

TRUenergy COMMUNITY LIAISON GROUP

DRAFT MEETING MINUTES

MEETING	TALLAWARRA LANDS CLG MEETING		MEETING NUMBER	1 / 2006
HELD AT	TXU TALLAWARRA SITE, WOLLONGONG		DATE	15 FEB 2006
PROJECT	TALLAWARRA CLG MEETING			
ATTENDEES	John Osseweyer Doug Prosser Ray Chapman Chris Brandis Basil Smith Stewart Russell Daryl Goldrick Peter Carter John Bridge Graham Dowers Nicola Wojcik Ian Kinlough Brendan Blakeley Abigail Jeffs	Scout Group Lake Illawarra Authority Winten Property Group Illawarra Bird Observers Club Illawarra Aboriginal Land Council (ILAC) University of Wollongong Department of Natural Resources (DNR) / Illawarra Bird Illawarra Aboriginal Land Council Wollongong City Council TRUenergy TRUenergy TRUenergy Elton Consulting Elton Consulting		
APOLOGIES	Ben Grounds Graham Towers Rita Webb Andrew Knowlson Chris Presland Brian Elton	Healthy Cities DOP Dapto Chamber of Commerce Duck Creek Catchment Group Southern Rivers CMA Elton Consulting		
DISTRIBUTION	To all invitees			

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1.0 WELCOME & INTRODUCTIONS

- 1.1** *The meeting commenced at 4.40 PM. Brendan Blakely welcomed all those present and acknowledged the ongoing commitment of all CLG members. Apologies were received from Brian Elton, Chris Presland, Rita Webb, Andrew Knowlson, Ben Grounds and Graham Towers.*
- 1.2** *The previous minutes were accepted with no amendments. They were moved by Doug Prosser and seconded by Ray Chapman. It was agreed that the approved minutes will be posted to the website.*

2.0 Power Station Updates: Graham Dowers

2.1 Engineering/Procurement/Construction (EPC) Contract

Tenders for the power station were called in August 2005 and received in November 2005. Four tenderers were approached, three bids were received and two tenderers were short listed in December 2005. The two short listed tenderers are Alstom a Swiss company, and Siemens a German company.

Further procurement meetings and discussions to clarify aspects of the proposals were held through January 2006 with representatives from the two tendering teams. Internal selection processes are continuing with meetings scheduled in February to seek formal approval for a preferred tenderer. TRUenergy anticipates that formal notice to proceed should be issued to the preferred tenderer in April 2006.

The project is on target to commence the 27 month build and construction process in Q2 2006.

Permit requirements for lake water cooling, gas supply, network are currently being finalised. Other negotiations for gas transport, additional commodity supply arrangements and NGACs are progressing to program.

Plant equipment for the power station will be sourced by the contractor from all over the world. Equipment like the gas turbines and the heat recovery steam generator will be imported and assembled on site using local construction and assembly contractors. Component parts such as stacks and pieces of building shell may be locally sourced.

A CLG Member requested information on the level of local services to be used in the construction and operation of the Plant.

Graham Dowers: The construction crew could be as large as 400 people which will be a boost to the local economy. Given the expertise and materials available in the Illawarra there is potential for steel work to be fabricated locally. However many of the proprietary components of the plant will need to be imported as they are not manufactured in Australia. Ultimately the extent of local services and supplies utilised will be a matter for the contractor to decide. Given the highly specialised and packaged nature of the plant TRUenergy cannot get too prescriptive in its purchasing requirements.

The power station will be a single shaft combined cycle gas turbine (CCGT) plant. This is an established and proven technology. Only four manufacturers around the world can

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	<p>supply this technology - General Electric, Mitsubishi, Alstom and Siemens. All four were invited to tender for the project.</p> <p>The power station will be the first 400 mega watt CCGT in NSW. A similar plant operates at Swanbank in Queensland. Other gas turbine power generation technologies, including simple cycle or multi-shaft configuration technology, are available but they are less efficient.</p> <p>The new power station will be more than 58 percent efficient and will be the most efficient plant in Australia. In comparison, a new coal-fired plant is typically 35 percent efficient. The old coal-fired plant on the site would have operated at a maximum of 32 percent efficiency.</p> <p><i>A CLG member noted there were significant opportunities for promoting the efficiencies of the innovative technology being utilised in the proposed plant within the Illawarra and more broadly.</i></p> <p>The power station will be routinely maintained to ensure efficiency and reliability is maximised. The operating regime will be based on an annual overhaul and a three year maintenance cycle. The power station is able to operate on a 7-day 24-hour continual basis, however unlike other power stations the CCGT type can be readily shut down and restarted.</p> <p>The plant will be shutdown as required and is expected to operate 70 percent of the year to maximise productivity and efficiency. National Electricity Market Management Company's (NEMMCO) role is to coordinate bulk power supply to moderate market supply fluctuations.</p>		

