

15 MAY. 2012

LEGISLATIVE COUNCIL
Question on notice

Tuesday, 6 March 2012

5127. Hon Robin Chapple to the Leader of the House representing the Premier.

With regard to the development of the Browse Basin Gas Hub at James Price Point, I ask -

(1) Given Woodside is seeking to delay the Final Investment Decision until 2013 at the earliest, and the proponent does not have secure tenure at the site, will the Premier as Minister for State Development and proponent of the Browse LNG precinct, place the strategic environmental assessment process on hold?

(2) If no to (1), why not?

(3) Will the Premier place construction of the planned \$120 million James Price Point gas hub access road on hold?

(4) If no to (2), why not?

(5) How much of the projected budget of \$120 million will be paid for by public funds and how much by the Browse LNG joint venture?

(6) If the Premier is not willing to place construction of the road on hold, why is the Premier willing to risk significant public funds on a project while the private sector proponent is not willing to make a final investment decision?

(7) Is the Premier aware of a recent Main Roads WA announcement that AECOM Australia Pty Ltd has been selected as the preferred proponent in a joint venture with Brierty Ltd for the Browse LNG Precinct Access Road Program Alliance?

(8) How much has AECOM been paid to date as an environmental consultancy firm for its input into -

(a) the strategic assessment for the proposed James Price Point gas hub; and

(b) the environmental assessment of the proposed access road to James Price Point?

(9) How much does AECOM stand to earn from its contract with Main Roads for the access road to James Price Point?

(10) Given that AECOM was engaged by both the Department of State Development and Main Roads WA as environmental consultant for flora and fauna surveys as part of the environmental impact assessment process for the gas hub and access road to James Price Point, is the Premier concerned about perceptions that AECOM failed to identify key environmental factors so as to secure a lucrative road construction contract?

- (11) In particular, is the Premier concerned that AECOM's 'targeted survey' for threatened Bilbies in the vicinity of the proposed road failed to find any Bilbies while a volunteer citizen science project run by the local community found and filmed colonies of Bilbies in the vicinity of the gas hub and the proposed road?
- (12) How much was AECOM paid for the 'targeted survey' for Bilbies at James Price Point?
- (13) Is it possible that AECOM will tender for and be awarded contracts for the construction of any part of the gas hub, as it has done in relation to the access road?
- (14) Is the Premier aware of recent financial media coverage of concerns about the performance of the other 'preferred proponent' for the construction of the proposed James Price Point access road, Brierty Ltd, including Australian Financial Review reports on 1 June 2011 and 24 August 2011 to the effect that Brierty is in difficulty over contract disputes and management issues?
- (15) Given that, according to Main Roads WA, 'The formal award of the [James Price Point access road] contract is subject to a number of matters including legal, commercial and funding finalisation', will the Premier intervene to ensure that this \$120 million contract is only awarded to fit and proper companies?
- (16) Is the Premier confident that if Main Roads awards the construction contract to Brierty, in partnership with AECOM, that it will be able to deliver the project on time and on budget?
- (17) If the gas hub access road project ends up far more costly and taking far longer than planned, who will be held accountable and what penalties will apply?

Answer

Department of State Development advises:

- (1-2) No.
- (3-6) The road will be a publically funded, public road and will service not only the Precinct but the wider community. The road will be built to meet project timeframes.
- (7) Yes.
- (8a) AECOM has been paid \$4.5 million for the strategic assessment.
- (8b) AECOM has been paid \$330,190 for the access road environmental assessment.
- (9) Main Roads does not have a contract in place with AECOM.



(10) No. The flora and fauna surveys predate the proposal for a road. These surveys were subject to a level of scrutiny and completed to the satisfaction of the State.

(11) AECOM's report was tendered to the satisfaction of the Environmental Protection Authority.

(12) AECOM has been paid \$40,798 for the targeted bilby surveys.

(13) This is a matter for the Precinct proponents not the State.

(14) Yes.

(15-17) The awarding of any contract for the construction of the access road will be done in accordance with normal procurement procedures.