

The Hon. Mark Bailey MP
Minister for Energy and Water Supply and Minister for Main Roads, Road Safety and Ports

Via email: energyandwatersupply@ministerial.qld.gov.au

CC to Far North Queensland Members of Parliament via email: Curtis Pitt, Rob Pyne, Craig Crawford, Billy Gordon, Shane Knuth and Andrew Cripps

23rd October 2016

Dear Minister

Re: The lack of transparency and compressed timetable of the Queensland Renewable Energy Expert Panel

We attended the Public Forum of the Queensland Renewable Energy Expert Panel (the Panel) in Cairns on 20th October.

One of the draft findings of the Panel is that based on the modelling by consultants the outcome for electricity prices is projected to be broadly cost neutral under Queensland policy measures. This outcome is based on an assumption that increased renewable energy will place downward pressure on wholesale prices. Consultants added a proviso to this assumption, a note that the modelled outcomes may not reflect actual outcomes in the market eg if existing generation exits the market.

The Chairman of the Panel, Colin Mugglestone, stated at the Cairns Public Forum that it is the intention of the Panel to release the consultant's reports with the final report in December.

It is not possible to understand the basis of the cost neutral outcome for electricity pricing unless the consultant's reports are released to the public.

We also wish to express our disappointment at the compressed timetable. The Panel was appointed in January 2016 and took 10 months to release a Draft Report. The Draft Report was released on 12 October and the Queensland Government expects Queenslanders to provide submissions by 2nd November ie only 3 weeks after the release of the Panel's Draft Report and only 2 weeks after the Panel's Public Forum in Cairns. Of the Panel's 6 regional forums 2 have been held on 19 October, 2 on 20th October and 2 are yet to be held and are scheduled for 25th and 26th October.

The Australian Energy Market Operator's (AEMO) final report into the recent black system event in South Australia will have ramifications for the entire national grid including Queensland's generation and network businesses. AEMO's final report is not expected to be released for 6 months.

We request that the Queensland Government extend the timeframe for the delivery of the Panel's final report until after the release of AEMO's final report and in the interest of transparency immediately release all consultant's reports pertaining to the Panel's Draft Report or any report upon which the Panel bases its recommendations.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'J Brownie', is written over a light blue circular stamp.

Jennifer Brownie
Coordinator