Contact: Ben Holmes Phone: (02) 9228 6534 Fax: (02) 9228 6366

Email: ben.holmes@planning.nsw.gov.au

Our ref: S06_00985

Your ref:

Mr David Walton
General Manger Business Development
International Power (Australia) Pty Ltd
L37 Rialto North Tower
525 Collins Street
MELBOURNE VIC 3000

Dear Mr Walton

Proposed Buronga 120 MW Distillate Fired Power Station (Peaking), Buronga, Wentworth Local Government Area (Application Reference: 07_0105)

I refer to your request for Director-General's requirements for the above project. The Director-General's Environmental Assessment Requirements are attached, pursuant to section 75F(2) of the *Environmental Planning and Assessment Act 1979* (the Act). It should be noted that the Director-General's requirements have been prepared based on the information provided to date.

Please note that under section 75F(3) of the Act, the Director-General may alter or supplement these requirements if necessary and in light of any additional information that may be provided prior to the proponent seeking approval for the project.

If your proposal contains any actions that is likely to significantly impact matters of National Environmental Significance, it will require an additional approval under the Commonwealth Environment Protection Biodiversity Conservation Act 1999 (EPBC Act). This approval is in addition to any approvals required under NSW legislation. It is your responsibility to contact the Department of Environment and Water Resources in Canberra (6274 1111 or http://www.environment.gov.au) to determine if the proposal is likely to significant impact on matters of National Environmental Significance, and would require an approval under the EPBC Act. The Commonwealth Government has accredited the NSW environmental assessment process for assessing any impacts on matters of National Environmental Significance. As a result, if it is determined that an approval is required under the EPBC Act, please contact me immediately as supplementary Director General's requirements will need to be issued.

You should ensure that you consult with the Department prior to submission of a draft Environmental Assessment to determine:

- fees applicable to the application;
- whether the proposal requires an approval under the EPBC Act and any assessment obligations under that Act;
- consultation and public exhibition arrangements that will apply; and
- number and format (hard-copy or CD-ROM) of the Environmental Assessments that will be required.

Once you have lodged the Environmental Assessment, the Department will consult with the relevant authorities to determine the adequacy of the Environmental Assessment. Following this review period the Environmental Assessment will be made publicly available for a minimum period of 30 days.

Bridge St Office 23-33 Bridge St Sydney NSW 2000 GPO Box 39 Sydney NSW 2001 Telephone (02) 9228 6111 Facsimile (02) 9228 6191 DX 10181 Sydney Stock Exchange Website planning.nsw.gov.au

You should keep the contact officer for this project, Ben Holmes ((02) 9228 6534, ben.holmes@planning.nsw.gov.au), up to date with the progress of preparation of the Environmental Assessment, and seek clarification of any issues that may be unclear or may arise during this process.

