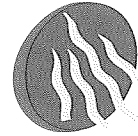




Hon Geoff Wilson MP
Member for Ferny Grove



**Queensland
Government**

Your Ref: Petitions
Our Ref: ME/08/4091, MC2774

Minister for Mines and Energy

12 FEB 2009

Mr Neil Laurie
The Clerk of the Parliament
Parliament House
Cnr George and Alice Streets
BRISBANE QLD 4000

Dear Mr Laurie

I am in receipt of Petition number 1158-08 by the Queensland Legislative Assembly dated 13 November 2008. I have considered the Petition carefully and in accord with the requirement of Standing Orders of the Queensland Legislative Assembly, I am pleased to provide my response to the Petition.

Powerlink, in joint planning with ENERGEX, has identified the need to reinforce the bulk electricity supply network near Cooroy. This upgrade of the electricity supply is necessary to meet the ongoing high growth in electricity demand in the Sunshine Coast, Gympie and surrounding areas. To meet demand, Powerlink plans to construct a new transmission line from its existing substation at Woolooga, approximately 14 kilometres north west of Gympie to a proposed new substation at Eerwah Vale (named Cooroy South).

Powerlink has engaged independent environmental consultants, Parsons Brinckerhoff, to prepare a draft Environmental Impact Statement (EIS) for the proposed transmission line and to undertake consultation with landowners and stakeholders. The draft EIS will provide detailed information about the need for the project, the alternatives to the project, the process for selecting the project corridor, as well as the environmental, social and economic impacts.

The Queensland Government is actively supporting a comprehensive and coordinated response to climate change, and is committed to securing a sustainable energy future.

In June 2007, the Queensland Government released the *ClimateSmart 2050* strategy. *ClimateSmart 2050* is a \$414 million investment which establishes Queensland's long-term goals and provides a platform for the Queensland Government, the community and industry to move into a low-carbon future.

ClimateSmart 2050 outlines a diverse range of short, medium and long-term actions that the Government is committed to delivering to move Queensland to a low emissions economy. This pathway towards cleaner energy includes gas and low emissions technology such as clean coal and renewables.

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The Queensland Government has invested \$50 million over five years in the Queensland Renewable Energy Fund. This fund was launched on 18 February 2008 and provides grants and loans for projects that are beyond proof of concept and will contribute actual power generation into the Queensland grid.

To further encourage the geothermal industry, the Queensland Government has committed \$15 million over five years to the Queensland Geothermal Centre of Excellence, in collaboration with the University of Queensland, which will have a research and development focus on energy derived from subterranean 'hot rocks'.

On 14 May 2008, the *Clean Energy Act 2008* was passed, giving legislative effect to the Queensland Government's Feed-In Tariff. The Solar Bonus Scheme pays customers 44 cents per kilowatt hour for surplus energy generated from photovoltaic solar systems.

These are some of the initiatives the Bligh Government has announced to support the development of technology that will lead to reduced upfront costs and widespread deployment of solar and other renewable energy sources.

The Queensland Government is also encouraging individual Queenslanders to save energy and reduce their household emissions through its EnergyWise program. The suite of EnergyWise initiatives assists households identify energy wastage such as standby power and provides information and practical activities for households to learn how to conserve more energy through using energy efficient appliances.

Clearly these State Government policies will support a more sustainable and environmentally responsible supply of electricity now and into the future. However, there is still significant uncertainty in the short to medium term about how these policies will impact peak electricity demand and the level of local generation. I have been advised that the need to reinforce the bulk electricity supply network near Cooroy is driven by the forecast growth in peak electricity demand.

As you may be aware, Powerlink is legally obliged under the National Electricity Rules, the *Electricity Act 1994* and its transmission authority to upgrade its network so it can reliably meet the peak demand on the hot and humid summer days, even with the most critical network element out of service.

These strong legal obligations on Powerlink to ensure security of electricity supply mean that it must take a conservative approach to infrastructure planning. Based on the evidence at hand, Powerlink advises that even allowing for a realistic estimate of demand side management initiatives or localised small scale alternative energy supplies such as solar panels, a new high voltage electricity transmission line will still be needed by 2014 to meet the electricity supply needs of the Sunshine Coast, Gympie and surrounding areas.

The public can be assured that no decision will be made on the final alignment of the new powerline until all landowner and stakeholder consultation has been completed, and I would encourage all interested parties to participate in those processes.

Yours sincerely



GEOFF WILSON MP
Minister for Mines and Energy