be released, and consideration will be given to ensuring diversity in line with Government policy.</li> <li>• Appointments and remuneration for the Board will be set by the Governor in Council.</li> </ul>
<p>Energy Industry Council</p>	<p>The EIC has the additional function to advise the Minister on the purposes of the Job Security Guarantee Fund, related to implementing the Job Security Guarantee.</p> <p><u>Clarification:</u></p> <ul style="list-style-type: none"> <li>• The EIC is a commitment under both the Plan and the Queensland Energy Workers' Charter, both of which stipulated the membership would be tripartite, reflective of the organisations who signed the Charter. Council members will hold their positions by virtue of their role within either a publicly owned energy business or relevant energy union. An individual will be appointed as the independent chairperson following a competitive application process, to ensure transparency.</li> <li>• In keeping with Queensland Government policies all appointments to the Council will be subject to a significant appointment process.</li> <li>• Appointments and remuneration for the Council will be set by the Governor in Council.</li> </ul>
<p>Queensland Renewable Energy Jobs Advocate</p>	<p>The functions of the Advocate have been amended to include the following:</p> <ul style="list-style-type: none"> <li>• To consult with both businesses and Aboriginal peoples and Torres Strait Islander peoples on ways to increase employment opportunities in the energy industry for Aboriginal peoples and Torres Strait Islander peoples.</li> <li>• To provide updates to the EIC on the progress of their work.</li> <li>• To facilitate relationship building and information sharing between communities and those carrying out an electricity infrastructure project in their area.</li> </ul>

Bill topic	Changes to the Bill in response to consultation feedback
	<p><u>Clarification:</u></p> <ul style="list-style-type: none"> <li>• The Advocate is not an ombudsman. Instead, the Advocate will promote opportunities for local communities and workers in the future energy system. The Advocate’s role will also have an emphasis on meaningful engagement with Aboriginal peoples and Torres Strait Islander peoples.</li> <li>• In keeping with Queensland Government policies, the appointment of the Advocate will be subject to a significant appointment process. An expression of interest will be publicly released, and consideration will be given to ensuring there is diversity.</li> <li>• The appointment and remuneration of the Jobs Advocate will be set by the Governor in Council.</li> </ul>