

TRUenergy Marulan Project

CLG Agenda



Meeting **CLG meeting**

Ref No. 11/2447

Project TRUenergy Marulan

Date Wednesday 14th September 2011

Venue Big Hill Rural Fire Service, Brayton Road, Brayton

Time 4.30pm – 6.30pm

- Purpose
- To provide an update on the Marulan Project
 - To introduce the CLG and discuss its purpose, function and key roles.

Time	Item No.		Presenter
4.30pm	1	Welcome and introduction	Elton Consulting
	2	Marulan Project Update <ul style="list-style-type: none">• Latest news about the TRUenergy Marulan project• Questions and answers	TRUenergy
	3	Introducing the TRUenergy Marulan CLG <ul style="list-style-type: none">• Purpose, function, key roles• Terms of Reference• Questions and answers	TRUenergy and Elton Consulting
	4	Discussion about the CLG and Marulan Project	All
	5	Other matters <ul style="list-style-type: none">• Report back on matters from last meeting	TRUenergy
6.30pm	6	Next steps, thank you and close	Elton Consulting

TRUenergy Marulan Project

CLG Meeting Note



Meeting	First CLG meeting	Ref No.	11/2447
Project	TRUenergy Marulan	Date	Wednesday 14 th September 2011
Venue	Big Hill Rural Fire Service, Brayton Road, Brayton	Time	4.30pm – 6.30pm
Purpose	<ul style="list-style-type: none">• To provide an update on the Marulan Project• To introduce the CLG and discuss its purpose, function and key roles.		

Participants

Wayne Urle	Big Hill Rural Fire Brigade
John Reynolds	Landcare Goulburn Office/Catchment Management Authority
Antonia Stephenson	Dairy Road resident and Dairy Road Community Alliance
Catherine Fletcher	Billyrambija Landcare Group and local landowner
Wayne Hillier	Local resident, Big Hill and member of the Big Hill Fire Brigade
Elizabeth Ellis	Southern Villages Group Co-ordinator
Geoff Kettle	Mayor, Goulburn-Mulwarree Council
Ken McNally	Dairy Road resident and Dairy Road Community Alliance
Guy Fletcher	Billyrambija Landcare Group and local landowner
Steven Burgun	Sydney University Landcare Society
Marcello Diamante	TRUenergy
Graham Dowers	TRUenergy
Brendan Blakeley	Elton Consulting
Georgie Wheadon	Elton Consulting

Apologies

George Barnett and John McKindley	Canyonleigh Community Association
Bernie Budgen and Lauren Wilson	Landcare Goulburn Office/Catchment Management Authority (represented by John Reynolds)
Rosemary Turner	Marulan and District Historical Society
John Nacastri and Maureen Eddy	Marulan Progress Association
Maree Abood	Office of the Hawkesbury Nepean
Simon Gilmore, Phil Venton	Penrose Community Association (represented by Elizabeth Ellis)
Jason Gordon	Wingecarribee Shire Council
Rodney Falconer	Goulburn Field Naturalists Society
Chris Stewart and Chris Berry	Goulburn-Mulwaree Council (represented by Geoff Kettle, Mayor)

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David Humphries and Ken Wray	Marulan and Region Chamber of Commerce
Warren Dennis, Fai Moloney and Mal Moloney	Marulan Rural Fire Service
Delise Freeman	Pejar Local Aboriginal Land Council
John Bell (General Manager) and John Shaw (Mayor)	Upper Lachlan Council

Discussion points

1 Welcome and introduction

The meeting commenced at approximately 4:40pm. Opening remarks included:

- Brendan Blakeley from Elton Consulting welcomed the group for the first meeting of the Community Liaison Group (CLG), explaining the CLG will be TRUenergy's key vehicle for interacting with the Marulan community. He explained Elton Consulting have been engaged by TRUenergy to be the independent facilitators of this process.
- Feedback was sought on the current 4:30pm meeting time (which aims to accommodate government stakeholders). The group responded that there are no objections to current timing if meetings are held quarterly.

2 Introducing the TRUenergy Marulan CLG

Brendan Blakeley from Elton Consulting gave an overview of the CLG outlining its purpose and function, suggested Terms of Reference and suggested Ground Rules (see attached PowerPoint presentation).

Graham Dowers from TRUenergy explained that the CLG's Terms of Reference reflect the particular situation of this project, i.e. picking up the project with previous approvals confirmed.

