

To: [Committee, JSCNA \(REPS\)](#)  
Subject: Tablelands Wind Turbine Action

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Committee Secretary

Joint Select Committee on Northern Australia

PO Box 6021

Parliament House

CANBERRA ACT 2600

Email: [jscna@aph.gov.au](mailto:jscna@aph.gov.au)

Tuesday, 18 February 2014

Dear Sir/Madam

**Submission addressing the Terms of Reference: White Paper on Northern Australia**

I am writing to you on behalf of residents of the Atherton Tableland who are concerned about the environmental, social and economic impacts of a growing number of wind farm proposals in our region.

The Terms of Reference for the Joint Select Committee on Northern Australia make a general reference to examining the potential of the region's energy industry. Consequently, we didn't consider it necessary to make a submission. However, we recently learned that the First Assistant Secretary David Williamson and Advisor Ben Dal Brio briefed regional business organisations on 19 December 2013 about the Northern Australia White Paper (see [www.fngroc.qld.gov.au/newsletter/latest-newsletter.html](http://www.fngroc.qld.gov.au/newsletter/latest-newsletter.html)). A focus of discussions appeared to be the need for our region to produce its own energy for 'energy security' and because of a 50 per cent electricity transmission loss which has created a financial burden for regional industries and the Queensland Government. Wind farm developers and their supporters have been consistently using energy security and transmission losses as arguments in favour of wind farms, to such an extent these claims have now become accepted as fact. We are concerned the Northern Australia White Paper will become a political tool to advocate further wind farm development on the Tablelands. ***We call on the Joint Select Committee to cut through the hearsay and ensure decisions about Northern Australia's energy future are based on fact, not wind industry spin.***

**Do we need a local power source?**

Queensland Energy Minister Mark McArdle has publicly stated that Queensland's current energy capacity will last until 2020. In October 2013, the Queensland Government owned Stanwell Corporation stated that its baseload generators are running at just 63 per cent capacity, even after half of Tarong's capacity was closed. It said that Queensland was operating with nearly 60 per cent surplus, mostly due to rooftop solar. On a national level, Australia is in surplus and energy demand is decreasing. The Bureau of Resources and Energy Economics has highlighted the current oversupply of wind energy that resulted from the previous Federal Government's Renewable Energy Target. Yet we regularly hear wind farm supporters stating that wind farms will provide us with energy security and are critical for the development of Far North Queensland. We contend wind farms can't meet regional energy demands and do not provide energy security.

***We question the economic feasibility of achieving 'energy security' for Northern Australia, and call on the Joint Select Committee to acknowledge the underlying intermittency and baseload back-up problems of wind power.***

#### **Transmission losses and costs**

Notes from the stakeholder briefing claim there is a 50 per cent electricity transmission loss to Far North Queensland, that business is paying the full price for these losses and the Queensland Government is subsidising households to the tune of \$750 million a year. Our understanding is that the Australian Energy Market Operator stated in its 2013 report the average transmission loss is 14 per cent, not 50 per cent. We have also been informed by reliable industry sources that wind farms proposed on the Tablelands will not reduce the distribution costs, nor will they reduce the \$750 million paid by the State Government. Our understanding is that the transmission loss factor is a small part of the \$750 million Community Service Obligation. If a wind farm still requires southern baseload power as back-up, will it have any impact on the CSO?

***We request the Joint Select Committee ensures it is properly briefed by industry experts, rather than wind farm developers and their supporters.***

#### **Hidden costs of wind farms**

Intermittent renewables like wind power increase the risk to Australia's economic competitiveness and the cost burden on all Australians. The Queensland Energy Minister Mark McArdle recently stated in the national media that renewable energy is pushing up the cost of producing and supplying electricity. Wind farms are only viable due to the payment of current renewable energy subsidies. For instance, the estimated subsidy for the 190MW Mount Emerald Wind Farm proposal will be \$20 million. This equates to about \$400 million of subsidies over the wind farm's 20-year lifetime, a bill which is ultimately paid by electricity consumers. The government-mandated subsidy which

currently averages \$35-\$40/MWhr is equivalent or up to double the average value of the energy produced. These costs, driven by the Renewable Energy Target, are being passed on to Queensland's agricultural industries, manufacturers and householders. We do not support uneconomical energy projects that will take money from the pockets of other industries and ordinary Queenslanders.

Being an unreliable source of power, wind farms do not reduce the requirement to invest in fossil fuelled power stations. In fact distributors such as Ergon Energy state:

Due to the intermittent output of many renewable energy generators, distributors must still build the network to meet peak demand without the generator's energy contribution, so the generator doesn't generally defer network capacity expenditure or stand-by generation expenditure.

Queensland has large supplies of reliable sources of energy in the form of coal and liquefied natural gas. Our state will be providing these resources to overseas countries for decades to come. Generating electricity by harnessing the wind is up to five times more expensive than electricity generated by coal-fired power stations.

We have no problem with locally produced energy that is efficient, safe, reliable and doesn't add to our existing transmission and distribution costs. Far North Queensland already boasts two hydro-electric schemes and we have an excess of water compared to the rest of Australia. If the region must embrace renewables, then surely we should be pushing for baseload renewables such as hydro, not intermittent wind energy that requires a back-up power source. ***We ask the Joint Select Committee to recognize the unsuitability of wind power to drive our regional economy.***

### **Costs of wind farms are externalised onto other sectors**

There is a steady stream of research and media stories on the unfolding social, economic and environmental problems occurring around large-scale wind farms in Australia and overseas. It is widely recognized overseas and in other areas of Australia that the costs of wind farms are externalized onto other sectors, especially agriculture. Loss of property value and loss of future development potential effectively create economic "dead zones" around wind farms. We have deep concerns about the intermittent energy produced by wind farms, as well as the lasting impacts on our environment, communities and other industries.

### **Conclusion**

We thank the Joint Select Committee on Northern Australia for providing the opportunity to comment on the Terms of Reference and we look forward to further involvement in the development of an equitable and informed process for achieving a

positive future for Northern Australia.

Yours sincerely

Steve Lavis

Tablelands Wind Turbine Action