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By email: insights@powerlink.com.au

To whom it may concern

Queensland REZ design and development considerations

The Australian Sugar Milling Council (ASMC) welcomes the opportunity to provide a submission to Powerlink on Renewable Energy Zones (REZs) design and development considerations. The focus of the ASMC submission is on matters relating to social licence

About the Australian Sugar Milling Council

As you may be aware, the ASMC is the peak industry organisation for the Australian raw sugar manufacturing sector. We represent sugar manufacturing companies who collectively produce 85 percent of Australia's raw sugar. Our industry contributes \$4.4 billion annually to the Australian economy and supports more than 20,000 jobs.

The Australian sugar manufacturers also makes a substantial contribution to Australia's decarbonisation efforts via bio-fuel production and the green cogeneration electricity production.

Social licence requires more than just engagement by renewables proponents

The ASMC believes that engagement with local communities and industries on renewable projects is a necessary, but not sufficient, activity in securing the renewables sector's social licence.

The ASMC acknowledges the need for a timely, affordable and just energy transition in Australia. A REZ agenda that does not uphold all these principles will not secure social licence. We have grave concerns that the current approach to REZs devalues the importance good agricultural land, and its value to maintaining multi-billion-dollar industries, including the sugar industry.

As an example, if REZs displace the sugar industry activities, it will be putting into jeopardy \$4.4 billion in economic activity and 20,000 regional Queensland jobs. This is not a fair economic outcome for regional communities. Who will bear the cost of the energy transition with little in return.

The ASMC is not suggesting that renewable projects will replace all land under cane, however, even losing small percentages of land close to sugar mills can severely jeopardise the viability of sugar milling.

Sugarcane is highly perishable and needs to be processed within 10-15 hours of being harvested. As such, losing good quality land under cane within 50km of a mill puts the whole viability of the sugar industry into question. Sugar milling is a low margin capital intensive process requiring high throughput, incremental losses of cane supply can be the difference between a good year or making substantial losses.

Since they year 2000, the sugar industry has lost more than 20% of land under cane to urban encroachment and the industrialisation of good quality agricultural land, including to renewable projects. This loss of land has equated to a 30% decrease in the number of sugar mills in Queensland, with only 18 mills remaining.



A more holistic approach to good quality agricultural land in planning approvals.

The sugar milling sector is not opposed to progress or renewable energy projects, but the development of this nascent industry must coexist with established industries not displace them. At the heart of ensuring this coexistence, is the recognition and respect for what constitutes good quality agricultural land.

The ASMC seeks that renewables proponents and the Queensland Government strengthens the definition (and protection) of good quality agricultural land within planning provisions to not only recognise the quality of the soil, but the value of the associated infrastructure that services the land. This includes cane railway and water infrastructure. As an example, the cane railway network alone has a replacement value well in excess of \$2 billion.

The REZs cover large areas that encapsulate almost all of Queensland's traditional sugarcane growing and milling activities. The lack of planning protection for good quality agricultural land means developments within the REZ may proceed without consideration of how the land use change might impact the economic scale of the pre-existing economic activities, including those impacting the sugar industry.

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Yours sincerely

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