

ELECTRICITY SUPPLY PROJECTS

157. Mr M.P. MURRAY to the Minister for Energy:

Can the minister inform the house of new projects under way to meet the state's growing demand for electricity, particularly in the south west?

Mr F.M. LOGAN replied:

I thank the member for Collie-Wellington for his forceful and continuous support for the coal industry and the energy industry. There is more good news. Today I was at the sod-turning for the new Bluewaters 1 coal-fired power station at Collie. I was there with my good friend the member for Collie-Wellington and Hon Sally Talbot, the member for the South West Region in the other place. We were very pleased to be there because, as I said to the member for Collie-Wellington and the assembled crew down there -

Mr T.R. Buswell: Were they happy to see you?

Mr F.M. LOGAN: They are certainly happy to see me now, but they were not happy to see me the last time I was in Collie. On that occasion I was faced by 400 angry miners who wanted to lynch me. I pointed out to them that, despite the result of a well thought-out decision on power procurement to go with gas on this occasion, there was still a good strong future for coal. Less than six months later, here we are, with the private sector building a new coal-fired 208-megawatt power station in Collie. This will build confidence in the future of coal and the future of the people of Collie. More importantly, it is a mark of confidence in the direction the government is taking with the energy reform process. The private sector is taking advantage of the wholesale energy market that will come into force in July. As the first coal-fired private sector power station to be constructed, it underscores the confidence industry has in the decisions made by the Carpenter government, and the foresight of the Treasurer and former Minister for Energy in undertaking the disaggregation process of the Western Australian electricity industry. It underscores the confidence of business in the direction the government is taking. It may not be the approach that members opposite want us to take, but at least we have the support of industry.

I will make one last remark about the support the government has received for the disaggregation and the energy reform process. When I spoke yesterday - again with good news - the Leader of the Opposition asked when electricity prices were coming down. They are coming down, and if members opposite had any relationship with industry at all - and clearly they have not - they would know that. In the wholesale market, industries using more than 50-megawatt hours per annum are renegotiating their prices and they will tell anyone who wants to hear that prices are coming down. This underscores the energy reform process and the direction of this government.