

Briefing for the
Minister for Planning

Subject:	ENVIRONMENT EFFECTS STATEMENT REFERRAL - AUGMENTATION OF LAVERTON NORTH POWER STATION
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Timing:	20 June 2008 (to meet target of 20 business days in Ministerial EES guidelines)
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Recommendations:

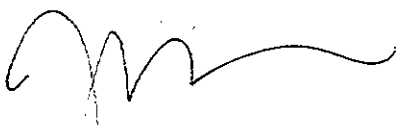
1. That you decide under section 8B(3)(c) of the *Environment Effects Act 1978* that an Environment Effects Statement (EES) is not required for the proposed augmentation of the Laverton North Power Station, for the reasons set out in the attached Reasons for Decision (Attachment 2).
2. That you sign the attached letters advising Snowy Hydro Pty Ltd, the Environment Protection Authority and Wyndham Shire Council of this decision.

Adviser:

Adviser's Notes:
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Minister's Comments:
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Recommendation 1: Approved Not Approved Noted Returned for Review
 Recommendation 2: Approved Not Approved Noted Returned for Review

Signed: 

Date: 26 AUG 2008 / /

Justin Madden MLC, Minister for Planning

Reference:	PCD003637
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Approved By:	Genevieve Overell, Acting Executive Director, Planning Policy and Reform, ☎ 9637 8998
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PCD003637R



Department of Planning and Community Development

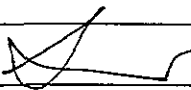
TO: Minister for Planning **Ref:** PCD003637
FROM: Planning and Local Government **File:** PL-PL/02/0112
SUBJECT: Environment Effects Statement Referral – Augmentation of Laverton
North Power Station

RECOMMENDATION/S

1. That you decide under section 8B(3)(c) of the *Environment Effects Act 1978* that an Environment Effects Statement (EES) is not required for the proposed augmentation of the Laverton North Power Station, for the reasons set out in the attached Reasons for Decision (Attachment 2).
2. That you sign the attached letters advising Snowy Hydro Pty Ltd, the Environment Protection Authority and Wyndham Shire Council of this decision.


KEY ISSUES

3. The proposal to augment the existing Laverton North Power Station would result in considerably higher greenhouse gas emissions from the facility because it would be capable of providing base load power (rather than only peak power as at present) to the national electricity grid. Nevertheless the proposal has the potential to reduce the overall greenhouse gas intensity of electricity generation in Victoria, and it is consistent with Victorian Government policy to maintain a reliable, efficient, sustainable and affordable energy supply.
4. The other potential effects of the proposal are low or negligible because of the condition of the site and its industrial setting.
5. An evaluation of the proposed augmentation against the decision criteria in the *Ministerial guidelines for assessment of environmental effects under the Environment Effects Act 1978* (see Attachment 2) concludes that an EES is not warranted for the following reasons:
 - The proposed augmentation of the Laverton North Power Station would not increase the overall greenhouse gas intensity of electricity generation in Victoria.
 - The potential effects of the proposed augmentation on visual amenity, biodiversity and cultural heritage are low or negligible.

Approved by: 

Date: 16/6/08

Genevieve Overell, Acting Executive Director, Planning Policy and Reform ☎ 9637 8998

Reviewed by: John Givan, Executive Director Planning Policy ☎ (03) 9637 8045 

Reviewed by: Trevor Blake, Chief Environment Assessment Officer ☎ (03) 9637 9623

Prepared by: Ashley Stephens, Senior Environment Assessment Officer ☎ (03) 96379621

- The potential noise, air quality and water quality effects of the proposed augmentation can be adequately managed through approvals required under the *Environment Protection Act 1970*.

