

HORIZON POWER — SOUTH HEDLAND — CABINET DOCUMENTS

409. Ms J.J. SHAW to the Minister for Energy:

Several members interjected.

The SPEAKER: Members! The member for Warren–Blackwood, you could have —

Mr D.T. Redman interjected.

The SPEAKER: Member for Warren–Blackwood, I call you to order for the first and second time. Start again.

Ms J.J. SHAW: My question is to the Minister for Energy. I refer to the minister's statement during the estimates committee examination of Horizon Power that he had written to the Leader of the Opposition to seek access to cabinet documents relating to an uneconomic contract that was entered into for a new power station in South Hedland. Can the minister advise the house whether the Leader of the Opposition has responded to the question; and, if not, can the minister outline why it is important that taxpayers are provided with an understanding of how this financially irresponsible decision was made by the previous Liberal–National government?

Mr W.J. JOHNSTON replied:

I am pleased to answer this question. The Premier and the Treasurer have outlined today how they are working hard to get the state's finances back on track. Of course, we still have to deal with the legacies of the member for Riverton, which is holding back the state. One of those legacies is this state contract. I wrote to the Leader of the Opposition on 14 May 2019 and asked for access to the cabinet documents relating to this issue, because the information that is available to us is very clear: the former government chose the most expensive option for this project. It was also clear in discussion with Horizon Power and the Public Utilities Office that this project was overly large for the needs of the north west interconnected system. Considerable unused capacity in the north west interconnected system is being paid for by the people of this state. That is holding back Western Australia's energy system.

We need a clear picture of why the former government deliberately chose the most expensive, least flexible option and why it did not consider cheaper renewable energy for this project, because let us understand that the Pilbara is probably the best place in the world to have built a renewable energy project. This power station prevents renewable energy being connected at large scale in the north west interconnected system, because this large unused power station is being paid for anyway. There is no logical reason, and Horizon Power did not recommend it. The entire process rejected Horizon Power's recommendation to the former government. We need a clear picture of why the then government made this bad uneconomic decision and the Minister for Energy and Treasurer at the time who did this is the member for Riverton. I wrote to him on 14 May, asking him to give access to those cabinet documents so that we can understand why he chose to saddle the people of Western Australia with a high-cost unnecessary power station in the Pilbara. It is holding back all of our decision-making process. Let us understand; it is a very simple idea —

Mrs A.K. Hayden interjected.

The SPEAKER: Member for Darling Range, I call you to order for the second time.

Mr W.J. JOHNSTON: Over-costs in the north west interconnected system are paid for by Synergy users in the south west. High costs in the north west are paid for through high electricity prices for Synergy customers. That was the member for Riverton's plan. He was going to hide this contract and have south west interconnected customers pay higher Synergy prices. We need it explained to us.