

QUESTION ON NOTICE

No. 596

asked on Wednesday, 17 June 2020

MRS L GERBER ASKED THE MINISTER FOR NATURAL RESOURCES, MINES AND ENERGY (HON DR A LYNHAM)—

QUESTION:

Will the Minister advise the government funds allocated to the Tugun Desalination Plant, (reported separately by line item and financial year) for 2019-20 to 2021-22?

ANSWER:

The Gold Coast Desalination Plant is a key part of the South East Queensland Water Grid.

The desalination plant provides a climate resilient water source that can be relied upon during periods of low rainfall, and it can also be used at short notice when normal bulk water supplies are disrupted by extreme weather events or are taken offline for routine maintenance and upgrade works.

Gold Coast Desalination Plant costs	2019-20	2020-21	2021-22
Operational costs	\$18.5m	\$22.8m	\$12.7m
Capital costs	\$1.2m	\$18.9m	\$2.1m
Total costs	\$19.7m	\$41.7m	\$12.8m

The higher than historical average costs in 2019–20 were due to an increase in desalinated water production during the year as a drought response measure. During this time, the desalination plant operated at full capacity producing up to 125 megalitres per day to contribute to the grid's supply. Desalinated water was also used to supplement the grid's supply during 2019–20 while other water treatment plants were taken offline for major upgrade works.

Seqwater's forecast costs in 2020–21 and 2021–22 assume fair weather conditions, and the increased operating costs are anticipating an increased reliance on desalinated water production while other water treatment plants are taken offline for major upgrade works. Forecast capital costs for the desalination plant are also higher in 2020–21 due to planned routine membrane replacement works.