

~~NOES, 37—Bates, Bleijie, Crandon, Cripps, Cunningham, Davis, Dempsey, Dickson, Douglas, Dowling, Elmes, Emerson, Flegg, Foley, Gibson, Hopper, Johnson, Knuth, Langbroek, McArdle, McLindon, Malone, Menkens, Messenger, Nicholls, Powell, Pratt, Rickuss, Robinson, Seeneey, Simpson, Springborg, Stevens, Stuckey, Wellington. Tellers: Horan, Sorensen~~

~~Resolved in the affirmative.~~

~~Bill read a third time.~~

~~Interruption.~~

### ~~DISTINGUISHED VISITOR~~

~~Mr DEPUTY SPEAKER (Mr O'Brien): Order! I acknowledge in the public gallery the ambassador from Turkey and his delegation.~~

~~Honourable members: Hear, hear!~~

### ~~TRANSPORT AND OTHER LEGISLATION AMENDMENT BILL (NO. 2)~~

~~Resumed.~~

#### ~~Long Title~~

~~Mr DEPUTY SPEAKER: Order! Under the provisions of the resolution agreed to by the House and the time limit for the long title of the bill being agreed to having expired, the question is that the long title of the bill be agreed to.~~

~~Question put—That the long title of the bill be agreed to.~~

~~Motion agreed to.~~

## GEOTHERMAL ENERGY BILL

### First Reading

**Hon. S ROBERTSON** (Stretton—ALP) (Minister for Natural Resources, Mines and Energy and Minister for Trade) (3.35 pm): I present a bill for an act to enable and facilitate the production of geothermal energy, to amend this act, amend and repeal the Geothermal Exploration Act 2004, to repeal the Timber Utilisation and Marketing Act 1987, to amend the Aboriginal Land Act 1991, Coastal Protection and Management Act 1995, Dangerous Goods Safety Management Act 2001, Electricity Act 1994, Environmental Protection Act 1994, Fire and Rescue Service Act 1990, Foreign Ownership of Land Register Act 1988, Forestry Act 1959, Greenhouse Gas Storage Act 2009, Land Act 1994, Land Court Act 2000, Land Protection (Pest and Stock Route Management) Act 2002, Land Title Act 1994, Local Government Act 2009, Mineral Resources Act 1989, Nature Conservation Act 1992, Pest Management Act 2001, Petroleum Act 1923, Petroleum and Gas (Production and Safety) Act 2004, Queensland Heritage Act 1992, State Development and Public Works Organisation Act 1971, Survey and Mapping Infrastructure Act 2003, Sustainable Planning Act 2009, Torres Strait Islander Land Act 1991, Valuation of Land Act 1944, Water Act 2000, Whistleblowers Protection Act 1994 and Workplace Health and Safety Act 1995 for particular purposes and to make a consequential amendment of the Wild Rivers Act 2005. I present the explanatory notes, and I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

*Tabled paper:* Geothermal Energy Bill.

*Tabled paper:* Geothermal Energy Bill, explanatory notes.

### Second Reading

**Hon. S ROBERTSON** (Stretton—ALP) (Minister for Natural Resources, Mines and Energy and Minister for Trade) (3.37 pm): I move—

That the bill be now read a second time.

Climate change has been recognised as one of the greatest challenges of our time. The Bligh government is taking steps to reduce the impact of climate change on Queenslanders through recent developments such as the Queensland Renewable Energy Plan, which outlines a road map for the expansion of the renewable energy sector in Queensland. The Geothermal Energy Bill is another

strategic response from the government to tackle climate change as we move to broaden our energy mix away from a reliance on fossil fuels.

The bill aims to support this innovative industry by delivering a flexible framework for regulating geothermal exploration and production and delivering a clear message to the geothermal industry—you can invest in Queensland with certainty and confidence. Due to the time constraints, I seek leave to incorporate the remainder of my second reading speech in *Hansard*.

Leave granted.

