

# CS Energy Stakeholder Advisory Council

**Kogan Creek site visit – Tuesday 6 June**  
**Meeting 2 – Wednesday 7 June**  
**9am-12pm**

## Attendees

<b>Name</b>	
<b>Stakeholder Advisory Council members</b>	
Andrew Richards	EUAA
Christiaan Zuur	Clean Energy Council
Clare Mitchell	Queensland Government
Melissa Smyth	Queensland Government
Paul Hodgson (for Shay Chalmers)	Queensland Manufacturing Institute
Chris Hazzard	St Vincent De Paul's
Steve Bates	Callide Chamber of Commerce
Lance MacManus	Toowoomba Surat Basin Enterprise
Ian Mackinnon	Centre for Clean Energy Technologies and Practices, QUT
<b>Absent</b>	
Marion Callope	Acting Manager, Department of Seniors, Disability Services and Aboriginal and Torres Strait Islander Partnerships
Ian Lowry	Powerlink
<b>Western Downs Regional Council</b>	
Paul McVeigh, Mayor	Site tour only
Jodie Taylor, CEO	Site tour only
<b>CS Energy</b>	
Emma Roberts	EGM Future Energy
Rebecca Kelly	Head of Corporate Affairs
Lynda Crawford	Senior Corporate Affairs Adviser
Brett Clark	Head of Customer & Retail Growth
Pauline Elliott	Head of Commercial Partnerships
Darrin Crompton	Retail Business Lead

Nev Hoehne	Indigenous Engagement Adviser
Andrew Broadbent	Business Planning Manager

## Meeting summary

The meeting started with an agenda overview, introductions around the table and Acknowledgement of Country from Neville Hoehne.

### 1. Clean energy hub plans

***Following on from the site tour the day before, CS Energy gave an overview of our plans to develop clean energy hubs at Kogan Creek and Callide and other renewable projects.***

Key points included:

- Kogan Creek is CS Energy’s first and most advanced energy hub.
- In addition to the existing Kogan Creek Power Station and the Chinchilla Battery that we saw on the tour it will also include:
  - **The Kogan Creek Hydrogen Demonstration Plant**
    - This will break ground soon and produce 75,000kg hydrogen per year.
    - The aim is to prove the technology for hydrogen so it can be scaled up in future and it will contribute to a refueller network for heavy transport.
    - CS Energy will also export hydrogen to Palau, to reduce their need on diesel generators. The hydrogen will be transported on a hydrogen powered boat.
  - **Brigalow Gas Peaking Plant**
    - It will be 35 per cent hydrogen ready, in addition to natural gas.
    - In a renewables drought (when wind is not blowing, and sun is not shining) gas will be required to meet demand. Gas is lower emissions than coal.
    - The gas will be stored in a pipeline.
    - CS Energy is undertaking environmental and cultural heritage studies on site, and is working closely with its Traditional Owners, the Barunggam People as the development progresses.
- CS Energy is looking at developing a similar energy hub at Callide Power Station. This includes a feasibility studies for a hydrogen capable gas peaking plant at Callide and/or Gladstone, along with hydrogen infrastructure and a battery.
- CS Energy is taking a ‘building blocks’ approach to adding renewable projects to our portfolio – mapping out a mix of energy sources to be introduced in a staged approach, with the aim of replacing our current coal fired portfolio over time to 2035.
- CS Energy is also looking at various other new business options, including:
  - Greenbank Battery at the Powerlink site in South East Queensland, which is expected to be online in December 2024. It will be a new generation Tesla battery.
  - Sustainable aviation fuel.
  - Hydrogen/ammonia export.
  - Expanding our electric vehicle charging business. Over the past 12 months the CS Energy EV business has grown, we now have over 800 chargers in Queensland.

