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Karl Okorn Team Leader – Energy Assessments Department of Planning and Environment Level 16, 4PSQ 12 Darcy Street Parramatta NSW 2150

22nd July 2022 Document BHB-AGL-CX-GEN-0024

Dear Karl,

SSD – 11437498: Request regarding Schedule 3, Condition 24 – Fire Safety Study

AGL Energy Limited (**AGL**) received development consent under section 4.38 of the NSW *Environmental Planning and Assessment Act 1979* to construct the Broken Hill Battery Energy Storage System (**Project**) at Broken Hill, NSW on 8th September 2021. Following a request for modification of that development consent, revised conditions were granted by the Department on 15th July 2022 for SSD 11437498-Mod-1, collectively referred to herein as the '**Modified Development Consent**'.

Construction of the Project is currently scheduled to commence in August 2022, with the battery components anticipated to arrive on site in or around December 2022. Prior to their arrival, there will be no practical application of the Fire Safety Study (**FSS**) required by Schedule 3, Condition 24 of the Modified Development Consent (**Condition 24**) as there will be no potentially hazardous materials present on site.

The Project will be constructed in accordance with the Modified Development Consent conditions. However, AGL writes to seek a minor practical adjustment to Condition 24 so that approval of the final FSS for the battery components is not required until the components to which this study applies are due to arrive at site (approximately December 2022). AGL's contractor Fluence Energy (**Fluence**) has already well progressed with its draft FSS which it will finalise with FRNSW before seeking the endorsement of the Planning Secretary.

The reason for the request is because Condition 24, on its face, prevents construction from commencing as planned in August 2022 without the FSS, noting that commissioning and operational commencement is due in April 2023, prior to the winter energy demand in Broken Hill.

For ease of reference, Condition 24 Modified Development Consent states:

Prior to commencing construction, unless the Planning Secretary agrees otherwise, the Applicant must prepare a Fire Safety Study for the development, to the satisfaction of FRNSW and the Planning Secretary. The study must:

- (a) Be consistent with the Department's Hazardous Industry Planning Advisory Paper No. 2 'Fire Safety Study' guideline and relevant Australian Standards and International Guidelines; and
- (b) Describe the final design of the battery storage facility.

Following completion of the Study, the Applicant must implement the measures described in the Fire Safety Study.

AGL write to request approval from the Department and FRNSW to adjust Condition 24 in **bold underline** as follows to align with the arrival of the equipment:



<u>No later than 3 months following commencement of construction</u>, the Applicant must prepare a Fire Safety Study for the development, to the satisfaction of FRNSW and the Planning Secretary. The study must:

- (a) Be consistent with the Department's Hazardous Industry Planning Advisory Paper No. 2 'Fire Safety Study' guideline and relevant Australian Standards and International Guidelines; and
- (b) Describe the final design of the battery storage facility.

Following completion of the Study, the Applicant must implement the measures described in the Fire Safety Study.

AGL has engaged Fluence and Valmec Construction (**Valmec**) in a consortium agreement to complete the design and construction of the Broken Hill Battery, which includes development of the FSS. The FSS assesses the appropriate fire management controls and response for any materials considered to be potentially hazardous, such as the battery components and associated equipment. In proposing this adjustment, we note the interface with the following Modified Development Consent Conditions:

Fire Safety Study and Emergency Plan

For the avoidance of doubt, AGL will continue to meet its compliance obligations under the Emergency Plan (Schedule 3, Condition 27), which will be completed and implemented in full, prior to the commencement of construction. In making the adjustment referred to above, we confirm that the Emergency Plan will then be reviewed, with any necessary updates made following completion of the FSS.

AGL welcomes any Condition wording that imposes a restriction on the delivery of battery products to site until both the Fire Safety Study has been approved by the Planning Secretary, and any requisite necessary updates are made to the Emergency Plan.

Independent Audit

In support of our proposed amendment, revising Condition 24 per above would also allow for the FSS to be finalised and implemented prior to the first independent audit, as required by Schedule 4, Condition 11.

Conclusion

AGL considers the proposed minor adjustment to be a practical change that would allow the for commencement of construction to meet the target operational date of April 2023 in time to meet the vital energy demand from the Broken Hill community in winter 2023.

By approving an adjustment to Condition 24, the Department will be greatly supporting AGL and the Fluence / Valmec consortium to commence construction whilst continuing to manage the future risk profile associated with the battery infrastructure.

If you require any further information, please do not hesitate to contact Vicki Brady, Manager Environment _ Energy Hubs on <u>VBrady@agl.com.au</u> or 0499 304 473.

Yours sincerely,

all

Richard Page Project Director – Broken Hill Battery Project



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