2.2 Clearance Works

The process for clearing the site was discussed at the July 2005 CLG meeting. All clearance works will be contracted as a discrete piece of work under a separate contract to the Engineering Procurement Construction (EPC) contract. Appropriate work procedures will be used to remove rubble, concrete debris and encased asbestos from the slabbed area.

Site clearance works are more extensive than originally envisaged and TRUenergy will now be clearing the whole slab. The successful tenderer for these works is a local company – Coastwide Civil who will be engaging two subcontractors PD Environment (asbestos specialist) and New Environment (industrial hygienist) to undertake these specialist tasks.

HLA Enviro Sciences will provide the independent audit services and technical advice to TRUenergy under a separate contract. Connell Wagner will project manage the works and be on site to supervise activities.

A specific construction management plan will be prepared by Coastwide Civil. Dust control and asbestos handling must be addressed before TRUenergy will allow works to commence. The plan will specify procedures to monitor asbestos and outline appropriate mitigation measures such as covering rubble for transport and disposal, damping down spoil and washing down trucks. The DEC licence specifies that monitoring must be

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undertaken and an auditable plan must be in place before work commences.

The asbestos repository will need to be extended within the existing fenced off area to accommodate the 8000 cubic metres of asbestos rubble and 2000 lineal metres of conduits to be removed from the site. The DEC licence allows the repository to be expanded and space exists within the repository area to accommodate the additional fill. The clearance work is quite extensive with some 11,000 square metres of slab area and mass foundation to be cleared and placed in the clean fill area. The repository will be covered with three metres of clean fill, revegetated, fenced off, sign posted and marked on survey title records to ensure there is no chance of future accidental disturbance.

A CLG member asked if there were any requirements for remote dust monitoring whilst work is taking place.

Graham Dowers: There will be monitoring at seven locations, however, there will be no remote monitoring as the whole intent of the remediation work is to have absolutely no airborne contaminants at any stage of the process.

The EPA's requirements for asbestos repositories are on their website.

2.3 Gas Supply Lateral

In principle agreement has been secured with RailCorp, RTA, WCC, TransGrid and landowner on the route of the gas lateral from Eastern Gas Pipeline (EGP)

A survey of the route is currently being undertaken and the licence application is being progressed.

2.4 Network Connection

Draft report regarding network connection from TransGrid study is available. NEMMCO approvals are required to connect to Integral lines that cross the site.

NEMCCO approval is a technical approval and does not factor in commercial market risk which is borne by TRUenergy. The approvals process is about ensuring the new generator can connect safely into the regional electricity grid.

Government press release regarding new power stations for NSW was issued prior to Christmas with Tallawarra receiving a positive write-up in the media. Q2 2006 and July 2008 are target dates for construction commencement and completion.

3.0 Site Maintenance Update: Ian Kinlough

Security

A number of security breaches were reported. Windows were broken and control panel switches interfered. Lights were damaged on the control panel near the water tanks.

There was a fire on 21-12-06 that was managed by NSW Fire Brigade and Rural Fire Service. Two hectares of the site to the north were burnt.

Cars were dumped north of the caravan park in early January. Police are investigating. Another burnt out car was found near the Birdwatchers Club observation area.

Project team met with Warilla Police to discuss ongoing security issues. Police are

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undertaking more patrols to monitor the site.

Land Management

The Illawarra Noxious Weeds Authority recently sprayed for Alligator Weed and Water Hyacinth. Program in place to spray Giant Parramatta Grass, Blackberry, Prickly Pear in March/April. Ongoing program for nuisance environmental weeds in March for Lantana, Wild Tobacco Tree, Castor Oil Plant Fire Thorn. The initial focus for such works is on sensitive areas like Duck Creek.

The program to control Sylvania a noxious weed commenced three years ago.

Search for Rhus tree was undertaken in November and not found. The tree was in flower and easily recognisable at that time.

The CLG member who raised this matter at the last meeting stated that if he sights the tree again he will mark it with survey flagging tape so it can be identified and managed.

