

A blue banner at the top of the page with a white silhouette of a person on a hill on the left and four wind turbines on the right. The text "Grasmere Wind Farm Feasibility Study" is written in a white, serif font across the banner.

Grasmere Wind Farm Feasibility Study

STAKEHOLDER UPDATE NUMBER 3

July 2006

The Grasmere wind farm feasibility study, to assess the potential to add seven wind turbines to the existing Albany wind farm, commenced in October 2005. The extension would increase the amount of renewable energy to about 90% of the City of Albany's requirements.

This third stakeholder update is being made available to people, groups and organisations with an interest in the project.

This update informs these stakeholders about the feasibility study progress and to encourage feedback about the proposed project.

FEASIBILITY PROGRESS

The feasibility study has not been completed due to difficulties in completing the financial component of the study.

This is because recent large increases globally in steel and copper prices and a high demand for wind turbines in Europe have made it difficult to determine likely costs.

The proposed wind farm would require a large amount of copper and steel in components such as the underground cable connecting the wind farm to the grid and the steel towers for the wind turbines. So great have the fluctuations in the price of these metals that we have yet to fully determine costs.

In addition, in Europe, wind turbines are in high demand. As the manufacturer of the machines sought has very full order books, this is making it difficult to procure the seven turbines required for the proposed wind farm.

Negotiations are continuing with all suppliers with the aim of locking in prices and possible delivery times so that the financial component of the feasibility study can be finalised. We hope to have this process finished by September this year.

PUBLIC CONSULTATION

There has been recent media coverage about wind farms and planning approvals, particularly in relation to a proposed wind farm at Denmark.

Verve Energy will only proceed with the Grasmere wind farm if it has public support. To date, indications are that the Albany community likes the present Albany wind farm and that the proposed addition has such support.

In this respect, following the resolution of the present issues relating to costs, Verve Energy plans to apply to the City of Albany for planning approval for the facility.

During this process Verve Energy will hold a public display in Albany to supply information to the public so that informed comments can be made. It is a public process and we encourage you to have a say.

CHANGE OF NAME

You may have noticed that Verve Energy and not Western Power are now undertaking the feasibility study. This is because on 1 April Western Power was separated into four separate businesses. Verve Energy is one of these new businesses. We are an electricity generation company, owning and operating coal, gas, diesel and renewable energy power stations across the state including the existing Albany Wind Farm.

Verve Energy is owned by the State Government.

MORE INFORMATION

If you would like more information please contact the project's director whose contact details are listed below. Verve Energy encourages you to have a voice in this study, so please contact us if you would like to contribute or if you know of a person or organisation which could be added to our list of interested stakeholders.

CONTACT

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