

Business

Powering up hydro jobs for the north

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HUNDREDS of jobs could be created after a north Queensland hydro energy project was given a \$610 million loan by the Northern Australia Infrastructure Facility.

Construction on Genex Power's Kidston Stage 2 Pumped Storage Hydro Project is expected to start in September once finance is secured.

There will be 500 jobs created during construction of the hydro project, and another 200 through work on a transmission line.

The news saw shares in the ASX-listed power generator rise by 8.3 per cent, or 2¢ to close at 26¢ .

Genex Power executive director Simon Kidston said the majority of workers would be sourced from Townsville, Cairns and the Atherton Tablelands.

The jobs will be available through contractors McConnell Dowell and John Holland.

The development, about 270km northwest of Townsville, is being built at an ex-gold mine site which already has an air strip.

Electricity will be generated as water falls from the two old mining pits (pictured). It will then be pumped back to the upper pit by using power generated by the onsite solar farm.

Mr Kidston said he expected workers to be on the ground by the end of September. In June, Japan's J-Power said it would invest up to \$25 million in Genex, which is scheduled to complete construction of the Kidston project by 2022.

Genex still needs to finalise an agreement with Energy Australia to buy power from the project and take a 50 per cent equity stake in it, while the Queensland Government must approve plans to build a transmission line.

Mr Kidston said Genex was working with the State Government on having this approved shortly.

NAIF chief executive officer Laurie Walker said the investment represented slightly more than 12 per cent of NAIF's total \$5 billion facility. "The project will provide far north Queensland with 250MW of firm, dispatchable energy, improving energy reliability while lowering transmission losses and electricity prices," Ms Walker said.