Questions and comments from CLG members to TRUenergy

- Q: To confirm, the CLG is a group put together in good faith by TRUenergy as a conduit for information to and from the community, but without "teeth". That is, the company does not have an obligation to respond to CLG comments/suggestions.
A: This is correct however TRUenergy wish to maintain an ongoing relationship with the community and would like to hear all types of constructive feedback, even when not positive.
- Q: If approached by a journalist, do we have permission to refer them to the minutes of these meetings on a website?
A: Yes, the minutes from CLG meetings will be publicly available on TRUenergy's website.
- Q: In the last meeting an issue was raised about possible cumulative impacts from two gas fired stations being built at the same time in the same area (i.e. TRUenergy's station and Origin's station). There was the suggestion that TRUenergy should be liaising with Origin about these impacts. This issue does not appear in the previous minutes.
- A: The omission of this information was not deliberate. TRUenergy has had an opening discussion with Origin about our two pipelines including similarity/dissimilarity of routes. The conclusion is the two projects are on different timelines. TRUenergy's project is more advanced in that the development has attained Project Approvals whilst Origin has only recently started their application process. Furthermore, TRUenergy's project will have a relatively short gas pipeline flowing fuel to the Power Station. Origin has advised that it is developing a long distanced large diameter pipe that will likely be compressed to provide storage of natural gas on the lateral. It is these main reasons that make sharing a pipe not feasible between the two parties.

- Q: Have these meetings been held in the last week? In previous conversations with Origin they did not indicate they have spoken to TRUenergy.
A: These discussions were held in early August with their Development Manager.

3 Discussion about the CLG and the Marulan project

a) Project overview

Marcello Diamante from TRUenergy gave a brief overview of the company's customer base, services and supply areas and markets (see attached PowerPoint presentation).

A brief history of the Marulan project was then given, with the following points made:

- TRUenergy acquired the Marulan site from Delta Energy and Energy Australia in late 2010, with settlement and the formal transfer occurring on 1 March 2011.
- The current Project Approvals included two separately owned power stations on adjoining pads with common infrastructure provisions.
- TRUenergy have since been reviewing the development site from a fresh perspective and engaging consultants to develop a revised concept plan that benefited from having a single owner of the site.
- The preliminary findings in the Concept Plan are that the site is able to accommodate the development of 4 E Class turbines on the one pad. This will enable duplicate infrastructure to be consolidated, and the construction lay down area to sit on the unused pad reducing the environmental impacts (i.e. amount of surrounding vegetation needing to be cleared) and overall visual impact of the structures on the site.
- TRUenergy's proposal involves accessing the Southern Highlands Water Pipeline to supply water onsite and incorporating an evaporation pond to manage reject water. This will reduce traffic volumes in the area as the current approvals require water and waste to be trucked in and out of the Marulan area.
- TRUenergy will undertake preliminary Geotech study to confirm the proposal will be constructible onsite before finalising the concept layout. TRUenergy is also talking to landowners to finalise preferred pipeline route and will be submitting pipeline licence application shortly.

Questions and comments from CLG members to TRUenergy

- Q: Will you harvest water onsite?
A: The site's permit does not allow TRUenergy to harvest water onsite. All storm water (i.e. excluding that used in oily areas which will be captured and treated separately) will be directed into a sedimentation pond for cleaning before being released into the Wollondilly River.
- Q: What are TRUenergy's obligations for offsetting vegetation clearings for both the site and pipelines?
A: The previous project sponsors had negotiated an offset package of approximately 45 Ha onsite. This amount varies by a few Ha depending on the final pipeline route that will be taken. TRUenergy's current proposal involves having to clear less vegetation than the maximum limits outlined in the Project's environmental assessment.
- Q: What are your obligations for the easement with regards to offsetting vegetation clearings?
A: The previous sponsors completed a detailed environmental assessment which included the environmental impact of the proposed gas pipeline corridor. The offset package already in place has taken into consideration proposed vegetation clearing along the pipeline corridor. TRUenergy is engaging directly with affected landowners on the pipeline route. As part of our discussions with landowners we have tried to take into consideration their requirements however we need to strike a balance between what has been approved by the Government, landholder requirements and the environmental impacts from any change. As part of any change to the proposed pipeline route TRUenergy has tried to ensure that any change either has a neutral or positive environmental impact.

Note: A map of the proposed pipeline route was presented in the meeting and is included in the

attached presentation.

