

SOUTHERN SEAWATER DESALINATION PLANT TARANTO ROAD

COMMUNITY UPDATE NO 2

A bulletin providing information on the latest developments in the planning and construction of Western Australia's second seawater desalination plant .

Dear Stakeholder

The Western Australian Government announced on 15 May 2007 that a new seawater desalination plant will be built on land owned by the Water Corporation at Taranto Road which is the site of the Binningup Wastewater Treatment Plant.

The Water Corporation is well aware of strong community interest in the development of this new facility and I reaffirm our commitment made at the public meetings in Binningup on 29 May 2007 and Myalup on 30 May to work with you and other stakeholders through all stages of this important State project.

This is our second Community Update. In this bulletin we discuss the current status of the project, some key issues raised at the meetings and aspects of the site selection, including comments on the Kemerton Industrial Park.

The following documents are now available on our website:

- Transcript of the Water Corporation's presentation at the Binningup meeting
- Minutes of the Binningup and Myalup question and answer sessions
- List of questions written down by people at the two meetings and answers provided
- Report outlining sites other than Taranto Road that were investigated. This report includes the additional costs to site the plant at Kemerton.

The website address is www.watercorporation.com.au/D/desalination_plant2.cfm The link is on the front page of our website.

PROJECT STATUS

The first key milestone will be the referral of the Southern Seawater Desalination Plant to the Environmental Protection Authority (EPA) in July 2007. The EPA will then determine the required level of environmental assessment.

When the level of assessment is known, the Water Corporation will produce an Environmental Impact Assessment report, which will include a rigorous assessment of environmental and social issues, definition of risks and management measures to deal with any identified risks. We anticipate a final draft of the Environmental Impact Assessment report will be available by the end of 2007.

KEY ISSUES

In relation to the key issues that have been raised by the community to date, namely: noise; visual impact; and lighting. We are committed to ensuring that:

- At the boundary of the desalination plant, noise levels will be below the sound of the ocean;
- The plant will be virtually unnoticeable from the beach.
- Lighting used at the plant will be no more intrusive than normal street lighting.

Before the estimated two-year construction begins we will also be addressing issues such as workforce accommodation, hours of work and, importantly, actions that will be required to ensure disturbance to beach access is kept to a minimum.

Locating the plant at the Kemerton Industrial Estate has been raised as a potential alternative to the Taranto Road site. The Water Corporation has recently completed a thorough review of this option and has reconfirmed that is not feasible because of the additional substantial cost involved with moving the plant inland, and the increased environmental risks with the construction and operation of additional large pipelines. The estimated increase in capital cost to relocate to Kemerton would in our estimation be approximately \$150 million. The energy requirements and operating costs would also increase. The major environmental concerns relate to wetlands in the area, additional energy requirements and clearing of vegetation for major additional pipelines.

In recognition of the strong interest in this issue, the Water Corporation has taken the further step of arranging for an independent review of the risks and benefits of locating the plant at Kemerton. The review will be made publicly available as soon as it is completed, which is expected to be within the next two weeks.

PLANT LOCATION

The Taranto Road site has been selected ahead of other available options on the basis of the marine environment, terrestrial environment, power supply availability, proximity to water supply infrastructure and land availability. Potential desalination sites at Port Kennedy and East Rockingham have been ruled out because of environmental concerns with inlet and outlet structures and discharge to Warnbro Sound. Potential desalination sites to the north of Perth have been ruled out for now because of the distance to existing power assets and water supply infrastructure.

The Taranto Road site is relatively large in relation to the land area required for the plant and offers significant flexibility for alternative site layouts, building design, landscaping and visual amenity. There are a wide range of alternative layouts that can be considered, while preserving the environmental values that are known to exist such as, old growth Tuarts, peppermint trees and the coastal dune system. The layout of the plant and its visual appearance is a key area in which the Water Corporation will be seeking community input.

COMMUNITY INPUT

The Water Corporation is encouraging your input to the project. We are committed to a process of constructive engagement over all phases of project development. We will undertake this through consultation with your community group and directly with community members and other stakeholders.

With the timelines and site selection set by the Government, it is important that you engage in the early stages of the project to make your issues and concerns known.

We look forward to continuing our dialogue with you as this important State project develops.

A handwritten signature in blue ink, appearing to read 'Chris Elliott', written in a cursive style.

Chris Elliott
Regional Business Manager – South West