

SYNERGY — PREMIER COAL SUPPLY CONTRACT

713. Dr D.J. HONEY to the Minister for Energy:

I have a supplementary question. Can the minister assure the community that we will not have power shortages over the coming summer period due to coal shortages?

Several members interjected.

The SPEAKER: Order, please, members! Minister, you have been asked lots of versions of this question in recent times. Perhaps you could just give a short and clear answer.

Mr W.J. JOHNSTON replied:

There are two separate questions in that. I know that the member does not understand that, but I just make the point. There is the question of the coal-fired power stations in Collie that are owned by Synergy. We are currently confident that there will be sufficient coal supply for Synergy to make it through summer.

There is a separate question that is the responsibility of Australian Energy Market Operator, which is not part of Western Australia's government and is not controlled by the government of the Western Australia. The AEMO operates the electricity system in terms of power stations. The Australian Energy Market Operator—I have answered this question previously—has gone to market for a supplementary reserve capacity for this summer because it thinks it is about 174 megawatts short, and it is currently working through what it can. I make it clear: that is not for the supply of electricity over summer because it has sufficient power stations for that; it is for the reserve margin—that is, if something goes wrong, what happens? Remember that electricity is instantaneous. If we are using every single power station in Western Australia and one of them breaks down, there would be blackouts. That is just the way the system works, so we have to have a reserve margin—a number of power stations sitting idle ready to take up to the slack.

That is the challenge for this summer. That is what the Australian Energy Market Operator, not the government of Western Australia—I know that Paul Murray does not understand this either—is doing. We are working on it. I am engaging with the Australian Energy Market Operator on a constant basis. I met with the CEO when I was in Melbourne for the national energy ministers' meeting. I talked to Kate Ryan—the strategy and whatever her proper title is—here in Western Australia.

Ms J.J. Shaw: All-round legend.

Mr W.J. JOHNSTON: All-round legend. I met with her to work through these issues. It is not simple; it is complex. That is why I understand why the member does not understand it.

The SPEAKER: Members, that concludes question time.