- Q: What are the dimensions of the pipe?
A: This is still being determined as part of the Concept Plan however we expect the diameter of the natural gas pipe to be within 450-600mm and the water pipe to be approximately 150mm in diameter. We will advise you of the final measurement at a future CLG meeting once the design is finalised.
- Questions arose regarding the side of the road the pipeline is on and accurate representation and labelling of the land owners represented in Slide 16 of the PowerPoint presentation.
A: TRUenergy has taken this issue on notice. We are confident that the proposed route does not impact on other landowners however we will review this and will report back to the next CLG meeting with a revised diagram.
- Q: What sort of infrastructure will you have to pump the water and the gas?
A: The Highlands Source Water Pipeline has pumps installed to flow water from the Wingecarribee reservoir to the Goulburn reservoir. The exact design of the equipment necessary to flow water to the Power Station is yet to be determined. Further work with the Goulburn-Mulwaree Council is needed as it completes the construction and commissioning of their pipeline before work can commence on detailed design of the pipeline connection.

The above ground facilities that will be required for the natural gas pipeline would be a scrubber launcher to allow cleaning of the pipeline lateral and a small shed. These would be located at the off-take point where the pipeline would be connected to the existing Moomba-Sydney gas pipeline.

- Q: Will this include compressors and a compressor house? Origin is talking about building a two storey compressor house.
A: TRUenergy will be constructing a flow pipeline to the Power Station site which means that a gas compressor is not required at this stage. We are not in a position to comment on Origin's plans or designs for their Project.

b) Next steps

Marcello Diamante from TRUenergy explained key project activities over the next three months will include:

- issuing public notices in local print media on the pipeline licence application
- scoping required works to upgrade Canyonleigh Road before power station construction commences
- undertaking preliminary geotechnical surveys to support the proposed layout and Concept Plan
- engaging an Independent Environmental Representative (approved by the Department of Planning and Infrastructure) for the Project.
- discussing the Concept Plan with the Department of Planning
- Targeting opening of the Marulan Project website by the next CLG meeting in December.

Questions and comments from CLG members to TRUenergy

- Q: Under the current DA, does the company only have obligations to upgrade - but not upkeep - Canyonleigh Road?
A: The Project Approvals require TRUenergy to seal Canyonleigh road before construction commences. TRUenergy will maintain the road for fair wear and tear during construction however Canyonleigh road is a public access road and ongoing maintenance of the road will continue to be a local government responsibility.
- Q: Could TRUenergy consider contributing to the ongoing maintenance of Canyonleigh Road?
A: We have not considered ongoing upkeep of Canyonleigh Road as a contribution as yet but have other obligations, for example, \$30,000 contribution to the Big Hill Rural Fire Brigade and the \$100,000 community grant to the Upper Lachlan Shire. TRUenergy will have employees living in the area and working in the area, so the company will have an interest in supporting the community.

Questions led to a broader discussion about local knowledge about Canyonleigh Road specifically its conditions, history of flooding and current use.

Specific comments included:

- Canyonleigh Road traverses a floodplain and is prone to flooding. It has not been elevated far enough to flood proof the road. In 22 years, flood events occurred four times across the road.
- The most recent flood was higher than seen in 40 years – with water over parts of Canyonleigh Road.
- The main issue with flooding is damage to Canyonleigh Road. The road is currently gravel which is easy to replace if damaged; when sealed this could become much more difficult.
- Canyonleigh Road is also a popular alternative route for heavy vehicles who are seeking to avoid the heavy vehicles checking station.
- Goulburn-Mulwaree Council is currently responsible for ongoing maintenance of the whole of Canyonleigh Road.
- CLG members who reside along Canyonleigh road felt it important to set an appropriate speed limit and notify the local traffic authority of changes to the road during the project (80 kilometres per hour is recommended).
- TRUenergy will be engaging a consultant to examine Canyonleigh Road in the coming few weeks. TRUenergy will consult with local councils and the NSW Roads & Traffic Authority (RTA) when developing the upgrade of Canyonleigh road.

Questions and comments from CLG members to TRUenergy

- Q: How far will the pad be from the bank of the river?
A: The Environmental Assessment supporting the Project Approvals requires the pad to be at least 150 metres from the Wollondilly river. TRUenergy's proposed concept plan will meet this requirement.
- Q: What is proposed to go on the Marulan website?
A: Proposed content include the CLG meeting minutes, project updates, and links to the existing Project Approvals on the Department of Planning website. In the future, newsletters may be added.
- Q: When is the start of construction?
A: We are targeting Notice to Proceed for construction by 31 March 2012. However, this date is still subject to TRUenergy board approval.
- Q: Does that mean road construction starts immediately?
A: The Canyonleigh road upgrade needs to be completed before construction commences on the site. TRUenergy will target completion of the road upgrade before or around Notice to Proceed for construction is given.

