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Statement from CEO

David Shankey

Closure of the Muja C generating unit

Muja C Unit 6 in Collie (WA) ceased generating electricity on 1 October 2024 and entered 'reserve outage mode', meaning it is no longer generating electricity but can be made available if the Australian Energy Market Operator (AEMO) requests during peak demand periods over the 2024-25 summer, before finally being retired from 1 April 2025. Muja C Unit 6 is only one of several units at the Muja Power Station, which is scheduled to close in October 2029.

In respect of retirement of Muja C Unit 6, I have decided not to issue a trigger notice under the *Net Zero Economy Authority Act 2024* (the Act). This means no further action will be taken by the Net Zero Economy Authority (the Authority) in relation to Muja C Unit 6.

In making this decision, I have taken account of the fact that the closure of this particular unit will not result in any involuntary redundancies either at the power station itself, or within its supply chain. Specifically:

- A total of 44 employees at Muja C have already accepted voluntary redundancies, with 38 redundancies taking effect in October 2024 and prior to my legislative powers coming into effect.
- Six employees remain working at Muja C while it is in reserve outage mode, and their voluntary redundancies are planned to take effect in April 2025.
- All other employees have been redeployed to roles elsewhere at the Muja site or accepted other employment opportunities.
- Premier Coal, the mine who supplies Muja Power Station, and other service contractors onsite are not laying off workers as a result of this closure.

This reflects a moderation of workforce demand across the whole Muja Power Station site, consistent with the staged closure approach being adopted by the power station operator, Synergy.

I have also taken into account the extremely limited time between the commencement of the Act on 11 December 2024 and the final closure of Unit 6 on 1 April 2025 to undertake the statutory processes required under the Act. The feasibility and utility of employers, or the Authority, providing additional supports beyond those already being provided to the affected workers in this time period would be significantly constrained, noting all redundancies have been voluntary and the majority have already taken effect.

My decision follows, and has been informed by, consultation by Net Zero Economy Agency officials (i.e. the executive agency that preceded the Authority) with a broad range of stakeholders in Collie, including the power station operator Synergy, unions, and the Collie Delivery Unit from the WA Department of Premier and Cabinet.

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The Authority will consider the role of the Energy Industry Jobs Plan under the Act in the context of scheduled retirements of Collie Power Station (2027) and Muja Power Station. We anticipate commencing consultation in respect of these closures from mid-2025.

The Authority will continue working closely with the Collie Delivery Unit and the Just Transition Working Group to facilitate new investment in the region and ensure the broader community has access to transition supports as coal generation and mining facilities close in the coming years.

David Shankey, CEO, Net Zero Economy Authority

Background

In March 2020, Synergy notified the Australian Energy Market Operator (AEMO) of the planned retirement of Muja C Unit 6, a single generating unit at Muja Power Station, from 1 October 2024.

In 2022, the Government of Western Australia announced plans for the staged retirement of Collie Power Station (October 2027) and Muja Power Station (October 2029), both owned by the state-owned corporation Synergy. Muja Power Station is registered with AEMO as three generating units: Muja C Unit 6 and Muja D Unit 7 and Unit 8.

Synergy is managing the staged closure through its Muja Workforce Transition Program developed in consultation with unions and employees. Under this program employees are supported by Synergy's Workforce Transition Coordinators through the development of Individual Transition Plans to cater to their circumstances and future directions.

In addition to supports provided by employers, the WA Government is supporting workers and the community under the Collie Just Transition Plan. The Collie Just Transition Plan has operated since 2020 and was developed in collaboration with the Collie Just Transition Working Group, comprised of local industry, community, union and government stakeholders.

The *Net Zero Economy Authority Act 2024* (the Act) commenced on 11 December 2024, establishing the Net Zero Economy Authority. The Act also enabled the CEO's statutory responsibilities and powers regarding administration of the Energy Industry Jobs Plan, which is designed to support workers at closing coal and gas powered generators and their dependent suppliers.

The Act outlines the steps involved in the Energy Industry Jobs Plan in relation to a particular closure event:

1. The CEO, under section 9(2) of the Act, may specify a 'trigger notice' in relation to a notice of closure of a part, or the whole of a coal or gas fired power station.
2. Where a trigger notice has been issued, the CEO is required to undertake a community of interest process under s. 55 of the Act which includes statutory requirements for consultation and gathering information.
3. This process informs the CEO's consideration on whether to apply to the Fair Work Commission seeking a community of interest determination to enliven the employer obligations and supports under the Energy Industry Jobs Plan, which, if granted by the Fair Work Commission, would enliven the statutory obligations on relevant employers under Part 5 of the Act.