

SOUTH WEST INTERCONNECTED SYSTEM — TRANSMISSION LINES

339. Ms L. METTAM to the Minister for Energy:

I refer to the south west interconnected system demand assessment released last week and the conservative future-ready scenario that outlines the need for 4 000 kilometres of new transmission lines to meet generation demand.

- (1) How much will this cost?
- (2) When will the project go to the Economic Regulation Authority for consideration?
- (3) Is the government developing a consultation plan for landowners that are on the route for the proposed transmission lines?

Mr W.J. JOHNSTON replied:

- (1)–(3) In respect of the Economic Regulation Authority question, which is part (2), if the Leader of the Liberal Party reads the demand assessment report, she will see that it explains that we will introduce a priority projects system so that the ERA will not be involved in the decision about which projects will proceed. That is an important step forward because we do not want to have unnecessary delays. The Economic Regulation Authority plays a very valuable role in reducing costs in the system. It makes sure that we do not build additional infrastructure that is not needed.

The AA5 process that has just been completed by Western Power is about making sure that unnecessary costs are not passed on to electricity users. It is very important to understand that if it were not for large industrial loads joining the south west interconnected system, we would not need to build these new transition lines; therefore, it is not appropriate for the existing, for example, residential or small business customers, to contribute to the costs of these new projects. That is why we have, as outlined in the report—again, if the member opposite had read the report, she would know the answer—a new procedure to deal with that. It is very similar to procedures started on the east coast for the national electricity market.

In respect of the first question about the expected total cost, we have a rough estimate. The project will be built over 20 years, so we do not currently have the sort of finalised costs that we would go to market with. That is why \$126 million is allocated to Western Power—so that it can do the necessary planning works, plus purchase certain long-lead items so that even if they are not used on a particular project, they will still be available for projects that Western Power knows it needs to do; therefore, those long-lead items will not be wasted, but we do not know specifically which one.

In respect of the third question about discussion with landowners, most of the landowners, of course, are traditional owners. The government of Western Australia has a deep commitment to work with traditional owners on access to land. We will absolutely, as we are obliged to do under both the Noongar and Yamatji settlements, and a pending settlement of another group, consult those landowners because we want to ensure they are satisfied with the choices that we make. We want to do that using a co-design approach—and likewise for potential rural landowners. It is a given that we do not have specific routes for any of the projects. We do not know what line it will take. It is still too early for us to engage, but, again, as we are required to do by law, we will engage with existing landowners as well.