A request was made to consult Goulburn-Mulwaree Council's road consultants which TRUenergy agreed to follow-up.

4 Other matters

Report back on matters from last meeting

In the previous community meeting a question was raised about accidents in USA gas turbine electricity stations. Graham Dowers from TRUenergy provided the following response:

- A number of accidents have occurred in the United States, particularly during the commissioning phase of the stations. An explosion occurred during cleaning of the pipeline where gas was released at high pressure (called a blow down within the industry) to remove slag and other materials from the construction process when a spark occurred. The accident in question caused five deaths (understood to be employees/sub contractors) and was investigated by the US Gas and Electricity Board, who made the following recommendations

- using products other than natural gas to clear the pipeline.
 - when using natural gas, to limit the amount coming out
 - undertake venting to avoid a hazardous cloud.
 - Ensure a clear and safe environment during the cleaning process.
- To our knowledge an accident of this kind has not occurred in Australia and it is our understanding that we follow different processes in Australia. At Tallawarra the cleaning process involved pushing pipe scrubbers (pigs) through the pipe with compressed air to clean debris and scale. Once cleaned the pipe was purged of air using natural gas and a purpose built vent stack by the pipeline operator.

Questions and comments from CLG members to TRUenergy

- Q: What are your worst case scenarios in your planning for TRUenergy Marulan?
A: As we progress the development of the Marulan Project risk registers are created to identify the project risks during each stage of development and mitigation strategies to reduce impact and or exposure. This will be developed as part of the Project's construction and operations management plan. A summary of the key risks will be presented to the CLG in the future once the design is finalised.
- Q: Has a hazard analysis been carried out?
A: The project's environmental assessment included a hazard assessment. Once TRUenergy's design is finalised a hazard analysis will be completed and results incorporated into the project's construction and operations management plan.
- Q: What are your hazard management measures for storing diesel onsite at TRUenergy Marulan?
A: TRUenergy concept plan has made allowance for Diesel to be stored onsite however TRUenergy will not be progressing with approvals to use Diesel as a back-up fuel at this point in time. The concept plan includes a comprehensive and automated fire suppression management system that will conform to Australian Standards and include both water and foam suppression as required. Once the design is finalised TRUenergy will outline to the local rural fire services in more technical detail the proposed fire management system and water storages that will be available to meet potential threats.
- Q: I understand from the last meeting the plant will operate with very few people onsite and will not be manned 24 hours a day. Where would people be coming from to manage hazards or emergency situations if they arose? This area has many blackouts - would monitoring technologies rely on electricity?

A: It is envisaged that TRUenergy employees will be living and working in the local area and be able to respond to hazardous/emergency situations quickly. The site will have remote operation capability which will relay sensor information to TRUenergy operation centres ensuring fast reaction responses to emergency events and automated shutdowns. The site will be in a cleared area, have automated fire protection equipment and be monitored by closed circuit television cameras (CCTV). The final design will include batteries/small diesel generators onsite as back-up in the event of a loss of auxiliary power to the site for all emergency requirements.
- Q: Will you be able to speak at the next meeting about the emergency services that you will be putting in place? As we are from emergency services in surrounding villages, your response team may draw on us for support.
A: Once the design is finalised TRUenergy will outline to the CLG and the local rural fire services in more technical detail the proposed incident management system water storages and systems that will be available to meet potential threats. All hazard and emergency procedures will comply with Australian standards, will be fully automatic and include mitigation strategies. The station is a very significant investment on the part of TRUenergy and we and our insurers will do everything we need to do to protect this investment and ensure public and environmental safety. Once we have determined our approach to safety and emergency

procedures TRUenergy will meet with local stakeholders to discuss safety. We will also invite emergency services to do a site orientation and induction.

Comment from CLG member: With respect there seems to be a lack of detail on your proposal if you are going to begin construction so soon.

A: Your comment has been noted.

- Comment from Wayne Urle, Captain, Big Hill Rural Fire Brigade: As previously explained, the fire service in this area is largely volunteers and most people live away from the area. Therefore the company will need to be able to suppress fire onsite in both construction and operation stage (both in terms of processes and equipment).

Preliminary discussions with TRUenergy indicate sufficient preparations and planning are being made.

- Q: Is a timetable for construction available?

A: The timetable for construction is still development and an outline of the program and its impact on stakeholders will be presented to the CLG once it has been finalised.

