

27 August 2020

Director Resource Assessments
Planning and Assessment,
Department of Planning, Industry and Environment,
Locked Bag 5022,
Parramatta NSW 2124
Attention: Melissa Andersen

Dear Melissa,

Re: Northern Coal Logistics Hub Modification 2 – Response to Modification Report (SSD5145 - Mod 2)

Thank you for the opportunity to comment on the Modification requests for the Northern Coal Logistics Hub lodged by Centennial Northern Coal Services Pty Limited.

Origin has reviewed the Modification Report, and request that the Department take the following comments into consideration in the determination of the proposal.

Need for Project

Eraring is Australia's largest coal-fired power station, providing up to 25% of NSW's electricity supply. To ensure security of supply, the Eraring Power Station (EPS) sources coal from a range of suppliers and is not reliant on coal sourced from the Myuna Colliery for the security of its ongoing operations.

Origin has not initiated the need for Centennial to transport coal via public roads and to blend it at the Cooranbong Entry Site in order to supply coal to EPS.

Origin considers that the quality of coal supplied by a mine is best managed at the producing mine (prior to receipt by the relevant power station) utilising a range of management methods including on site blending, appropriate mining methods and deployment of technology to provide real time quality assurance. Integration of mining operations with an appropriate mine plan which maps available resources is also critical in ensuring ongoing quality control of mined product.

Origin will continue to assess its coal supply options from a range of suppliers in order to source coal that best meets the requirements of the EPS to ensure ongoing safe and reliable operations and security of electricity supply.

Coal Quality and Impacts to Operations

Origin has a number of coal and rail contracts in place to ensure a diverse range of coal supply options, and in turn ensuring a reliable supply of coal to EPS. The quality specifications of the coal supplied are critical to maintain operational performance of the plant, and compliance with its environmental licence requirements.

The delivery of off-specification coal into the EPS can create significant operating and performance risks which materially impact the availability and security of supply from the power station.

Origin has previously experienced off specification Myuna coal which has caused significant issues at the EPS, and has held numerous ongoing discussions with Centennial in relation to the future outlook of the coal quality from the Myuna mine.

Consultation

Section 6 of the Modification Report – Stakeholder Consultation, includes the outcome of Centennial's consultation with relevant stakeholders. The report describes EPS as a key part of the project need but does not identify or report on any formal consultation with Origin.

Prior to the public exhibition of the Modification Application on 31 July 2020, Origin was unaware of Centennial's intention to amend its approvals to enable the transport of coal from the Myuna Colliery via truck on public roads, and the shared private haul road to the Cooranbong Entry Site for coal blending.

Origin has offered to engage with Centennial to discuss alternate options to the large-scale trucking approach being sought to address off specification coal.

If you would like to discuss the information contained within, please do not hesitate to contact Lauren Barnaby, Group Manager Environment and Community on 0472 879 898 (lauren.barnaby@originenergy.com.au).

Your Sincerely,



Tony Phillips
Group Manager Operations, Eraring

Attachment: Declaration of Political Donations