Geothermal resources are renewable energy sources derived from heat within the Earth's subsurface.

Queensland is well placed to capitalise on geothermal energy. Based on research to date, we are home to most of Australia's hot rocks.

Geothermal energy production has the potential to make a significant impact on the Federal Government's national renewable energy target of 20 per cent of Australia's electricity supply to come from renewable energy sources by 2020.

This Bill supports the Government's investment in geothermal initiatives, for example our \$15 million investment in the Queensland Geothermal Energy Centre of Excellence and our recent \$5 million commitment to the Coastal Geothermal Energy Initiative, which will identify high geothermal heat flow areas close to existing electricity transmission lines along the Queensland coast.

The purpose of this Bill is to implement the Queensland Government policy for geothermal energy production and use by:

- Underpinning the concept that the people of Queensland own all geothermal energy resources;
- Ensuring a consistent approach with other Queensland resource-based legislation; and
- Providing security and flexibility for the fledgling geothermal industry.

This Government is committed to encouraging the widespread production and use of geothermal energy to maximise its climate change benefits, and potential to support rural and regional jobs growth.

This Bill will regulate large scale geothermal energy production.

Other geothermal production activities will be regulated through existing legislation, for example the Environmental Protection Act 1994 and the Sustainable Planning Act 2009.

A key focus of the new framework is to promote competition in the geothermal energy field and promote Queensland as an attractive place for the geothermal industry to do business.

Queensland receives wide interest from the resources industry, therefore much of the State is subject to other resource-based tenures. The Bill provides mechanisms for resource holders to arrive at an arrangement for land use where they have overlapped an existing authority.

Responsible land and resource management is another key element of the Bill. We have a responsibility to ensure that our resources are managed wisely. The Government will monitor geothermal developments by ensuring that geothermal explorers and producers supply regular reports of the activities being carried out.

We will also manage the environmental impacts of geothermal activities by ensuring companies obtain the relevant environmental and water authorities before exploration or production activities commence.

The resource and agricultural sectors are the backbone of Queensland's rural and regional economy and their co-existence is critical to the long term economic prosperity of the State. It is critical that processes are in place to manage the interaction between the sectors to ensure both industries continue to grow and prosper.

Recognising this issue, the Bill provides the legislative framework for the implementation of the Land Access Policy Framework which has been developed collaboratively with key resource and agricultural sector stakeholders.

The Bill introduces new provisions for access to private land and compensation including:

- a requirement for compliance with a single Land Access Code of Conduct;
- notice of entry requirements for access to undertake low impact preliminary activities;
- a requirement for Conduct and Compensation Agreements to be entered into prior to access for advanced activities;
- a prescribed process for negotiating agreements, including mediation; and
- improved compliance and enforcement powers.

A single Land Access Code of Conduct has been developed in collaboration with key stakeholders and is given force through the Bill.

To assist in developing Conduct and Compensation Agreements under the new regime, a standard agreement form is being produced to assist negotiations.

The Bill delivers consistent land access processes that will improve the transparency, equity, and co-operation.

The Bill also clarifies that coal seam gas (CSG) proponents may undertake agreed low impact surface activities, that do not invoke a resource right, in underground coal gasification (UCG) pilot areas. This will allow CSG production activities in surrounding areas to continue whilst allowing for the trial of UCG technology.

The Bill also includes an amendment to the Electricity Act 1994 to provide a head of power for improvements to the retailer of last resort scheme to better balance the recovery of associated costs.

The scheme protects customers of a failed electricity retailer by automatically transferring them to a retailer of last resort, so the customers continue to receive electricity. The scheme operated successfully in December last year, when Jackgreen (International) Pty Ltd was suspended from trading in the National Electricity Market.

Currently, retailers of last resort can recover their costs of providing this service by imposing a fee on the transferred customers. The amendment in the Bill will enable a more equitable approach, by allowing the costs to be spread across all electricity customers through distributors' network charges. The amendment will enable the improved cost recovery process to be developed and included in the regulation which sets out the details of Queensland's retailer of last resort scheme.

