

Media Statement

31 May 2021

Sugar power covers for Callide power station outage.

Sugar power, the electricity produced from plant fibre left over from crushing cane, is providing a homegrown solution to stabilising Queensland's electricity network as Biloela's Callide Power Station remains offline.

Australian Sugar Milling Council (ASMC) Director, Economics, Policy and Trade David Rynne said co-generation facilities co-located at Wilmar's Victoria Mill in Ingham, and Mackay Sugar's Racecourse Road Mill had been running to fill the energy deficit caused by the Callide outage while the Pioneer Mill near Ayr started ramping up yesterday.

"The Queensland sugar milling sector produces over 4 million tonnes of sugar each year but what many people don't know is that it is a significant electricity producer," Mr Rynne said.

"Queensland's 19 sugar mills produce around 1 million megawatt hours (MWh) of electricity annually from 438 megawatts of installed generation capacity of which over half is exported into the National Electricity Market (NEM) to power thousands of homes and businesses up and down the State."

Mr Rynne said that sugar power was "dispatchable and synchronous" meaning it made the NEM more reliable and secure.

"Co-generation from bagasse offsets the risks of power supply associated with intermittent solar and wind renewable supply as well as unforeseen supply issues such as what we've just witnessed at Callide," Mr Rynne said.

"As a leading producer of clean, green and abundant sugar power, we can accelerate Queensland's energy transition, enhance energy security, reduce greenhouse gas emissions and stimulate regional development."

Mr Rynne said that greater government support could maximise the potential of biopower plants co-located at sugar mills and help the Queensland Government to achieve its 50% renewable energy target (RET) by 2030.

"We could more than triple our current cogeneration output to 3.4 million MWh each year to help cover coal-fired power station retirements and meet the projected increase in the State's power consumption," he said.

"The Queensland sugar industry could meet half of the State's renewable supply gap under the right commercial and policy settings."

The most recent Green Energy Markets' forecast expects that Queensland's renewable energy will only reach around 30% of electricity consumption by 2030.



A 2021 Clean Energy Council Report released in March shows Tasmania produced close to 100% of its electricity from renewable sources last year while South Australia touched 60%. At 16.6% renewable electricity penetration, Queensland is lagging behind all other states in Australia.

-ENDS-

For more information, please contact:
Gareth Quinn, 0417 711 108

Background

Sugar is one of Australia's largest agricultural exports, with a total annual revenue of almost \$2 billion. Around 95% of sugar manufactured in Australia is produced in Queensland with the remainder in northern New South Wales. Australia exports more than 80% of its raw sugar to buyers overseas, placing it among the top four raw sugar exporters in the world.

ASMC is the peak body representing the interests of raw sugar manufacturers and marketers. ASMC represents five sugar manufacturing companies which collectively produce 90 percent of Australia's raw sugar at their 16 sugar mills in Queensland.