

23 August 2022

**Loy Yang B
Power Station**

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REQUEST FOR EPA LICENCE AMENDMENT

Loy Yang B Power Station (LYB Operation and Maintenance Pty Ltd) holds Environment Protection Authority (EPA) Licence no. OL000003987 for the operation of the Loy Yang B Power Station and wishes to advise the community of a request submitted to the EPA to amend this licence.

We are requesting a change to the discharge limit for sulfur dioxide 90th percentile from the current value of 91,000 g/min back to 100,000 g/min, which was our limit value prior to receiving our revised licence as part of the EPA's Power Station Licence Review in 2021.

Sulfur dioxide emissions are directly related to the sulfur contained in brown coal, which can vary according to mine planning and operational standards. We actively monitor this through a 'coal quality specification' agreement with our provider of brown coal.

Supporting emissions data for sulfur dioxide provided to EPA during the Licence Review was limited in its duration, as we had not long completed the second of our two turbine upgrades, which has provided improved station efficiency and greater generation output. At the time, we were also supplied with coal containing a lower sulfur content than what has been provided more recently.

A combination of higher sulfur content coal (still within quality specification) and our strong availability during the unprecedented National Electricity Market (NEM) conditions (shortfalls of reliable baseload generation) experienced during 2022, have resulted in the 90th percentile value of sulfur dioxide increasing more than was anticipated.

The 90th percentile condition is based on a 365-day rolling period and is unlike other instantaneous licence maximum conditions as it requires a forward outlook of several months to assess our ongoing ability to meet its requirements. We require a greater operational margin to manage compliance with our licence condition, to prevent Loy Yang B – the most efficient and reliable coal fired power station in Victoria – from withdrawing much-needed generation to the NEM.

This application request refers only to the sulfur dioxide 90th percentile discharge limit. Loy Yang B continues to operate in accordance with all remaining discharge limits in our current licence and has existing control strategies in place to manage the licence condition for sulfur dioxide maximum discharge limit of 200,000 g/min as with all other discharge to air limits.

Ahead of making this request, we completed a range of mitigation actions including working closely with our coal provider to provide lower sulfur content coal so far as reasonably practicable.

This request will not result in a change to existing coal throughput or emissions and supports the continued operation of Victoria's most efficient and reliable coal fired power station to provide much-needed generation capacity to the NEM.

Should you require any further information on this matter, or if you wish to provide feedback or comment, please speak to a member of the Environment Team on (03) 5177 2000 by 4pm, Friday 16 September 2022.

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