

Queensland's new CleanCo

What is CleanCo?

The Queensland Government has announced its plans to create a third Government owned energy company referred to as 'CleanCo'. CleanCo is Queensland's new renewable energy focused and public owned electricity generator.

Why has it been established?

To secure a cleaner, more affordable, sustainable and secure energy supply for Queensland. CleanCo has been designed to assist the Queensland Government respond to the challenges of climate change and meet a key policy objective of 50 per cent renewable energy generation capacity by 2030 under the Queensland Renewable Energy Target (QRET).

CleanCo has a commercial mandate to increase competition to the energy market at peak demand times when wholesale electricity prices are at their highest.

This will drive down wholesale electricity prices, delivering cheaper energy to Queensland households and businesses.

How will it support the QRET?

CleanCo's generation assets will support growth in Queensland's renewable energy sector and deliver 1000MW of renewable energy generation capacity by 2025.

Will CleanCo incorporate existing government owned assets?

CleanCo will have a strategic portfolio of low and no emission power generation assets, and will build, construct, own and maintain renewable energy generation. This includes the trading rights to a foundation portfolio of existing renewable and low emission energy generation assets such as the Wivenhoe pumped storage hydro plant, Swanbank E, Barron Gorge, Kareeya and Koombooloomba power stations.

The physical assets of the foundation portfolio are proposed to be transferred to CleanCo after it has developed the capability to manage these assets to the requisite standards of safety and reliability.

What does this mean for existing energy generators?

CS Energy and Stanwell will continue to return a net positive benefit to the people of Queensland and continue to remain commercially viable over the medium-long term. The viability of GOC generators continues to be a Government priority.

The Queensland Government has also announced it will work with existing generators to look at opportunities for involvement in the renewable future, complimenting the work that will be done by CleanCo. This will include identifying opportunities for diversification and strengthening of generation capacity, investments and performance.

What does this mean for energy workers?

CleanCo will mean jobs in the renewable energy industry, starting with 1000MW of new renewables like solar, wind and hydro. This is supported through an initial funding injection of \$250 million.

Any employees transferring to CleanCo from either CS Energy or Stanwell will maintain their existing conditions, including no-forced redundancies or relocations.

Any new CleanCo employees will also be on the same terms and conditions as any transferring employees.

The Queensland Government is also establishing a new Just Transition Group with dedicated resources to lead the development of a Just Transition Policy Framework to help workers and communities as the economy transitions to renewables.

This will be supported by a Just Transition Advisory Committee to assist the dedicated unit and work in partnership with workers and communities.

The Committee will be made up of the Energy GOCs, relevant unions, Jobs Queensland, the Department of Natural Resources, Mines and Energy, Queensland Treasury and the Office of Industrial Relations.

What does this mean for energy consumers?

The Government's preliminary analysis indicates CleanCo would reduce wholesale electricity prices by on average around \$7 / MWh, which is expected to translate to an estimated \$70 per annum saving for the average household.

Establishing the CleanCo

Queensland Treasury will work with the Department of Natural Resources, Mines and Energy, CS Energy, Stanwell and other stakeholders to establish CleanCo to deliver better energy outcomes for all Queenslanders.

A Board and Chief Executive will be appointed, reporting to responsible shareholding Ministers.

When will the CleanCo be operational?

CleanCo is expected to be trading in the National Electricity Market in 2019, subject to receiving regulatory approvals.

For more information email the
CleanCo Implementation Taskforce

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