



Australian Government
Department of Industry,
Innovation and Science

Mr Ted O'Brien MP
Chair
Standing Committee on Environment and Energy
Parliament House
CANBERRA ACT 2600

Dear Mr O'Brien

On reviewing the Proof Hansard of the testimony given by the department at the hearing into the prerequisites for nuclear energy in Australia on 23 October 2019, I find that some of the information provided to the Committee would benefit from clarification and correction.

The following exchange occurred between Mr Joshua Wilson MP and myself:

MR JOSH WILSON: Thank you all for being here today. Are you able to say what the cost to date is in relation to the development of this facility and if there is a total project cost estimate in terms of its construction and operation? [...]

MS SAM CHARD: [...] The department published a report last year that was undertaken by Cadence Economics largely for the purpose of informing the communities what the economic benefits of the facility would look like. At that time, Cadence Economics based their estimates on potential costs of between \$280 million and \$300 million for the capital construction of the facility. They were very early cost estimates that were undertaken before we had a site and when we were talking about very generic concepts. Those costs are likely to be extremely conservative, but we're happy to provide those costs.

Please let the record be corrected to reflect the following:

Further costs will be incurred to develop the generic concept design to deliver a detailed site specific design, achieve necessary regulatory approvals and maintain community engagement.

Once regulatory approvals are granted, the facility will be constructed. In July 2018, Cadence Economics estimated construction at \$325 million for the purpose of their economic benefit analysis. This early, indicative figure was based on a generic concept design.

The full cost of construction will depend on the specific site characteristics and any recommendations of the environmental and radiological regulatory assessments.

I apologise for any inconvenience caused and ask that you alert other members of the Committee to this correction.

Yours sincerely

A solid black rectangular box used to redact the handwritten signature of Sam Chard.

Sam Chard
General Manager
Radioactive Waste Management Facility Taskforce

06 November 2019