- Q: Can you confirm construction will begin in March?

A: TRUenergy is targeting a notice to proceed on construction by the 31 March 2011. This will be subject to TRUenergy Board Approval.

- Q: It is surprising you are going to tar Canyonleigh Road before heavy loaders come in – would these not destroy the tar?

A: The Project Approvals clearly stipulate that Canyonleigh road will need to be sealed before construction on the site can commence.

- Q: Did TRUenergy purchase the Daisy Bank site?

A: No. TRUenergy is not familiar with the Daisy Bank site however it is our understanding that a parcel of land nearby is still owned by Delta Energy. You should make your enquiries directly with that organisation as to the status of this site.

- Q: During the construction period, will the noise level be higher than 35 decibels, for example 100 decibels?

A: During construction noise levels may exceed 35 decibels on occasions but not the 100 decibels quoted as an example. All construction equipment will be silenced in accordance with Australian Standards. A Construction and Environmental Management Plan (CEMP) that includes procedures to manage and mitigate construction noise impacts will be developed and approved by the NSW Director-General before construction can commence on the Site. The Project Approvals limits construction activity to 7:00am – 6:00pm on weekdays and 8:00am – 1:00pm on Saturdays unless otherwise approved by the Director-General. No approval has been given for Sundays and public holidays. Should out of hours work which has a noise impact be required local residents will be consulted.

Brendan Blakeley from Elton Consulting asked the group if there were any requests for information that the group would like followed up. Responses were:

- Community access to the river and riverbank (for recreational use) through TRUenergy owned land adjacent to the development site.

Response: This land is currently leased to a third party and TRUenergy needs to consider safety issues, especially during the construction period. However, TRUenergy is happy to explore this option further with the Community once construction activities are completed.

- Computer modelling of the build.

Response: Computer modelling is not available at this point in the project.

- Additional information on the construction phasing.

Response: Major construction milestones will be provided to CLG meeting once they have been

finalised.

- A Plan of Management for the rehabilitation of the construction zone.
Response: A Plan of Management can only be completed once the design is finalised and all environmental impacts are known. This will form part of the Project's Environmental Management Plan and will be presented to the CLG after completion.
- Comment from Sydney University Landcare: Contractors for a previous wildlife project (Caring for Our Nation) direct seeded part of the TRUenergy owned land. A request was made for TRUenergy to contact the Catchment Management Authority and Sydney University Landcare when planning for the Environmental Management Plan.

5 Close and next meeting

The meeting closed at approximately 6:20 pm. Brendan Blakeley thanked all participants for their attendance and input. A target date of Thursday 8th December has been set by TRUenergy for the next meeting of the CLG (venue to be advised) with a note that Wednesday is difficult for some people to attend. The group agreed Thursdays at 4:30pm will be a suitable alternative regular meeting date.



**Introducing the
TRUenergy
Marulan OCGT
Project**

14 September 2011

AGENDA

Time	Item No	Topic	Presenter
4:30pm	1	Welcome & Introductions	Brendan Blakely Elton Consulting
	2	Marulan Project Update	Marcello Diamante TRUenergy
	3	Introducing the TRUenergy Marulan CLG	Brendan Blakely TRUenergy
	4	Discussion about the CLG and Marulan Project	All
	5	Other Matters	
6:30pm	6	Next Steps, Thank you and Close	Brendan Blakely Elton Consulting



