



NSW GOVERNMENT  
**Department of Planning**

Contact: Ingrid Ilias  
Phone: (02) 9228 6411  
Fax: (02) 9228 6366  
Email: [ingrid.ilias@planning.nsw.gov.au](mailto:ingrid.ilias@planning.nsw.gov.au)

Our ref: 9042594  
Your ref:

Mr David Chubb  
Project Manager  
URS Australia Pty Ltd  
Level 3, 116 Miller Street  
NORTH SYDNEY NSW 2060

Dear Mr Chubb

**Proposed Gas Turbine Facility near Marulan, Upper Lachlan/Goulburn-Mulwaree  
Local Government Areas (06\_0144)**

I refer to your application dated 4 May 2006 and accompanying Preliminary Environmental Assessment document.

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

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

- fees applicable to the application;
- 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.

You should keep the contact officer for this project, Ingrid Ilias ((02) 9228 6411 [ingrid.ilias@planning.nsw.gov.au](mailto:ingrid.ilias@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

26.6.06

Chris Wilson  
**A/ Executive Director**  
As delegate for the Director-General

# BIG HILL/MARULAN GAS FIRED POWER STATION, UPPER LACHLAN/COULBURN-MULWAREE LOCAL GOVERNMENT AREAS

## ENVIRONMENTAL ASSESSMENT REQUIREMENTS UNDER PART 3A OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

<b>Project</b>	<p>Construction and operation of a gas-fired power station and associated infrastructure in two stages:</p> <ul style="list-style-type: none"> <li>• Stage 1 – two open cycle gas turbines each with a nominal size in the range of 125-160 MW for a peaking facility – total capacity in the range of 250-320 MW;</li> <li>• Stage 2 – conversion to combined cycle for an intermediate/base load facility. The proposed capacity of the combined cycle plant at Stage 2 is in the range of 400 to 450 MW.</li> </ul>
<b>Site</b>	<p>One of two sites near Marulan (concept plan application):</p> <ul style="list-style-type: none"> <li>• Big Hill Site – Lot 1 DP 1013868, Upper Lachlan local government area;</li> <li>• Marulan Switchyard site – Lot 18 DP 1056592 and Lot 2341 DP 622834, Goulburn Mulwaree local government area.</li> </ul> <p>(Note: a decision of final site location will be made by the Proponent as part of any project application that is made with respect to the development).:</p>
<b>Proponent</b>	Delta Electricity
<b>Date of Issue</b>	23 June 2006
<b>Date of Expiration</b>	23 June 2008
<b>General Requirements</b>	<p>The Environmental Assessment must be prepared to a high technical and scientific standard and must include:</p> <ul style="list-style-type: none"> <li>• an executive summary.</li> <li>• a description of the proposal, including construction, operation, and staging.</li> <li>• an assessment of the environmental impacts of the project, with particular focus on the key assessment requirements specified below.</li> <li>• justification for undertaking the project with consideration of the benefits and impacts of the proposal.</li> <li>• a draft Statement of Commitments detailing measures for environmental mitigation, management and monitoring for the project.</li> <li>• certification by the author of the Environment Assessment that the information contained in the Assessment is neither false nor misleading.</li> </ul>
<b>Key Assessment Requirements</b>	<p>The Environmental Assessment must include assessment of the following key issues:</p> <ul style="list-style-type: none"> <li>• <b>Strategic Planning</b> – the Environmental Assessment must provide a strategic assessment for the project, including justification of the need, scale, scope and location of the project in relation to predicted electricity demand, predicted transmission constraints, and the strategic direction of the region and the State regarding the State 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 each site with respect to potential land use conflicts with existing and future surrounding land users.</li> <li>• <b>Greenhouse Gases</b> – the Environmental Assessment must include a comprehensive greenhouse gas assessment, incorporating a quantitative model showing the tonnages of each greenhouse gas produced (directly and indirectly from the development) per year. These figures must be expressed as a percentage of the total national greenhouse gases produced per year over the life of the project. If a greenhouse gas offset is proposed, full details of this offset(s) must be included in the Environmental Assessment.</li> <li>• <b>Air Quality Impacts</b> – the Environmental Assessment must include a comprehensive air quality impact assessment prepared in accordance with the <i>Approved Methods for Modelling and Assessment of Air Pollutants in NSW</i> (DEC, 2005) with particular reference to cumulative air emissions from the project at a local, regional and interregional level. The Environmental Assessment must also consider air quality impacts from operation of the project in each stage of its development and mode of operation, including start-up, shut-down, full and partial load operations, and if relevant, black start capacity.</li> </ul>