CONTEXT

6. In March 2004, the former Minister for Planning decided that an EES was not required for the development of the gas-fired Laverton North Power Station for the following reasons:
 - The project is an industrial use within an industrial area with minimum potential effects on:
 - the highly modified exotic vegetation existing on the site;
 - the degraded faunal habitat existing on the site;
 - the local community; and
 - transport systems and other infrastructure.
 - Consideration of the proposal under the Victorian planning process is best suited to evaluate the relevant issues relating to the proposed use of the site.
 - The Works Approval process under the *Environment Protection Act 1970* will enable detailed consideration to aspects relating to potential emission to the environment, including energy consumption and greenhouse emissions.
7. The Laverton North Power Station currently comprises two open-cycle gas-fired turbines with a total capacity of 320 megawatts (MW). The power station is sited in an industrial area between Cherry Lane and the Princes Freeway. The site is covered in concrete, apart from a landscaping strip along the perimeter.
8. The Laverton North Power Station currently operates during periods of peak power demand. Under the licence granted under the *Environment Protection Act 1970*, the feasibility of converting the facility to a combined cycle operation must be investigated if the power station's operations reach a 10 per cent capacity factor. Snowy Hydro now considers that this conversion is financially viable.
9. On 20 May 2008, Snowy Hydro submitted a referral under the *Environment Effects Act 1978* for the proposed augmentation of the power station. The proposed augmentation involves converting the facility into a combined-cycle power station of 430-480 MW to provide base load power to the national electricity grid. The additional infrastructure comprises two heat recovery steam generators (to be fitted to the existing open-cycle turbines) and an air cooled condenser. This configuration would enable more power to be generated from the hot combustion gases that are currently released to the atmosphere by the open-cycle turbines.
10. The proposed augmentation would be located entirely within the existing Laverton North Power Station site at 147-161 Cherry Lane. During construction, neighbouring industrial land at 136-142 Cherry Lane would be used as a temporary lay-down area.
11. Snowy Hydro has referred the proposed augmentation because the increase in greenhouse gas emissions from the facility (from the current 192,000 tonnes per annum to a possible 1,725,000 tonnes per annum) is well above the referral criteria of 200,000 tonnes per annum in the *Ministerial guidelines for assessment of environmental effects under the Environment Effects Act 1978*. The documents supporting the referral demonstrate that no other referral criteria would apply in view of the current condition and industrial setting for the site.
12. DSE (Environmental Policy and Climate Change Division) has reviewed the greenhouse implications of the proposed augmentation. DSE agrees that a combined-cycle process at Laverton North would be less greenhouse gas intensive for the State as a whole than the current open-cycle gas process (as well as the alternative of coal-fired power generation for base load electricity). DSE also advises that the proposed augmentation of the Laverton

North Power Station would accord with the Victorian Government's commitment to a 20 per cent renewable and low emission generation target by 2020. (This target is currently being considered as part of the Climate Change Bill.)

CONSULTATION

13. DSE (Environmental Policy and Climate Change Division).

Attachment 2

For Public Notice via Internet

REASONS FOR DECISION UNDER *ENVIRONMENT EFFECTS ACT 1978*

Title of Proposal: Laverton North Power Station Augmentation

Proponent: Snowy Hydro Ltd

Description of Project:

Snowy Hydro operates the Laverton North Power Station at 147-161 Cherry Lane, Laverton North, which comprises two gas-fired open-cycle turbines with a total rated output of 320 megawatts (MW). The power station currently operates during peak demand periods. Snowy Hydro proposes to convert the facility to a combined-cycle power station with a capacity of 430-480 MW, which would then be capable of providing base load power to the national electricity grid.

Decision:

The Minister for Planning has decided that an Environment Effects Statement (EES) is not required for the Laverton North Power Station Augmentation as described in the referral accepted on 21 May 2008.

Reasons for Decision:

- The proposed augmentation of the Laverton North Power Station would not increase the overall greenhouse gas intensity of electricity generation in Victoria.
- The potential effects of the proposed augmentation on visual amenity, biodiversity and cultural heritage are low or negligible.
- The potential noise, air quality and water quality effects of the proposed augmentation can be adequately managed through approvals required under the *Environment Protection Act 1970*.

