



Government of New South Wales
Department of Planning and Infrastructure
Via online submission
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LETTER OF SUPPORT FOR THE COALPAC CONSOLIDATION PROJECT

TRUenergy welcomes the opportunity to provide its views on the importance of the Coalpac Consolidation Project for the ongoing supply of fuel for baseload power generation in New South Wales.

TRUenergy is one of Australia's leading integrated energy companies and as part of the NSW government's electricity privatisation program in 2010, TRUenergy acquired the 'Gentrader' rights for the Mount Piper (1,400 MW) and Wallerawang (1,000 MW) coal-fired power stations.

Coalpac's mine is in the western coalfields of New South Wales, close to the Mt Piper and Wallerawang power stations. The supply of coal from Coalpac's operations helps ensure the cost-effective, secure and reliable supply of electricity from the Mt Piper power station to New South Wales customers.

Without approval for the consolidation project, Coalpac will exhaust its current mine in the short term with significant consequences for the supply of coal to the Mt Piper power station.

Key benefits of the consolidation project

Any supply interruptions would require the sourcing of alternative, higher priced coal from other mines located in parts of New South Wales that are more remote to the power station. Sourcing alternative supplies will involve additional road and rail transport and additional development expenditure. Increased costs would need to be reflected in the wholesale prices bid into the National Electricity Market by Mt Piper.

As part of the project, Coalpac will establish a conveyor from the mine operations to the Mt Piper power station, which will eliminate coal deliveries via public roads. The reduced truck movements will significantly improve amenity for local residents and road safety for broader road users in the area.

Over 90 per cent of New South Wales' electricity is currently generated from black coal. As Australia transitions to a lower carbon economy with increased generation from gas, wind and solar, coal-fired electricity generation will remain an important source of baseload energy. As one of the most efficient coal-fired power stations in Australia, low cost coal

supplies to Mt Piper are critical to enabling this transition to a lower carbon economy at the lowest possible cost to consumers.

Please feel free to contact me if you wish to discuss further.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Collette', with a stylized flourish extending to the right.

Mark Collette
Group Executive Manager, Energy Markets
TRUenergy