

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio

Budget Senate Estimates

2 June 2009

Question: **BR 31**

Topic: **Solar Power Stations**

Proof Hansard Page: **Written**

Senator Johnston asked:

I refer to the Budget announcement that it will build four new solar power stations.

- a) What do we know about where these will be built?
- b) When will they be built by?
- c) When must construction start?
- d) What tender process will be undertaken?
- e) Have any guidelines been prepared about where the stations must be built or who they should be built by?
- f) Will there be any restrictions on who can build these plants?
- g) Will they have to be Australian companies?
- h) If they are to be joint ventures, is there a maximum cap on the overseas investment?
- i) Will these be a Public Private Partnership?
- j) How much private money could be invested?
- k) Could these plants have private managers?
- l) Will only union-staff be allowed on site?
- m) Is there any contingency on the maximum cost? i.e. – what if the Budget blows out to more than \$1.365 billion?

Answer:

- a) The location of potential Solar Flagships sites has yet to be determined.
- b) Solar Flagship power stations are expected to be commissioned from 2015.
- c) Subject to the necessary financial, planning, engineering and regulatory processes and approvals, construction is expected to commence from 2012.
- d) The type of tender process to be undertaken has yet to be determined.
- e) No.

- f) As indicated in (e), eligibility guidelines for the program have yet to be determined.
- g) See (f) above.
- h) This is yet to be determined.
- i) Yet to be determined.
- j) There is no limit on the amount of private sector money that could be invested. The Solar Flagships funding is expected to leverage a minimum of two dollars of industry and state government funding for every dollar of Commonwealth investment, creating an overall investment program exceeding \$4.5 billion.
- k) Yes.
- l) This will be a matter for the successful applicants to determine.
- m) The Clean Energy Initiative is a budget limited program. The Australian Government has committed \$1.5 billion to the development of Solar Flagships.