

MYALUP–WELLINGTON WATER PROJECT

323. Hon Dr STEVE THOMAS to the Minister for Regional Development:

I refer to the Myalup–Wellington water project and to my question without notice 720, asked on 11 August 2020.

- (1) Has the project proceeded or progressed since my question on 11 August 2020, and what progress has been made?
- (2) Are the required commercial agreements identified in question without notice 720 now in place; and, if not, why not; and when will they be in place?
- (3) Is the original budget of \$190 million in federal funds, \$37 million in state funds and \$169 million from the proponent still budgeted and available?
- (4) If no to (3), what funding changes have occurred from each of these sources?
- (5) Is this project still on track to be delivered; and, if so, when will it be so?

Hon ALANNAH MacTIERNAN replied:

I thank the member for the question. I am sure it has something to do with a chat I had with the member's old boss yesterday.

- (1)–(5) As the member will be aware, the Barnett government announced this project in January 2017. The project was trading as Collie Water Pty Ltd and it was part of an expressions-of-interest process. So that was announced. We came into government, and although we were concerned about the complexity of the project, we at all times kept the \$37 million that had been allocated to that project and tried to make it work. But it was predicated on a series of complex and ambitious commercial agreements to be negotiated between multiple parties by the private sector proponents. Particularly because of the uncertainties and complexities in the corporate structures and financial positions of Griffin Coal Mining Company and Bluewaters Power, the project as conceived just has not been able to go forward, and we have formally terminated that project. We are, of course, now working on alternatives and we have maintained the money in the budget. We are working, in particular, with Harvey Water to look at those alternatives.

In relation to the commonwealth funding—I suspect this might be what had perhaps disturbed Hon Nola Marino—the Deputy Prime Minister has advised that he has taken the federal government money from that project. It is still in the budget but designated more broadly for water projects in Western Australia. We are still working very hard to get, as I say, a number of projects up utilising those funds. Our money will remain in the budget allocated to that area.