



Increasing energy supply

The foundation for reliable and affordable energy supply is predictable and efficient regulation.

Long-term vision and political leadership in Queensland has for many decades served the state and its citizens well. While other jurisdictions have faltered, Queensland is in the enviable position where it produces more than enough natural gas to supply all of its own requirements in terms of gas-fired electricity generation, manufacturing feedstock, and domestic usage around the home.

The Queensland economy is intrinsically linked with that of gas and the broader resources sector. In 2016 alone, the Queensland gas industry directly and indirectly supported 40,000 Queensland jobs, with a further 25,000 roles being supported via consumption-induced activities.

The development of Queensland's gasfields, along with the associated power infrastructure to service it, is also enabling renewable energy generation as new renewable projects piggyback off this same power infrastructure to connect to the grid. Gas power generation is a perfect match with solar and wind to provide energy into the grid when the sun is not shining or the wind is not blowing.

Ensuring predictable and efficient regulation is essential to support the long-term investment needed to bring forward new energy supplies. Confidence in Queensland as an investment destination has however declined in recent years. The Fraser Institute's 2016 Global Petroleum Survey showed that Queensland recorded the largest overall drop of any jurisdiction in the Oceania region in the 'policy perception index'. Many respondents said they were strongly deterred by the state's regulatory duplication, compliance costs and environmental regulation.

The onshore natural gas industry is heavily regulated at both the Commonwealth and state levels. An onshore gas company must comply with more than 70 pieces of state and federal legislation, numerous additional regulations, associated operational, and local council regulations.

Given this backdrop there is considerable potential to achieve regulatory reform to reduce cost, increase productivity, and support further investment without compromising standards of safety or environmental protection.

Objectives

Maintain existing royalty arrangements.

Maintain the existing Regional Planning Interests Act legislative and regulatory framework.

Establish a joint industry–government taskforce to identify and implement reforms to achieve a 50% reduction in compliance costs and approvals timeframes.

Increase industry productivity, and reduce environmental and landholder impacts, by abolishing the blanket prohibition on the use of steel casing in horizontal wells.

Improve efficiency by enabling project based administration of tenure and environmental authorities.

Provide for prompt certification and acceptance of liability by government for progressively rehabilitated land.



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