



House of Assembly

15 September 2011

QUESTIONS WITHOUT NOTICE

RENEWABLE ENERGY

Mr PICCOLO (Light) (14:10): My question is to the Premier. Can the Premier please advise the house of developments in renewable energy and mining on the Yorke Peninsula?

The Hon. M.D. RANN (Ramsay – Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:10):

Thank you, I am very pleased to answer that question. I am pleased to inform the house that there is a range of exciting projects in prospect for the Yorke Peninsula. As members would be aware, our state's wind energy generating capacity has grown to over 21 per cent of our total electricity generation.

Our per capita wind generating capacity has grown to be one of the highest in the world, and I do not want to be repetitive, but, as I believe I have said before, about 54 per cent of the nation's wind power is

in this state. I have previously stated that more than \$2 billion has already been invested into our state's economy in connection with wind energy developments.

Today I can update that figure. The Clean Energy Council's July 2011 national wind energy snapshot places our current capital investment in wind energy in South Australia at \$2.792 billion. That same snapshot notes an additional \$3.078 billion in proposed capital investment in wind energy our state.

The Hon. P.F. Conlon: How many did we have in 2002?

The Hon. M.D. RANN: When we were elected in 2002, not one single wind turbine. Now a business lobby—so let's hear you come out and criticise them—based in Melbourne, but a national body, says nearly \$2.8 billion already invested, another more than \$3 billion proposed.

South Australia is, without question, the nation's hub for renewable energy, and the Yorke Peninsula now looks set to become a crucial part of this hub. Last month, the Suzlon Group from India, which has a base in this state in Jamestown, and which is the world's fifth-largest wind turbine supplier, with operations in 32 nations, announced a proposal to erect up to 180 turbines on the Yorke Peninsula.

The project, if it is approved, will generate up to 600 megawatts of electricity, and would be linked directly into the Adelaide metropolitan grid through an undersea cable. This project, named the Ceres Project, would be one of the largest wind farms in the southern hemisphere, and easily the biggest in Australia.

The proposed project includes, as I mentioned, a high voltage direct current undersea transmission connection across the Gulf St Vincent, which is estimated to provide enough electrical power for well over 200,000 homes. Much of this energy is planned to be generated by wind, but the project will also assess the feasibility of harnessing other renewable sources such as solar and biomass, and that is obviously about biomass offsetting some of the intermittent nature of wind.

The Ceres Project still requires regulatory planning and environmental approvals, but the fact that it has been proposed for South Australia is an endorsement not only of our wind resources but of our fair and efficient planning system. It represents confidence in South Australia as an investment location for renewable energy projects.

This confidence is underpinned by policies such as our state's aggressive renewable energy target, our payroll tax rebate for the construction phase of wind and solar projects (which does not occur anywhere else in Australia), the government's commitment to GreenPower purchases (that is, 50 per cent of our own power coming from renewables by 2014), and our RenewablesSA initiative, headed by Bruce Carter.

Suzlon's project on the Yorke Peninsula represents a potential \$1.3 billion investment. It would create 500 direct jobs during construction and 50 ongoing jobs during an expected 25-year-plus operating period.

This is not the only project with the potential to boost employment in the region, and I know the Minister for

Mineral Resources Development would be very interested in this one: Rex Minerals' Hillside project, about 12 km south of Ardrossan near Pine Point, also has great potential to stimulate local economic activity. Hillside is a significant iron ore, copper and gold deposit. Hillside has an inferred and indicated resource estimated equivalent of 1.5 million tonnes of copper and 1.4 million ounces of gold. Drilling results announced on 5 September this year indicated that the outlook for the Hillside project is continually improving with further drilling. It is now being reported as potentially being a billion-dollar mine; in fact, there has even been press speculation that it could be bigger than Prominent Hill. This would make it the second-biggest copper mine in the state, behind Olympic Dam, located in the Yorke Peninsula.

The project is currently in the pre-feasibility stage with mine development expected to start in 2014 and first production in 2015, subject to approvals. Rex has also announced a shallow copper discovery at their Parara project approximately 10 kilometres north of their Hillside discovery, again in the Yorke Peninsula. Parara has similar geophysical characteristics to Hillside and forms part of the Pine Point Copper Belt.

Exploration results confirm that there is good potential for Hillside-style deposits elsewhere within the Pine Point Copper Belt. Discoveries like these represent a major opportunity for Yorke Peninsula. We all know that Yorke Peninsula was historically a mining province and to this day is known as the Copper Coast. The copper coming from the area was a huge contributor to the South Australian economy. Projects like Hillside at Pine

Point could return Yorke Peninsula to its historical place as a key South Australian mining destination, and I know the local member is a strong supporter.

Hillside is one of at least 30 mining projects in South Australia under development. These projects, in addition to the 18 mines already in existence or approved today, will drive development and economic growth in our regions. This is an exciting time for our mining industry; this is an exciting time for our renewable energy industry; and it is, above all, an exciting time for Yorke Peninsula. So I wish both Rex Minerals and Suzlon Energy all the best with their proposed projects.