

New areas proposed for Mt Piper ash placement

Delta Electricity has lodged a Major Project Application and a Preliminary Environmental Assessment with the NSW Department of Planning seeking concept approval for four new ash placement areas at Mt Piper Power Station.

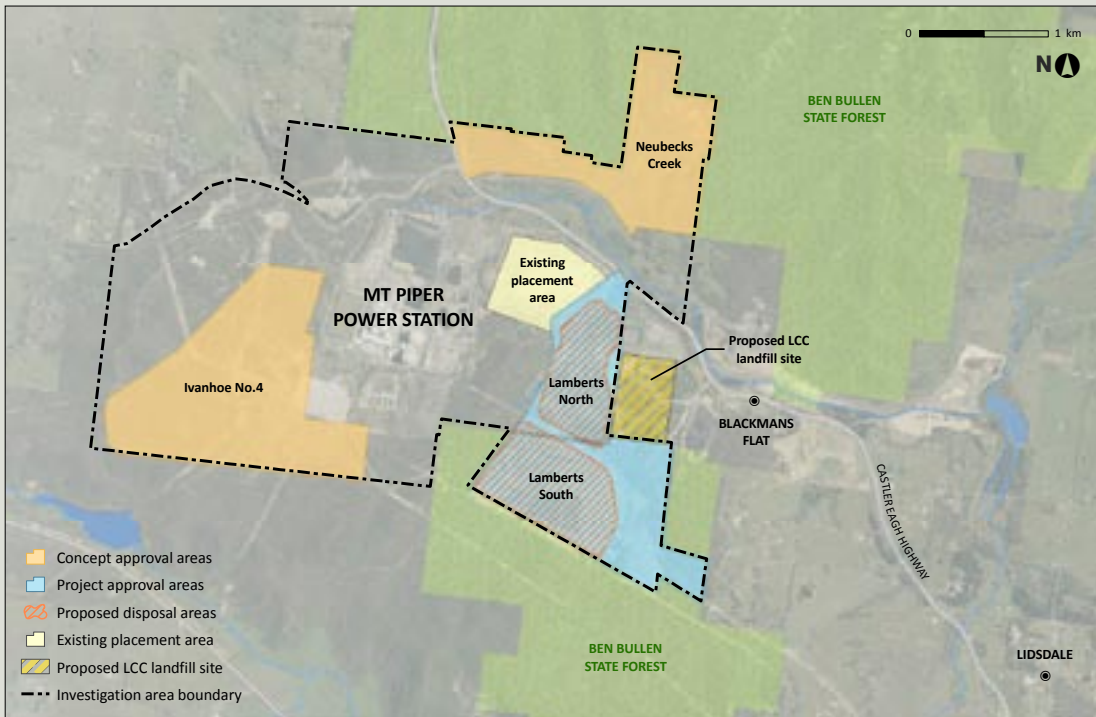
Pending concept plan approval, Delta Electricity is also seeking project approval to immediately develop two of the areas – Lamberts North and Lamberts South. Delta would seek project approval to develop the other two areas Neubecks Creek and Ivanhoe No.4 as demand requires.

Preliminary project details

- In 2006 Delta Electricity undertook a site-selection study in which potential ash placement sites were selected for evaluation. All identified sites were assessed against a set of technical and operational criteria, in addition to economic and environmental criteria.
- No individual sites were identified which would be large enough to contain the forecast ash volume for the remaining life of Mt Piper. Instead, Delta selected four broad sites known as Lamberts North, Lamberts South, Neubecks Creek and Ivanhoe No. 4. These are the areas that will be assessed for concept approval.
- Project approval is currently being sought to immediately develop the Lamberts North and Lamberts South sites (east of the power station), pending concept plan approval. These sites have previously been mined for coal and ash would be used to fill the void. Neubecks Creek (north-east of the power station) and Ivanhoe No. 4 (south-west of the power station) would be developed progressively, if demand requires it and if these areas are eventually mined for coal.
- Current proven dry-ash-management practices will continue to be used. These practices help reduce the area needed for ash placement as well as minimise water use and the risk of ground and surface water contamination.
- As each proposed area is developed, the method for transportation of the ash will be finalised. These methods are likely to include covered conveyors and truck cartage on private haul roads with final placement by trucks as is currently done.
- Revegetation of the ash placement sites will be undertaken progressively as part of Delta Electricity's current ongoing landscape and revegetation program.
- Current hours of operation are expected to remain unchanged.



Left image:
Mt Piper Power Station



Left image:
Proposed ash placement areas at Mt Piper Power Station

Approvals process



What is ash and why does it need to be placed on-site at Mt Piper?

- Ash is produced at Mt Piper as a co-product of the coal combustion process. When the coal is burnt, the residue of ash which is leftover is collected and either reused or placed on-site.
- In order to maintain power station operations beyond 2015, ash needs to be either sold for beneficial reuse purposes or placed on-site.
- To date, more than 10.1 million tonnes of ash has been placed at Mt Piper in an open-cut mine void located on the north-east side of the power station.
- Wherever possible, Mt Piper's ash is sold for re-use, mainly in cement manufacture. This accounts for about 200,000 tonnes per annum or about 18 per cent of the power station's current annual production of ash.
- Based on current operations, it is expected that this placement area will be filled by around 2015, well before the power station reaches the end of its economic life. It is therefore necessary to provide new areas for the placement of ash to allow the existing power station to continue its operation.
- Delta will continue to actively identify re-use opportunities for the ash generated by Mt Piper throughout the life of the station. In the absence of significant re-use alternatives, however, the only currently viable option is to identify new areas to enable the continued placement of ash.

ABOUT DELTA ELECTRICITY

Delta Electricity is the largest electricity generator in Australia, producing electricity using coal, gas, hydro and biomass technologies. It is a NSW State owned corporation and operates in the national electricity market. Mt Piper Power Station is one of its four baseload power stations providing sufficient power for an estimated 3 million homes.

Delta also manages the Colongra low emission gas fired power station on the Central Coast, and Australia's largest renewable energy project at Condong

and Broadwater sugar mills which use sugar cane milling waste as fuel.

CONTACT

For more information about the project, please call the toll free project number **1800 257 484** or email mtpipershstorage@de.com.au.

The Preliminary Environmental Assessment and the Director-General's Requirements for the Environmental Assessment can be viewed on the Department of Planning website at www.planning.nsw.gov.au or on the Delta Electricity website at www.de.com.au.