

OAKAJEE PORT AND RAIL PROJECT — TENDER PROCESS

675. Hon Shelley Archer to the Leader of the House representing the Premier

In respect to the proposed development of the Port at Oakajee, the rail system to the proposed mining operations serviced by the Port, and in the light of the Government's recent announcement to award preferred tenderer status to Oakajee Port and Rail Consortium, I ask —

- (1) Did the request for tender document ask for expressions of interest for the construction of the Oakajee Port and adjacent and ancillary infrastructure of internal rail system to the industrial park serviced by the Port or did it additionally call for construction of the rail system to the iron ore mines that will provide the main through put of the Port?
- (2) Was the expression of interest process confined to two potential developers or was it open to other interested parties?
- (3) Which parties put in expressions of interest?
- (4) What was the result of the expressions of interest process and when were the respective results announced?
- (5) Are there any outcomes from the expressions of interest process that have not been announced?
- (6) Where is the process at now?
- (7) Has the expression of interest process been amended or partially/wholly abandoned?
- (8) Were any of these changes announced?
- (9) If yes to (8), when?
- (10) If no to (8), why not?
- (11) What role is it proposed that the Western Australian Government should play in the construction and ownership of the Port and associated Port infrastructure?
- (12) What role is it proposed that the Federal Government play?
- (13) Has any approach been made to the Federal Government?
- (14) If yes to (13), when and by whom?
- (15) Has State Cabinet been informed of and approved the approach?
- (16) If yes to (15), when?
- (17) What proposal or request was put by the Federal Government?
- (18) Has there been any response from the Federal Government?
- (19) If yes to (18), what was that response?
- (20) Has the State Government designated any rail corridors from existing and proposed mining operations to connect to Oakajee Port as indicated at about the time when the expressions of interest process was initiated?
- (21) If yes to (20), where are these corridors and why haven't they been announced?
- (22) Is it intended, as foreshadowed by the previous Government, that expressions of interest shall be called for construction of the rail lines?
- (23) Which mining operations is it intended that the rail line or lines will service?
- (24) Have the relevant mining companies been consulted about the rail corridor and associated development?
- (25) If yes to (24), when?
- (26) If no to (24), why not?
- (27) What is the estimated cost of the Port development?
- (28) How is it proposed that the Port development be financed?
- (29) What is the estimated cost of the rail development and how is it proposed that that be financed?
- (30) What are the proposed timelines for each of the Port and rail developments?

- (31) Have any feasibility studies been done in respect to either or both of the Port and rail developments?
- (32) If yes to (31), when were the studies done and by whom?
- (33) What financial contributions are expected, that each interested party may make, to each of the Port and Rail projects?

Hon NORMAN MOORE replied:

Department of State Development advises:

- (1)-(33) In July 2008, Oakajee Port and Rail Pty Ltd (OPR) was formally announced as the preferred respondent to a Request for Proposal (RFP) for the development of a deep water port at Oakajee.

A State Development Agreement was subsequently signed in March 2009. The agreement provides for the State Government to own the port and fund the common-user port infrastructure with appropriate user charges. It is anticipated that the Commonwealth Government will also assist in funding the common-user infrastructure.

OPR has the exclusive right to develop a rail line to service the northern Mid West mines at Jack Hills and Weld Range. The track will be subject to an open access regime.

Consultation on the rail corridors and associated matters will occur over coming months as OPR's bankable feasibility study is conducted. The overall project cost is estimated to be in the vicinity of \$4 billion.

The State Development Agreement is an important step towards the creation of a multi-user, deepwater port that is linked by rail to the Murchison and Northern Goldfields.