



EnergyAustralia

LIGHT THE WAY

27 April 2020

Mr. Stephen O'Donoghue
Director Resource Assessments
Department of Planning, Industry and Environment
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Dear Mr. O'Donoghue,

RE: SSD-5602 Angus Place Extension Project

Thank you for the opportunity to make a submission in relation to the Angus Place Extension Project proposed by Centennial Coal.

We wish to confirm our support for the project.

EnergyAustralia is one of Australia's largest energy companies, providing gas and electricity to 2.5 million household and business customer accounts across Eastern Australia. EnergyAustralia controls over 5,000 MW of electricity generation capacity, including around 850 MW of renewable energy and 80 MWh of grid scale batteries across the National Electricity Market.

In NSW, we sell gas and electricity to approximately 1.4 million retail customer accounts and control approximately 2,400MW of generation within the state. Key thermal generation assets include the Mt Piper power station at Lithgow, NSW's newest and most efficient coal fired generator, and the Tallawarra gas fired power station on the shores of Lake Illawarra.

The Mt Piper power station provides up to 15% of NSW's electricity and, being the youngest of the NSW coal generators, has a commercial life to 2042. It employs approximately 300 workers.

Mt Piper power station is critical to the NSW electricity system and contributes to delivering secure and affordable electricity to industry, businesses and households in NSW.

Angus Place was one of six local mines that historically supplied coal to Mt Piper. Angus Place was placed into care and maintenance in 2015 and since then Mt Piper has relied on a single source of coal, being the Springvale mine. The Springvale mine is due to cease production in 2024, with Angus Place the most progressed local coal supply option to Mt Piper over the remainder of its operational life. As the youngest and one of the most efficient black coal power stations in Australia, it is essential Mt Piper has access to a cost competitive and reliable source of coal – Angus Place has the potential to meet this need.

The NSW energy market is undergoing significant structural transition as new renewable energy is deployed and large coal generators retire over the coming decade, including the Liddell power station which is scheduled to exit the market in 2022. Ensuring Mt

Piper has a stable, long-term supply of coal is strategically important to the security of NSW's electricity supply for many decades to come.

We also support efforts to maintain a strong and viable coal mining industry in the Lithgow region. A capable and functioning coal industry in the Lithgow region is integral to a robust local economy and provides mining and electricity generation jobs.

We have carefully reviewed the EIS and believe the project appropriately balances environmental, economic and social outcomes by securing electricity generation for NSW customers, enabling the ongoing employment of some 600 local people and offsetting environmental impacts to ensure long term biodiversity is maintained. Mine water will be managed by transferring it to the water treatment facility recently developed for this purpose at the Mt Piper power station. We observe that Centennial and EnergyAustralia have constructed and are currently operating the \$200M+ water treatment plant to treat Springvale mine water. The water treatment plant was designed to accommodate Angus Place mine water following the transition of coal supply from Springvale to Angus Place in 2024.

We note that this project has been the subject of a very robust and thorough assessment by the relevant agencies and Department in the past. The current assessment provides evidence of the beneficial outcomes it will provide. We also highlight the critical need to a secure, long-term coal supply to enable Mt Piper to supply the NSW electricity system and meet the needs of NSW industry, business and households until 2042. On this basis EnergyAustralia supports the timely provision of development approval for the extension of the Angus Place mine.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'R Edwards', with a stylized flourish at the end.

Ross Edwards
Markets Executive