Item 1: Welcome & Introductions



Item 2: Marulan Project Update



TRUenergy Overview

RETAIL ASSETS

Customers 2.8 million customer accounts


ELECTRICITY ASSETS

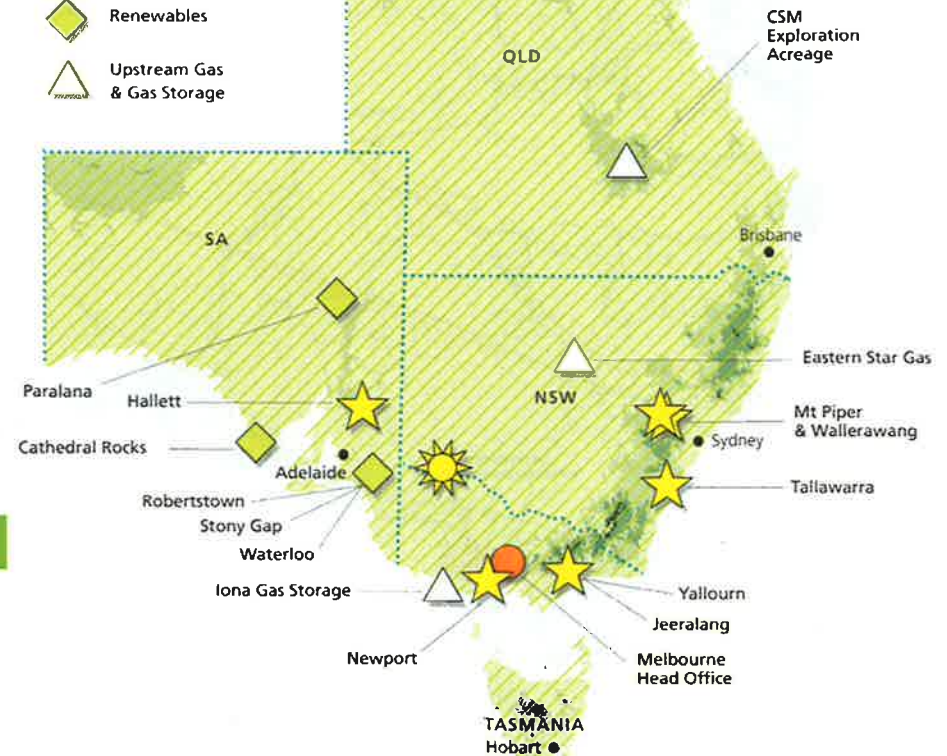
		(MW)
Yallourn	Coal-fired power station	1,480
Tallawarra	Gas-fired power station (stage A)	435
	Stage B (proposed)	500
Hallett	Gas-fired power station	203
Delta Western Gentrader (Mt Piper & Wallerawang)	Offtake Coal-fired power stations	2,400
Newport & Jeeralang	Offtake Gas-fired power station	966
Wind farms Waterloo Cathedral Rocks	Development & management of wind assets in Australia	144
Petratherm	10% equity in Paralana project	30
Mallee Solar Park	Proposal for solar power station	180

GAS ASSETS

Iona gas storage	22 PJ gas storage facility
Eastern Star Gas	20% permits
Upstream gas	Equity in Queensland CSM developments

LEGEND

-  TRUenergy retail markets
-  Solar Flagships Program (proposed)
-  Thermal Power Stations
-  Renewables
-  Upstream Gas & Gas Storage



Marulan Project Development

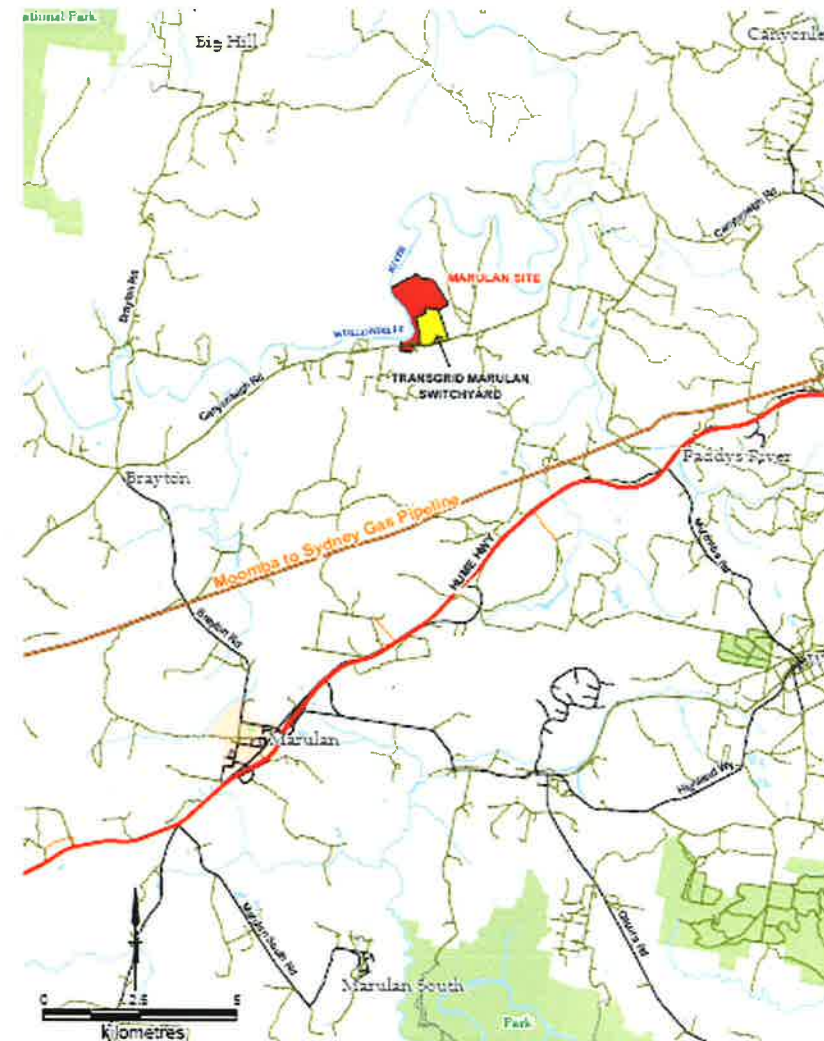
Project Background (Recap)