## 2. Callide update

### ***CS Energy gave an update on the Callide Power Station, including the future of Callide under the QEJP***

- The Queensland Energy and Jobs Plan outlines that government owned coal fired power stations may include synchronous condensers as part of the clean energy hubs that will be created at those power station sites. *(Note: a synchronous condenser is a spinning motor that maintains system strength, and provides inertia, which keeps frequency on the network stable.)* CS Energy is keeping all options open in this regard.
- In relation to C4, CS Energy confirmed that the bulk of the rebuild had been completed, and a new turbine and generator is in place. It is now in preservation mode until the cooling tower rebuild project is completed. Commissioning will be complex, it has been several years since equipment like this has been commissioned.
- Like other projects across the country, we are not immune to supply chain issues and have seen this impact the rebuild project.
- A question was asked if there was a closing date for Callide C. In response, CS Energy gave the update that there is no stated end date in the market for Callide C, as it needs to be agreed with the joint venture partner. However, we acknowledge the QEJP target of no regular reliance on coal beyond 2035.

## 3. White space discussion

### ***The meeting agenda was open for discussion. Council members discussed the energy transition, impact on communities and jobs, energy prices, research and development opportunities and opportunity for co-location of manufacturing.***

Key points included:

#### **Energy transition, communities, jobs and energy prices**

- Members discussed that Powerlink is responsible for managing the Renewable Energy Zones (REZ) and building the 'supergrid'.
- There will be costs associated with the supergrid and it is unclear on how they will be recovered. Members discussed the importance of ensuring the consumer perspective on recovering these costs is considered and that there is transparency.
- Members discussed that in addition to a supergrid, AEMO has included in its Integrated System Plan (ISP) that microgrids will also be needed for security of supply in the future. *(Note: a microgrid is a power system that is in a small, localised area.)*
- Members talked about how the new load shape (which includes more renewables) impacts electricity bills and asked for information to understand the components of the electricity bill in more detail, so in the future they can understand how the transition impacts their bill.
- Members talked about the transition of jobs in the future. There is a tight jobs market and demand for skills in the regions is high. Members are looking for transparency on where jobs are going so they know what gaps can be filled, and the community knows what is coming.
- Members expressed a desire to understand CS Energy's future Environmental Social Governance (ESG) goals.
- There was discussion about the flow on effects of job creation. It is not sustainable for communities to create jobs if there is no housing available for people, and currently housing

availability and affordability is an issue in the communities CS Energy is operating in, as it is everywhere.

- On the topic of energy prices, members also discussed global settlement rule, which charges customers for unaccounted for energy. Customers query how to know if the final bill is correct. CS Energy explained the meter reading cycle and discussed how smart meters can stabilise the billing cycle, but also agreed that a deeper dive on this as part of the energy bill discussion would be valuable.
- Pumped hydro (deep storage) is a key element of the QEJP plan. There could be an opportunity to brainstorm colocation of this infrastructure with the renewable energy sources required to pump the water, and with new manufacturing facilities.

### **Innovation and research and development**

- Council members would like to see more research and development on renewable technology across Australia. A national strategic view of how to move forward in the transition would be beneficial.
- Australia could be creating a manufacturing pipeline that creates jobs. For example, many renewable energy elements come from overseas, but could parts be manufactured in Australia?
- Transparency about pipelines of development will help local manufacturers make their own plans in relation to how they can participate.
- The members heard about super conductor transmission trials in Chicago, which aim to minimise transmission losses.
- There was also discussion about transmitting energy in direct current (DC) mode rather than alternating current (AC) mode, which again could minimise losses.
- There is non-technical innovation that can be unlocked to provide value too. For example, a mothballed refinery could host renewable energy. This would create value for regions.

## **4. Energy Charter**

- CS Energy will be publishing its Energy Charter Disclosure Report in September.
- Prior to this, CS Energy will ask for feedback on the disclosure report.
- Members agreed an out-of-session Teams meeting to discuss the draft report (to meet reporting deadlines) would be the best approach.

## **5. Next steps**

- Minutes will be circulated to members before publication
- There will be a Teams meeting organised later in the year to get feedback on CS Energy's draft Energy Charter Disclosure Report
- CS Energy will organise the next meeting which will be based in Brisbane in October or November.
- CS Energy will develop communication on how to understand the energy bill for large industrial and commercial customers (including the UFE calculation) and socialise this with members.
- The group will look to visit Callide in early-mid 2024.