The Bill also includes a number of other minor amendments as detailed in the Bill's explanatory notes.

Mr Speaker, the legislation I have today placed before the House for its consideration will encourage the geothermal industry to invest in Queensland and help the State move towards a cleaner, greener energy future.

I commend this Bill to the House.

Debate, on motion of Mr Seeney, adjourned.

## ~~SOUTH EAST QUEENSLAND WATER (DISTRIBUTION AND RETAIL RESTRUCTURING) AND OTHER LEGISLATION AMENDMENT BILL~~

### ~~Second Reading~~

~~Resumed from 13 April (see p. 1260), on motion of Mr Robertson~~

~~That the bill be now read a second time.~~

~~**Mr SEENEY** (Callide LNP) (3.38 pm): I am pleased to make a contribution to the consideration of the South East Queensland Water (Distribution and Retail Restructuring) and Other Legislation Amendment Bill. Given the fact that the time for debate on this bill has been constrained by a resolution of this House my comments this afternoon will be more restricted than they otherwise may well have been.~~

~~The bill before the House deals with a number of issues, some of which are contentious and most of which could have been the subject of much more extensive consideration by this parliament. The bill deals with the final stages of the government's water reform program by providing the regulatory framework for the water retailers in South East Queensland. It seeks to deal with the issue of the water that is produced from the coal seam gas industry in the Surat and Bowen basins. It seeks to deal with some issues surrounding the class 2 water boards that stemmed from the Weller review that the government has been puzzled about for some time now. It seeks to make some changes to clarify the situation surrounding resource operation plans during the transition phases of water resource plans. It also deals with standards for recycled water.~~

~~Every one of those issues is complex and every one of those issues could be the subject of very detailed consideration. But because of the time constraints today the consideration of this legislation will, as I said, be constrained.~~

~~Let me first deal with the part of the bill from which the bill takes its title. The bill is titled the South East Queensland Water (Distribution and Retail Restructuring) and Other Legislation Amendment Bill. The South East Queensland water reform process has been a great indicator of the incompetence of the Labor government to carry out any complicated process with any sort of professionalism in public administration.~~

~~This is the second of two bills that reduce the local government water entities from 10 to three. It is the last stage of a long process which began in a panic when the government realised that South East Queensland faced a water crisis brought on primarily because of the government's failure to invest in infrastructure and the government's failure to make any plans for a long term secure water supply for South East Queensland. It was the former Premier's so-called water reform process.~~

~~The bill before the House provides a regulatory framework for those entities that provide the retail water services to Queenslanders in the south east corner. It is the last piece of legislation to implement what was a council model—a model that was suggested by the councils in South East Queensland to replace that part of the water reform process that they saw as being inadequate in terms of providing those retail services. Like the rest of Queensland, they knew that the government had bungled the water reform process from the start. It had bungled the process to such an extent that consumers in South East Queensland will pay exceptionally high water costs for years to come. Something I have spoken about in this House before is that the retail entities that this bill deals with will be the retail entities that the water consumers will deal with, and they are in grave danger of being blamed for the increased water prices that are already happening and that are coming in the water price paths that have been established.~~

~~Nobody in South East Queensland should ever lose sight of the fact that the increases in water prices that have been imposed on consumers in South East Queensland and will be imposed on consumers in South East Queensland in the future and will be levied through these retail entities are the responsibility and the fault of the state government. It is the cost of the bulk water that the state government has seriously inflated because of its incompetence.~~

~~Already we have seen water prices go from \$506 last year to a projected \$747 in 2012-13—almost a 50 per cent increase—and consumers in South East Queensland have every right to know why that increase has occurred. They have to look no further than the bungles that the Labor government has presided over. I refer of course to the Traveston Dam debacle. The \$250 million of unrecoverable costs that were sunk into the Traveston Dam debacle will be recovered from water~~