- TRUenergy acquired the Marulan Development Site from the State last year with formal transfer completed in March 2011.
- The Marulan site was originally developed as 2 stand alone & separately owned Projects (by Delta Electricity and Energy Australia) on the same land title.

Site 1: 2x OCGT → Peaking Plant only

Site 2: 2x OCGT → CCGT Conversion

- TRUenergy will continue to progress development of the Project and is conducting a concept review to identify improvements that can be made as a single owner of the project and complete necessary connection licences.



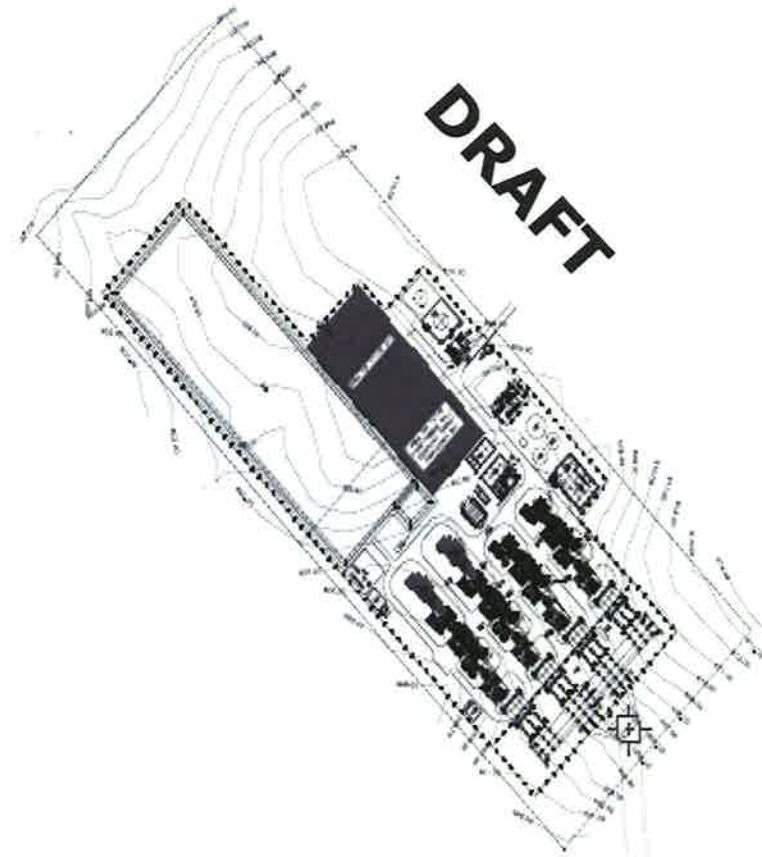
Concept Review – Site Layout

Preliminary Findings

- The existing approved site layout is wide enough to accommodate all 4 E Class turbines on 1 site.

