

# **ECONOMICS AND INDUSTRY STANDING COMMITTEE**

**INQUIRY INTO MICROGRIDS AND ASSOCIATED TECHNOLOGY IN WA**



**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
WEDNESDAY, 4 APRIL 2018**

**SESSION TWO**

## **Members**

**Ms J.J. Shaw (Chair)  
Mr S.K. L'Estrange (Deputy Chairman)  
Mr Y. Mubarakai  
Mr S.J. Price  
Mr D.T. Redman**

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**Hearing commenced at 3.51 pm****Mr KARL BRANDENBURG****President, Shire of Carnarvon, examined:****Mr MARK DACOMBE****Acting Chief Executive Officer, Shire of Carnarvon, examined:**

**The CHAIR:** On behalf the committee, I would like to thank you for agreeing to appear today for a hearing into the committee's inquiry into microgrids and associated technologies in Western Australia. My name is Jessica Shaw and I am Chair of the Economics and Industry Standing Committee. I would like to introduce the other members of the committee. To my right is Yaz Mubarakai, member for Jandakot; Deputy Chair, Sean L'Estrange, member for Churchlands; Stephen Price, member for Forrestfield; and Terry Redman, member for Warren-Blackwood. It is important that you understand that any deliberate misleading of this committee may be regarded as a contempt of Parliament. Your evidence is protected by parliamentary privilege; however, this privilege does not apply to anything you might say outside of today's proceedings.

Before we begin with our questions, do you have any questions about your attendance here today?

**The WITNESSES:** No.

**The CHAIR:** I understand that the secretariat may have raised with you that we wanted to ask you some questions both about Horizon Power's energy trials here in Carnarvon, but also on your impression of regional airfares; are you comfortable answering questions on both those topics?

**The WITNESSES:** Yes.

**The CHAIR:** Would you like to make a short opening statement?

**Mr BRANDENBURG:** I guess we are very keen and interested to hear what Horizon Power are doing in this space. We have been given a lot of information about what their trials are all about, and we are very supportive of it, to be quite honest. We hope that something comes out of it and works for Carnarvon.

**The CHAIR:** How did Horizon Power approached the council to discuss the trials with you and seek your support for them?

**Mr DACOMBE:** I was about to say, "Through you, Mr President," because I am so used to doing that on council matters! President Karl might be able to talk to the committee about any initial approaches, but in the time that I have been here, we have had one briefing from Horizon Power to essentially say where they are at with the trials, particularly around what they are saying to the public about the trial. I am not sure, Karl, whether there was any approach at the beginning? That is something I do not know.

**Mr BRANDENBURG:** Yes—I guess we will get used to who is going to say what here. I have been approached on two, possibly three, occasions by Horizon Power staff, the local branch, just to have a chat about the how the process would take place to come to brief council—brief Mark, the CEO and myself as the shire president. We have had a couple of meetings in that space to let us know what they are trying to achieve here in the town and also just to keep the shire on board, just as a briefing on what the trials are about. I think there was a time when they asked us for support to put a sort of résumé together to support Horizon Power in this space. We were happy to do that.

**The CHAIR:** Have you got PV on your rooftop here?

**Mr BRANDENBURG:** Not on this building, I do not think; but we do have it on numerous building in the shire, yes.

**The CHAIR:** Are you participating in the trial as consumers yourselves at all?

**Mr BRANDENBURG:** I am not so sure we fit the bill for this one, but the solar voltaic systems that we put on our roof were supposedly going to be done in conjunction with Horizon Power to monitor and see what our use was and all that. But the solar systems, we put them in place ourselves.

**The CHAIR:** How would you observe the current power situation is from your local residents, your constituents, and what feedback have they given you about the trials, if any?

**Mr BRANDENBURG:** The feedback I have got from the community is very supportive. We have quite a few residents who have taken up solar voltaic systems with Horizon Power. They took that opportunity when there were some grants available through the GDC, and as well Horizon Power put out systems where you could get a certain amount of value out of putting on a voltaic system with the rebates and all that, so quite a few people took that up. I cannot tell you the exact figures, but there is large support for this type of operation in Carnarvon. What took place was I think some people put too much on and then it disrupted the network, especially the feed in. I believe the retic lines could not cope with the capacity when people were putting in 50 KVA in one house and then neighbours putting in 20 or 30, and so on down the street. I think that is why the moratorium was put in place quite a few years ago to pull that up, so it did not interfere too much with Horizon Power's retic system that was battling to cope, I believe, at the time. That was just word-of-mouth information that we were fed.

