

COAL-FIRED POWER STATIONS — CLOSURE

618. Dr D.J. Honey to the Minister for Energy:

I refer to the government's proposal to close Collie coal fired power stations and the need for the Australian Energy Market Operator (AEMO) to seek offers of reserve capacity to fill the gap left by Collie closure, and ask:

- (a) What is the estimated annual cost of keeping Collie plants on care and maintenance; and
- (b) What is the estimated cost of paying for reserve capacity to fill the void created by Collie coal power closure?

Mr W.J. Johnston replied:

- (a) Firstly, I note the basis of the question is inaccurate. The Government's sensible, managed transition to a greater use of renewables plans for closure of the Collie Power Station in late-2027, and Muja D in late-2029. This is a decision that has been welcomed by AEMO and gives clarity to the power station workers and the Collie community

AEMO's request for supplementary reserve capacity closed in October 2022 to ensure additional generation capacity was on standby for the summer of 2022/2023. This capacity was in addition to the generation available at the Muja and Collie Power Stations, and other generators participating in the Wholesale Electricity Market (WEM). The ability to call for supplementary reserve capacity is core part of the WEM's design to ensure there is sufficient capacity in the South West Interconnected System to meet demand at peak periods.

- (b) Nil. Collie and Muja Power Stations participate in the capacity market. When new generation and storage enters it will receive capacity payments in the same manner.