LEGISLATIVE COUNCIL Question On Notice

Tuesday, 12 February 2019

1828. Hon Robin Chappie to the Minister for Regional Development representing the Minister for Mines and Petroleum

I refer to statements made to the media on ABC Drive, Tuesday, 27 November 2018 regarding fracking and cheaper gas prices, and ask:

- (a) I refer to the statement that fracking would bring cheaper gas prices, and ask if the Government has done any modelling to determine whether gas from fracking would lower electricity prices;
- (b) if no to (a), why not;
- (c) if the Government has not done any modelling on whether gas from fracking would lower electricity prices, on what basis did the Minister make this statement and will the Minister table the evidence;
- (d) if no to (c), why not;
- (e) I refer to the Minister's promised that more acreage will not be opened up while the Minister is in power, and ask how will this be done;
- (f) what safeguards will the Minister put in place to ensure future governments will not open up more acreage in the future;
- (g) I refer to reports that fracking will not be allowed in Special Prospecting Authorities, and ask if this is true;
- (h) I refer to the Minister's statement that there was a possibility of compensation applications if there was a statewide ban, and ask what evidence does the Minister have to show this is the case;
- (i) if there is evidence to show that a statewide ban would be open to litigation, will the Minister table it; and
- (i) if no to (i), why not?

Answer	
(a)	The Government has not explicitly modelled the effect of fracking on electricity prices.
(b)	Modelling is not necessary to understand that increased supply of an input will have implications for a change in price of an output, all other things being equal.
(c)	See (b)
(d)	Not applicable
(e) - (f)	The state Government accepted all the recommendations of the Report of the Independent Scientific Panel Inquiry into Hydraulic Fracture Stimulation in Western Australia in 2018. An implementation plan is being developed to respond to the recommendations including those relating to the release of acreage.
(g)	Yes

- (h) As with the uranium mining ban, there would be potentially large risks to the state if existing approvals were set aside.
- (i) See (h)
- (j) Not applicable

MINISTER FOR MINES AND PETROLEUM

18/3/19