**The CHAIR:** Do you see any regional economic development opportunities stemming from the increased use of renewable power out here? Is that something that the council has looked into in any way?

**Mr BRANDENBURG:** In a limited way, yes. We see, hopefully, that what we have always envisaged was that cheaper power would possibly bring some manufacturing to town or people could get some economic benefit by creating some industry by having a cheaper power source.

**Mr D.T. REDMAN:** How constraining is power price and reliability on industry development and regional development in this shire?

**Mr BRANDENBURG:** It is very constraining at the moment. We have people with fish factories and ice, and things that need a lot power to drive refrigeration. They have virtually given up and gone out of business. Others are discussing it, especially in the fishing industry. Oysters were looked at an in a large way, but it was constrained pretty much.

**Mr D.T. REDMAN:** Are they actively looking for new solutions to that themselves?

**Mr BRANDENBURG:** We have new industry players coming on board to look at the same situation other people are involved in, so it would be good to give them some surety that there are systems in play that may help them in the future, economically anyway.

**Mr S.J. PRICE:** Was cost a big factor or the reliability, do you think, or both?

**Mr BRANDENBURG:** No, it was basically the cost. Reliability—there were some issues actually down where the fishing industry is. The power network down there was not big enough to cope for larger refrigeration and things that they wanted to move into. But it is the Department of Transport that controls that entity down there, so that was being look at. I believe it has just had an upgrade in that area, but I am not too sure what capacity it could take. There are definitely economic advantages to getting this system up and working.

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**Mr D.T. REDMAN:** Do you know of anyone going totally off grid—having off-grid systems as distinct from keeping a connection but with modification?

**Mr BRANDENBURG:** I cannot think of anyone at this stage that has gone off grid completely, other than—I think most of you would know—Mr Fullarton and his ice factory out there. He has a large solar voltaic system and a few wind turbines. I doubt very much that he has gone off grid altogether, but if anyone is close to that mark, it would be him. Some in the pastoral industry out there, because they have had —

[4.00 pm]

**Mr D.T. REDMAN:** “Solar ice”, is that what they call it?

**Mr BRANDENBURG:** Solar ice, yes—Solex. He has had some great achievements out there with solar power. He is in favour of solar power. I think wind turbines would work really well in Carnarvon. They use them down extensively from Geraldton and even Shark Bay. Down in the south west they seem to go with the wind turbines. I am a big fan of those as well. Carnarvon has a bit both actually—we have wind and we have a lot of sun.

**The CHAIR:** We just copped that out at the power station—both wind and sun.

**Mr BRANDENBURG:** Yes.

**The CHAIR:** Do you have any observations that you could offer the committee on how you have been engaged with the trials or any concerns being expressed to you from the community about the impact locally?

**Mr BRANDENBURG:** Not with the trials as such. We have had plenty of communications from Craig from Horizon Power, keeping us informed. The process that they are rolling out I think is a fairly commonsense one—there are a couple of commercial, I believe, and I cannot remember the exact amount for residential. Asbestos houses come into play; they cannot put a solar voltaic system on an asbestos house, so that will discount a lot of people who would probably be in the running. But everything seems very well organised and well thought out. It would be great to see some of these trials just to prove a point, I guess.

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**The CHAIR:** That is excellent. Thank you very much. I will proceed to close today’s hearing.

Thank you for your evidence before the committee today. A transcript of this hearing will be emailed to you for correction of minor errors. Any such corrections must be made and the transcript returned within seven days of the date of the letter attached to the transcript. If the transcript is not returned within this period, it will be deemed to be correct. New material cannot be added via these corrections and the sense of your evidence cannot be altered. Should you wish to provide additional information or elaborate on particular points, please include a supplementary submission for the committee’s consideration when you return your corrected transcript of evidence.

**Hearing concluded at 4.19 pm**

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