DELTA CARE FORUM

11TH May 2017

Spot prices for wholesale electricity have risen over the past six months to a current average of $100/kWh for the peak period and about $90/kWh for the off peak period. This is up from about $40 and $30 respectively for the preceding six months. There was a peak of about $300/kWh in February during the heat wave conditions as retailers sort to ensure they had supply.

The energy market is working as it was intended but due to the fact that there is no plan for energy production prices are rising.

Forward contracts for the sale of electricity for 2017 have risen from $50/kWh to $120/kWh while the forward contracts for the 2018 year have risen from $50/kWh to $100/kWh

Wind generation is currently outstripping solar generation by about 10:1 and is forecast to continue this growth out to 2022.

Delta is looking to by the Loy Yang B power station in Victoria. They are the only Australian bidder.

Delta’s record Lost Time Injuries safety record was disrupted when an apprentice fell down some stairs and badly broke his arm. He was off work for four weeks but is back at work now. A contactor twisted his knee and another contractor crushed his finger on a switchboard door.

Delta’s Unit 5 has had an availably rate of 97.5% in April while Unit 6 has had a recent maintenance shutdown which has resulted in an availability of 37.3% for April.

Delta is starting to receive coal deliveries from Chain Valley Colliery via conveyor from Mannering Colliery following the completion of the underground linkage between the two mines. This will remove the coal trucks that have been delivering coal via internal roads. They are expecting deliveries of coal from the Wyee Coal Unloader commencing in July. This follows upgrades made to the unloader to allow larger coal wagons to offload coal.

Unit 6 was off line for a minor outage in April. The outage cost approximately $3M. There was a steam pipe failure required the unit to be shut down a couple of weeks before the outage so work started and finished earlier than expected on the outage.

Delta is currently planning for major asset upgrading and construction works to reinstate the stations end of life to 2029. These works are expected to cost about $20M.

The February heat wave required production to be reduced so that compliance with the outfall canal water temperature requirements could be maintained. NEMA (National Energy Market Authority) stepped in and demanded that Delta increase production to ensure there was an adequate supply of electricity.

Delta recently had news articles written about environmental license non-compliances, the information of which was provided by the Environmental Justice Australia who had not approached Delta for information. The EJA have a platform to close all coal fired power stations down. Photos taken using a high powered telephoto lens were provided to the newspaper which implied there were large dust plumes being produced by the trucks transporting coal, however when seen in context of the location and distance from the boundary the dust plume was very insignificant. The newspaper sort a response from Delta at 1640 on the evening before the article went to press which prevented both sides of the story to be provided. The EJA claimed that Delta had a number of Environmental license non compliances where in fact the only non-compliance was paperwork related and not to licensing conditions. Delta has assisted the EPA in all their enquires and that the EPA have had three separate inspections with one being an unannounced inspection.

Delta has six air born dust gauges located around the site and one meteorological weather station located behind the Bethsham Mission. Delta has had no breaches of their license in 2016-17.

The NSW EPA air quality report in late 2016 showed that the Lake Macquarie-Wyong area consistently experienced good to very good air quality. The report showed that this areas air quality was equal to or better than every other region in the state. Information on the air quality report can be found at [www.npi.gov.au](http://www.npi.gov.au)

Delta planted 34 large trees on the Pacific Highway were the original trees had died. They are still yet to plant 1500 tube stocks in the same area.

There will be hazard reduction burns done by the RFS in four locations. One west of the Doyalson lights, one in Dorothy Street buffer zone, one at Wyee point near the coal unloader, and one in Chain Valley Bay near the Sewage treatment Plant.

Delta is still in the Preliminary Investigation stage of the solar farm to be created on the ash dam. The farm will produce 20MW of electricity, cover about 94 hectares and cost about $70M. Delta is working towards having it operational within two years. This will be dependent on the various approvals required from government departments being successful.

Delta is interested in working with the Precinct Committee to advance the suggested path along their access road on the eastern side of the canal and have requested a meeting to discuss options. They would then accept a meeting with the consultant that the council appoint.