TRUenergy's intention is to revegetate parts of the site, however, formal revegetation plans are not yet in place. The approach to revegetation has not been documented in a formal management plan. The eventual management plan will be informed by the studies that are part of the overall site planning process that is about to be undertaken.

Duck Creek will have some revegetation works as part of a landcare program. IALC are involved as a formal stakeholder to investigate employment opportunities and input into revegetation planning will also be provided by the Catchment Management Authority.

Revegetation and ongoing weed management requirements will be investigated as part of LES process. Once residual lands and land capability have been identified, a plan of management will be developed for each of the land areas. In the interim, whilst the land is still being used for grazing purposes it would be not appropriate to commence revegetation works. TRUenergy will stay in contact with the IALC about the potential for their involvement in this part of the project.

The fox bating program will recommence within the next month.

The issue of the sale of Yallah Roadhouse was raised. Graham Dowers noted that this wouldn't have any impacts on TRUenergy who lease out the car park area to the roadhouse operators.

The fire break on the north western boundary was cleared in November and a program was implemented to maintain it every three months. The cleared this strip has prompted illegal access and fences have recently been cut.

4.0 Tallawarra Lands Update: Nicola Wojcik

Local Environmental Study (LES)

The Department of Planning (DoP) advised formal requirements to prepare LES. An LES brief has now been completed and incorporates feedback from DoP and WCC. The brief was formally issued to five companies and a site tour was held with all five tenderers. Tenders are due at end of February with appoint scheduled for early March. A joint assessment by WCC and TRUenergy will be carried out.

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The companies invited to tender were:

- Connell Wagner
- URS
- Parsons Brinckerhoff
- GHD
- Willana

A local company, Forbes Rigby was invited to participate but due to conflict of interest issues, declined involvement.

Next Steps

It is expected that an LES consultant will be appointed by early March and by June 2006 a draft LES should be prepared.

A LES is a land use assessment plan that will identify capability of lands across the site and recommend preferred land use options. The LES will identify sensitive no-go areas and areas with more development potential.

A Project Control Group (PCG) meeting with DOP/WCC/Premiers Dept and TRUenergy and an interagency Planning Focus Meeting (PFM) with 15 agencies to identify issues for investigation will be held. There is potential to brief agencies once the LES has been prepared to communicate key issues.

It was suggested there be a CLG workshop once preliminary LES outputs have been prepared. This would allow TRUenergy and the CLG to expand the vision in response to more detailed assessment of the site and its potential capabilities.

The confidentiality of brief for the scope of the LES was discussed. The brief was not put to public tender. It was agreed that issues to be addressed in the LES will be an addenda to minutes.

The interface between the LES and the broad vision was discussed. The LES consultant will undertake an assessment of the CLG vision and provide feedback to the CLG on the relationship between the vision and land capability. It will be an iterative process to explore the emerging findings of the LES and refine the vision in consultation with the CLG.

5.0 Website: Nicola Wojcik

The JBA pre-rezoning report is available on the website.

A specific Tallawarra email address has now been established.

Tallawarra@truenergy.com.au

All emails will be received and actioned by TRUenergy. The database is continuing to be built to establish a list of stakeholder, contractor and potential employees' contacts.

For long term operation the preference is to recruit locally as well as build a strong internal team. Given the specialised nature of this project, it is likely that initially a number of operational jobs will be filled internally from within TRUenergy. TRUenergy will soon commence the recruitment process for an operating manager.

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TRUenergy is currently recruiting a project manager for the construction process. This role will be to represent TRUenergy's interests on site and is a separate role to the EPC construction manager.

Contracting opportunities for the build have been directed to the EPC bidders to handle.

Anticipated jobs are:

- 400 people to construct at peak construction.
- 30 people to operate on on going basis .

6.0 Next Steps: Brendan Blakeley

The agenda for the CLG next meeting was discussed. This meeting will include an update on the construction and LES processes. The LES will be in its early stages and responses from government agencies will be forthcoming.

There will be opportunities for the CLG to input after technical studies for LES have been completed. It was agreed that the meeting schedule should remain at two monthly intervals.

It was noted that the CLG needs to understand the scope of the LES process and studies. These studies would establish benchmarks so that as information starts to come through it can be understood in context.

It was agreed that the:

- LES specifications will be provided via the minutes.
- If announced the CLG will be notified via email before the next meeting of the preferred EPC contractor.

NEXT REGULAR MEETING: 19 April 2006, 4.30pm.

Meeting closed at 6.10pm.

If you have any questions in relation to these minutes please contact Brendan Blakeley at **Elton Consulting**.

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