

COLLGAR WIND FARM PROJECT

144. Hon KATE DOUST to the Minister for Energy:

I thank the Minister for Finance, who will answer the question.

I refer to the Economic Regulation Authority's draft determination to not approve Western Power's application for the construction of the Collgar terminal substation and associated works for that connection of the wind farm.

- (1) What is the value of the Collgar wind farm project and what employment is estimated to be generated from its construction?
- (2) What amount of carbon emissions will be offset through the operation of the Collgar wind farm project?
- (3) Is the minister concerned with the draft determination and the ERA's reasons to reject the proposal?
- (4) What plans does the minister have to ensure that the Collgar project can connect into the south west interconnected system, should the ERA's final determination also not approve Western Power's application?

Hon SIMON O'BRIEN replied:

I thank the honourable member for some notice of this question. I provide this response on behalf of the Minister for Energy.

- (1) The stated value of the Collgar wind farm project is \$750 million, with approximately 150 jobs being created during construction, and up to 20 permanent maintenance and operational positions becoming available when construction is complete.
- (2) The Collgar wind farm will displace approximately 700 000 tonnes of carbon dioxide or greenhouse gas emissions per year.
- (3) The draft determination was positive to the extent that the authority agreed that the proposed technical scope and design is appropriate. Western Power is providing further detailed information demonstrating the efficient delivery of the project and is confident this will allow the authority to subsequently approve the project. However, I was concerned by the draft decision of the authority at the time and wrote to the chairman of Western Power requesting further information.
- (4) While this decision is critical to the future valuation of these assets for regulatory purposes, the project is fully committed and the connection will be completed as planned, irrespective of the ultimate regulatory decision by the authority. If a future submission by Western Power were again rejected, the project would still proceed and Western Power would carry the financial risk, as it does with all capital investment, because of the authority's ex-post review of Western Power's capital expenditure.