Yours sincerely

glande Stone

A/ Executive Director

As delegate for the Director-General

Director-General's Requirements Section 75F of the *Environmental Planning and Assessment Act 1*979 07_0105 Application number Project International Power proposes to construct and operate a 120 megawatt distillatefired power station at Buronga. The power station would operate as a peaking plant, generating electricity on an as-required basis anticipated to be no more than 10 % of any year. The Proponent proposes to: construct and operate three 40 MW distillate-fired turbines to generate a nominal total capacity of 120 MW; and 2. infrastructure to connect to the grid. Location Arumpo Road, Buronga; Lot 2 DP 1037845 (formerly Lot 4 DP 802730) **Proponent** International Power (Australia) Pty Ltd Date of Issue 10 August 2007 Date of 10 August 2009 **Expiration** General The Environmental Assessment must be prepared to a high technical and scientific Requirements standard and must include: an executive summary; a description of the proposal, including construction, operation, and staging; an assessment of the environmental impacts of the project, with particular focus on the key assessment requirements specified below; justification for undertaking the project with consideration of the benefits and impacts of the proposal; a draft Statement of Commitments detailing measures for environmental mitigation, management and monitoring for the project; and certification by the author of the Environment Assessment that the information contained in the Assessment is neither false nor misleading. Key The Environmental Assessment must include assessment of the following key Assessment issues: Requirements Strategic Justification - the Environmental Assessment must include a strategic assessment of the need, scale, scope and location for the project in relation to predicted electricity demand, predicted transmission constraints, and the strategic direction of the region and the State in relation to electricity supply and demand, and electricity generation technologies. The Environmental Assessment must also include a strategic planning consideration of the project and an analysis of the suitability of the proposed site with respect to potential land use conflicts with existing and future surrounding land users. A detailed evaluation of alternative options for generating electricity using alternative fuels or more efficient technology (as appropriate) must be included. In particular, the Environmental Assessment must demonstrate why the proposed diesel-fired plant represents the appropriate fuel, technology, and location combination. It also needs to demonstrate that gas is not readily available as a fuel. Greenhouse Gases - the Environmental Assessment must include a comprehensive greenhouse gas assessment, incorporating a quantitative model

also needs to demonstrate that gas is not readily available as a fuel.

Greenhouse Gases – the Environmental Assessment must include a comprehensive greenhouse gas assessment, incorporating a quantitative model showing the tonnages of greenhouse gas produced (tCO₂e) both directly and indirectly from the project as tonnes per unit of production basis; on a total annual emissions basis; and on a total project lifetime basis. These tonnages must be compared against best practise emissions for the activity and alternative electricity generation technologies and fuels. Annual tonnages must also be compared against the total annual NSW emissions to demonstrate the impact of the proposal on NSW emission targets. If a greenhouse gas offset is proposed, full details of this offset(s) must be included. The assessment must also include an evaluation of the feasibility of measures proposed to reduce emissions with assessment provided regarding the effectiveness and reliability of each measure

Air Quality - the Environmental Assessment must include a comprehensive air

quality impact assessment prepared in accordance with the Approved Methods for Modelling and Assessment of Air Pollutants in NSW (DEC 2005), with particular focus on nitrogen oxides, particulates and the impact of cumulative air emissions on the local area. Contingency plans for potential system failures must also be identified in the EA.

- Noise Impacts the Environmental Assessment must include a noise impact assessment for the project, conducted in accordance with NSW Industrial Noise Policy (EPA, 2000). The Environmental Assessment must clearly outline the noise mitigation, monitoring and management measures the Proponent intends to apply to the project; including an assessment of the feasibility, effectiveness and reliability of proposed measures and any residual impacts after these measures have been implemented.
- Flora and Fauna the Environmental Assessment must include a flora and fauna impact assessment in accordance with the DEC's Guidelines for Threatened Species Assessment (DECC, 2005).
- Environmental Risk Analysis notwithstanding the above key assessment requirements, the Environmental Assessment must include an environmental risk analysis to identify potential environmental impacts associated with the project (construction and operation), proposed mitigation measures and potentially significant residual environmental impacts after the application of proposed mitigation measures. Where additional key environmental impacts are identified through this environmental risk analysis, an appropriately detailed impact assessment of these additional key environmental impacts must be included in the Environmental Assessment.

Consultation Requirements

You must undertake an appropriate and justified level of consultation with the following parties during the preparation of the Environmental Assessment:

- NSW Department of Environment and Climate Change;
- NSW Roads and Traffic Authority:
- NSW Department of Water and Energy;
- **NSW Rural Fire Service:**
- Commonwealth Civil Aviation Safety Authority;
- Wentworth Shire Council; and
- the local community.

The Environmental Assessment must clearly indicate issues raised by stakeholders during consultation, and how those matters have been addressed in the Environmental Assessment.

Deemed

Under clause 8E(2) of the Environmental Planning and Assessment Regulation refusal period 2000, the applicable deemed refusal period is 60 days from the end of the proponent's environmental assessment period for the project.