3 March, 2010

CONCEPT PLAN APPROVAL FOR NEW LITHGOW POWER STATION

Concept plan approval has been given for an additional base load power station project in the vicinity of the existing Mount Piper facility north-west of Lithgow.

Minister for Planning, Tony Kelly, said the facility would help secure long term energy supply in NSW and provide a boost to the economy of the Central West.

“Up to 950 construction jobs and around 50 ongoing jobs could be created,” the Minister said.

“A 2000 megawatt natural gas or coal fuelled power station is proposed by Delta Electricity to accompany the existing Mount Piper Power Station with additional ancillary infrastructure for either fuel option.”

“The final fuel source will be determined at the project application stage based on future regulatory and market conditions and subject to meeting all required standards of environmental performance.”

As part of the assessment process, independent experts Arup Pty Ltd were engaged to review greenhouse gas and Heggies Pty Ltd for air quality and noise.

The Department of Planning found the Mt Piper project could be undertaken within acceptable environmental and amenity limits, subject to meeting 23 strict conditions, including:

- Retro-fitting capabilities for carbon capture and storage technology to minimise greenhouse gas emissions;
- Specific requirements for greenhouse gas assessment, noise and vibration, ash management, heritage and traffic management; and
- Updated assessments on air quality and water supply before any approval for construction is granted.

Mr Kelly said project applications will now have to be lodged outlining the specific design of the power station, including fuel source, before approval and any construction can begin on site.

“Today’s concept approval ensures this development can progress if required in the medium to long term as demand for power generation grows,” the Minister said.

“However, ultimately it will be the electricity market and how it is regulated in the future which determines whether the project is implemented and when it may be developed.

“The Government has responded to recommendations contained in the 2007 Owen Inquiry into electricity supply in NSW and the 2009 Australian Energy Market Operator Electricity Statement of Opportunities by taking additional measures to prepare for increasing energy demands and secure the future power supply for NSW.”
Member for Bathurst, Gerard Martin, welcomed the announcement.

"Obviously, an investment on this scale would provide a significant boost to the greater Lithgow region if it goes ahead," Mr Martin said.

"It would provide employment opportunities, flow-on investment into the local community and help secure power supply in NSW."