	<p>The Environmental Assessment must clearly outline mitigation measures to be applied and the extent to which these measures are likely to be effective in achieving the relevant environmental outcomes. A cost-benefit analysis on different mitigation measures/technologies that have been investigated should also be included.</p> <ul style="list-style-type: none"> <li>• <b>Water Quantity and Quality Impacts</b> – The Environmental Assessment must include an assessment of the water quantity and quality impacts of the proposal, with particular reference to the water needs of the project, the proposed source of water, and the implementation of water saving measures (including use of treated effluent or rainwater) and water recycling and/or reuse proposals. The Environmental Assessment must also identify the quantity and quality of wastewater, how this wastewater would be disposed of, and how stormwater would be managed at each of the sites. The Environmental Assessment must reflect a design philosophy of zero water discharge from the site, except for natural surface water flows. For the purpose of assessment of impacts on the drinking water catchment, <i>Drinking Water Catchments Regional Environmental Plan No. 1</i> specifies water quality criteria and specific heads of consideration.</li> <li>• <b>Noise Impacts</b> – the Environmental Assessment must include a noise impact assessment for the project, conducted in accordance with <i>NSW Industrial Noise Policy</i> (EPA, 2000). The assessment must include consideration of noise impacts during each stage of the development and each phase of operation, with a particular focus on scenarios under which meteorological conditions characteristic of the locality may exacerbate impacts. The Environmental Assessment must also include an assessment of the construction noise impacts of the project, against the criteria provided in Chapter 171 of the <i>Environmental Noise Control Manual</i> (EPA, 2004). Road transport to and from the site(s) would need to be assessed in accordance with <i>Environmental Criteria for Road Traffic Noise</i> (EPA, 1999). The Environmental Assessment must clearly outline the noise mitigation, monitoring and management measures the Proponent intends to apply to the project.</li> <li>• <b>Flora and Fauna Impacts</b> – the Environmental Assessment must include an assessment of impacts of the project on flora and fauna, prepared in accordance with <i>Guidelines for Threatened Species Assessment</i> (DEC/ DPI, July 2005). The Environmental Assessment must specifically consider threatened species and communities listed under both State and Commonwealth legislation that have been recorded on the site and surrounding land. The Environmental Assessment must also detail measures to avoid or mitigate impacts on threatened species associated with the siting and construction of any access roads and other infrastructure such as the connection to the gas pipeline and the required electricity transmission line.</li> <li>• <b>Hazards and Risk Impacts</b> – the Environmental Assessment must include a screening of potential hazards on each site (including new gas supply and electricity transmission infrastructure) to determine the potential for off site impacts and any requirement for a Preliminary Hazard Analysis (PHA). The PHA, should potential off-site impacts be identified, must be prepared in accordance with the Department's <i>Hazardous Industry Planning Advisory Paper No. 3</i>, <i>Hazardous Industry Planning Advisory Paper No. 6</i> and <i>Multi-level Risk Assessment</i>. Risk impacts associated with the transport of dangerous goods and hazardous materials must be documented with reference to the Department's draft <i>Route Selection</i> guideline.</li> <li>• <b>General Environmental Risk Analysis</b> – notwithstanding the above key assessment requirements, the EA 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 this additional key environmental impact must be included in the EA.</li> </ul>
<b>Consultation Requirements</b>	<p>You must undertake an appropriate and justified level of consultation with the following parties during the preparation of the EA:</p> <ul style="list-style-type: none"> <li>• NSW Department of Environment and Conservation;</li> <li>• Upper Lachlan Council;</li> <li>• Goulburn-Mulwaree Council;</li> <li>• Sydney Catchment Authority; and</li> </ul>

	<ul style="list-style-type: none"><li>• the local community.</li></ul> <p>The Environmental Assessment must clearly indicate issues raised by stakeholders during consultation, and how those matters have been addressed in the Environmental Assessment.</p>
<b>Deemed refusal period</b>	<p>Under clause 8E(2) of the <i>Environmental Planning and Assessment Regulation 2000</i>, the applicable deemed refusal period is 60 days from the end of the proponent's environmental assessment period for the project.</p>