Date of Decision: 26 AUG 2008

Attachment 1

DECISION ON PROJECT: Laverton North Power Station Augmentation

Decision under section 8B(3)(c) of the Environment Effects Act 1978

1. Assessment through an Environment Effects Statement (EES) under the *Environment Effects Act 1978* **is not required** for the reasons set out in the attached Notice of Reasons for Decision.
2. The following parties (proponent and relevant decision-makers) are to be notified of this decision:
 - Snowy Hydro Ltd
 - Environment Protection Authority
 - Wyndham City Council.



JUSTIN MADDEN MLC
Minister for Planning

Date: 26 AUG 2008



Minister for Planning

26 AUG 2008

Ref: PCD003637
File: PL-PL/02/0112

8 Nicholson Street
PO Box 500
East Melbourne Victoria 3002
Telephone: (03) 9637 8087
Facsimile: (03) 9637 8921
ABN 90 719 052 204
DX 210098

Cr Kim McAliney
Mayor
Wyndham City Council
45 Princes Highway
WERRIBEE VIC 3030

Dear Cr McAliney

PROPOSED AUGMENTATION OF LAVERTON NORTH POWER STATION – EES REFERRAL

Snowy Hydro Ltd has recently referred the proposed augmentation of the Laverton North Power Station under the *Environment Effects Act 1978*.

I have advised the company that assessment through an Environment Effects Statement (EES) is not required for this proposal for the reasons attached.

If you require further information in relation to this matter, please contact Mr Ashley Stephens, Senior Environmental Assessment Officer, Department of Planning and Community Development on 9637 9621.

Yours sincerely

JUSTIN MADDEN MLC
Minister for Planning

Encl

Privacy Statement

Any personal information about you or a third party in your correspondence will be protected under the provisions of the *Information Privacy Act 2000*. It will only be used or disclosed to appropriate Ministerial, Statutory Authority, or departmental staff in regard to the purpose for which it was provided, unless required or authorised by law. Enquiries about access to information about you held by the Department should be directed to the Manager Privacy, Department of Planning and Community Development, PO Box 500, East Melbourne, 3002.





Minister for Planning

26 AUG 2008

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File: PL-EP/02/0112

8 Nicholson Street
PO Box 500
East Melbourne Victoria 3002
Telephone: (03) 9637 8087
Facsimile: (03) 9637 8921
ABN 90 719 052 204
DX 210098

Mr Brett Jones
Executive Officer - Engineering and Projects
Snowy Hydro Limited
PO Box 332
COOMA NSW 2630

Dear Mr Jones

PROPOSED AUGMENTATION OF LAVERTON NORTH POWER STATION – EES REFERRAL

I refer to your recent letter and the accompanying referral of the proposed augmentation of the Laverton Power Station under the *Environment Effects Act 1978*.

I have determined under section 8B(3)(c) of the *Environment Effects Act 1978* that assessment through an Environment Effects Statement (EES) is not required for the reasons attached.

If you have any queries in relation to this matter, please contact Mr Ashley Stephens, Senior Environmental Assessment Officer, Department of Planning and Community Development on 03 9637 9621.

Yours sincerely

JUSTIN MADDEN MLC
Minister for Planning

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8 Nicholson Street
PO Box 500
East Melbourne Victoria 3002
Telephone: (03) 9637 8087
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ABN 90 719 052 204
DX 210098

Mr Mick Bourke
Chairman
Environment Protection Authority
GPO Box 4395QQ
MELBOURNE VIC 3001

Dear Mr Bourke

PROPOSED AUGMENTATION OF LAVERTON NORTH POWER STATION – EES REFERRAL

Snowy Hydro Ltd has recently referred the proposed augmentation of the Laverton North Power Station under the *Environment Effects Act 1978*.

I have advised the company that assessment through an Environment Effects Statement (EES) is not required for this proposal for the reasons attached.

If you require further information in relation to this matter, please contact Mr Ashley Stephens, Senior Environmental Assessment Officer, Department of Planning and Community Development on 9637 9621.

Yours sincerely

JUSTIN MADDEN MLC
Minister for Planning

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