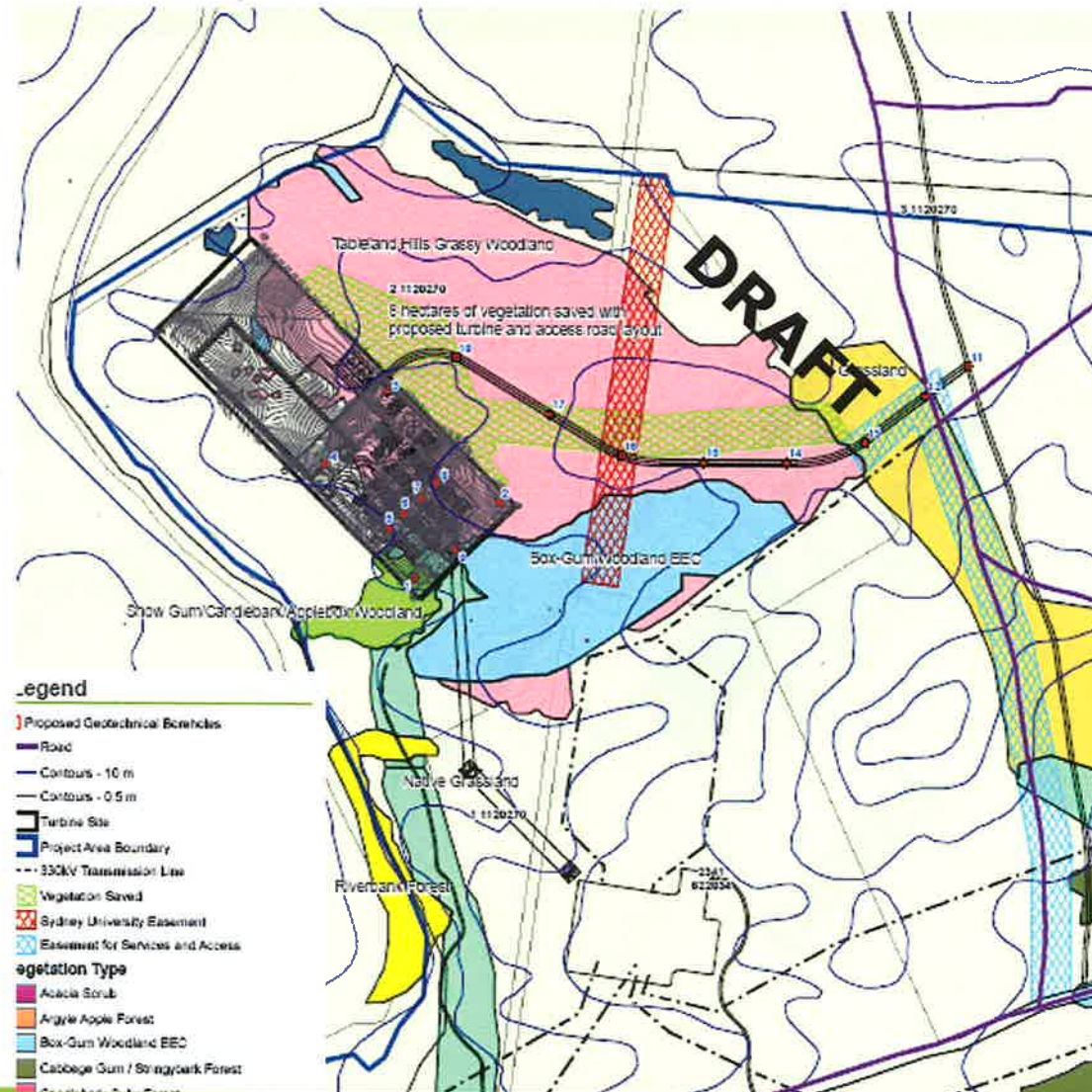
Benefits

- Construction lay down area can sit on second site reducing habitat removal.
 - Second site can accommodate evaporation ponds which can be used to reduce trucking requirements for reject water.
 - Will require slight alteration to the proposed electrical line design but still within the approved corridor.
 - Improved Visual.
- TRUenergy will be discussing this proposal with DoP once the concept plan is finalised.



Concept Review – Services Corridor

- Preliminary assessments indicate that changes to site layout can save at least 5 Ha in vegetation
 - Savings generated from relocating construction lay down area to within the site layout
- Preliminary Geotech work will be completed to finalise concept layout and proposed services corridor.
- TRUenergy will engage a DoP approved Independent Environmental Representative before construction has commenced.



Concept Review – Gas/Water Pipeline Route

- Pipeline Routes still being finalised with landowners
 - Working directly with affected landholders on identifying an agreed pipeline route to the Power Station
 - Need to strike a balance btw government approved corridor, landholder requirements and environmental impact.
- TRUenergy to submit pipeline licence application once route is finalised.
 - Advertisements will be issued at the time of application.



Key Project Activities for next 3 months:

1. Scope the required works to upgrade Canyonleigh Rd.
 2. Preliminary geotechnical surveys to support concept plan layout and services corridor.
 3. DoP approval of the Independent Environmental Representative (IER).
 4. Discuss concept with DoP.
 5. Complete pipeline licence application.
 6. Arrange Marulan Project website by early December 2011.
- Subject to market conditions, TRUenergy is targeting Power Station Commercial Operation in 2014.



Item 3: Marulan CLG

