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Our reference: SF13/5507:DOC14/9772:GN
Contact: Greg Newman, (02) 4224 4100

Campbelltown City Council
(Attention: Andrew MacGee)
PO Box 57
CAMPBELLTOWN NSW 2560

Dear Mr MacGee

**SUBMISSION ON INTEGRATED DEVELOPMENT APPLICATION
(NUMBER 2325/2013/DA-1) – NOVAPOWER, MINTO**

I am writing in regard to the above Integrated Development Application forwarded to the Environment Protection Authority (EPA) by Campbelltown City Council (Council) on 15 November 2013. EPA has reviewed the Statement of Environmental Effects (SEE) and additional supporting documentation provided with the application.

On the basis of a review of this information, the EPA is not in a position at the present time to provide recommended General Terms of Approval (GTA). This is due to:

1. the additional information required as listed in Attachment 1, and
2. the requirement for EPA to consider any public submissions on the exhibited proposal.

EPA will provide further comments on this application following our receipt and review of the further information requested in Attachment 1. EPA is also required to consider any public submission before issuing any GTA. We therefore request that copies of any public submissions be forwarded to enable us to finalise the GTAs.

EPA is happy to meet with the Council and the Proponent to discuss the listed matters if necessary. Should you have any queries in relation to the above please contact Greg Newman on (02) 4224 4100.

Yours sincerely



PETER BLOEM
Manager Illawarra
Environment Protection Authority

11/2/14

Attachment 1

ATTACHMENT 1

Compliance with the POEO (Clean Air) Regulation 2010

The Air Quality Impact Assessment does not include the specification for the proposed engines. It is therefore unclear whether the engines are able to comply with all the relevant Protection of the Environment Operations (Clean Air) Regulation 2010 emission standards/limits. Reference is made to some (three - NO_x, CO and VOC) of the eight applicable POEO (Clean Air) Regulation 2010 limits but it is not demonstrated that the engines will comply with all the regulated/required emission standards.

EPA requires the Proponent to provide the specification (or other relevant information) for the proposed engines to demonstrate compliance with all the POEO (Clean Air) Regulation 2010 emission standards.

Financial viability of post combustion controls

The proposed Minto NSS will use gas fired internal combustion engines for electricity generation. As mentioned in the SEE, it is prudent to apply the *Interim NO_x Policy for Cogeneration in Sydney and the Illawarra* (the Interim NO_x Policy) and associated emission standards to the site.

The Interim NO_x Policy requires all proposals in Sydney and the Illawarra to be either NO_x neutral or achieve best available techniques (BAT) emissions performance. The NO_x emission standard considered to be BAT for natural gas fired reciprocating internal combustion engines with a capacity to burn less than 7 megajoules of fuel per second (7MJ/s) is 250mg/Nm³ (<http://www.epa.nsw.gov.au/air/cogentrigen.htm>). A BAT NO_x emission standard for natural gas fired reciprocating engines with a capacity to burn greater than 7 megajoules of fuel per second has not been proposed. This will be determined on a case by case basis through a BAT assessment.

The engines at Minto NSS will have a capacity to burn greater than 7 megajoules of fuel per second. A site specific BAT assessment has been undertaken to determine if post combustion controls are practicable. Post combustion controls consist of selective catalytic reduction (SCR) which would achieve a 90 per cent reduction in NO_x emissions and an emission standard of 50mg/Nm³. The Minto NSS BAT assessment concludes post combustion controls are not financially viable. NovaPower are therefore proposing to install engines at the Minto NSS which comply with a NO_x emission standard of 250mg/Nm³, the minimum requirement of the Interim NO_x Policy.

EPA has reviewed the SEE BAT assessment and compared the assumptions to those in SKM (2009)¹, a study commissioned by the EPA in developing the BAT NO_x emission standard for natural gas fired reciprocating engines. EPA provides the following comments regarding the Minto NSS BAT assessment:

- Fixed Genset and SCR Operating and Maintenance (O&M) costs were not assumed in SKM (2009). The Minto NSS BAT assessment assumes a fixed Genset O&M cost of \$44,000 per annum and fixed SCR O&M cost of \$60,000 per annum
- A variable SCR O&M cost of \$7.25/MWh was assumed in the Minto NSS BAT assessment whereas SKM (2009) assumed a substantially lower cost of \$4/MWh.

EPA requires the proponent to provide further information/justification for the assumed fixed and variable Genset and SCR O&M costs and the impact of the assumptions on the results of the financial assessment.

Noise Impact Assessment Graphs

On 3 December, in response to EPA enquires, SKM provided graphs supporting the noise impact assessment titled, *Plots of Sound Pressure Level against time for the unattended noise measurements – 46 Kimberley St, 8-15 August, 2013*. No legend was included for the noise descriptors on the graphs.

EPA requires a set of revised graphs which include a legend.

¹ SKM, 2009 Department of Environment and Climate Change (NSW) Financial Analysis of NO_x Controls on Gas Fired Reciprocating Engines, Final Report, June 2009.