

# Delta Electricity exemption application

Have your say on an application from Delta Electricity for an exemption to the applicable limit on emissions of nitrogen oxide for the Vales Point Power Station.

## Overview

Delta Electricity is seeking a further exemption from meeting the nitrogen oxides limits required under the Protection of the Environment Operations (Clean Air) Regulation 2021 at the Vales Point Power Station, for an additional five years, until 1 January 2027.

The EPA is carefully considering and assessing the application in accordance with the EPA's statutory obligations.

As part of the process, the EPA is consulting with NSW Health and the Department of Planning, Industry and Environment.

## About Vales Point Power Station

Vales Point Power Station is a coal-fired power station that supplies baseload electricity. It produces about 4% of the electricity supplied to consumers in the National Electricity Market.

Vales Point Power Station is owned and operated by Sunset Power International Pty Ltd, trading as Delta Electricity. It was commissioned in 1978 and is on the southern shore of Lake Macquarie.

The EPA has issued an environment protection licence (761) to Vales Point Power Station. This requires it to meet legally enforceable conditions

relating to noise, air, water, land contamination, waste and other operational matters, to protect the community and the environment.

Power stations are also required to operate and maintain pollution control equipment in a proper and efficient manner and minimise the emission of air pollutants in accordance with strict conditions included in all power station licences.



Vales Point Power Station, Mannering Park, Lake Macquarie

## Regulating air emissions in NSW

The EPA has a comprehensive and robust framework for regulating power stations in NSW.

Air emissions from power stations are regulated through the *Protection of the Environment Operations Act 1997* and the Protection of the Environment Operations (Clean Air) Regulation 2021, and through the environment protection licence for the site.

The EPA uses contemporary and innovative compliance and enforcement tools, complemented

by strong penalties, to regulate compliance with licence conditions.

## What are nitrogen oxides (NOx)?

Nitrogen oxides (NOx) are gases that form when fuel is burned at high temperatures. NOx comprises mainly nitric oxide (NO) and nitrogen dioxide (NO<sub>2</sub>). The Protection of the Environment Operations (Clean Air) Regulation 2021 sets emissions standards for NOx at power stations.

## What NOx limits currently apply to Vales Point?

Until 2012 Vales Point Power Station was required to meet a NOx emission limit of **2,500 milligrams per cubic metre**.

Since 1 January 2012 Vales Point Power Station has been classed in a group of power stations required to meet a NOx emission of **800 milligrams per cubic metre**.

The Vales Point Power Station licence currently exempts the power station from needing to meet the 800 milligrams per cubic metre limit and instead sets an alternative maximum limit of **1,500 milligrams per cubic metre**. It also sets a 99th percentile limit of 1,100 milligrams per cubic metre. The 99th percentile concentration limits are set by the EPA in order to drive operational performance. They establish the level at which the plant should operate most of the time.

This exemption expires on 1 January 2022.

## What is the NOx limit that Delta Electricity is applying to operate under?

Delta Electricity has applied to continue to operate with a maximum (100 percentile) limit of 1,500 mg per cubic metre and the 99th percentile limit of 1,100 mg per cubic metre for a further five years, from 1 January 2022 to 1 January 2027.

## What does the EPA need to consider in determining the application?

In determining the application, the EPA must consider the impact on local and regional air

quality and amenity as part of the decision to grant the application, having regard to:

- a. any pollution reduction programs that have been established, or that the holder of the licence has agreed to establish, in relation to the activity or plant, and
- b. any control equipment that has been installed, or that the holder of the licence has agreed to install, in relation to the activity or plant, and
- c. any load reduction agreement that has been entered into between the EPA and the applicant under Division 4 of Part 1 of Chapter 2 of the Protection of the Environment Operations (General) Regulation 2021, and
- d. the principles of ecologically sustainable development set out in section 6(2) of the *Protection of the Environment Administration Act 1991*, and
- e. such other matters as are relevant.

## Next steps

We are carefully considering and assessing the application in accordance with our statutory obligations and we requested that Delta Electricity provides further information to support the application. This further information was received on 8 October 2021.

As part of the process, the EPA is also consulting with NSW Health and the Department of Planning, Industry and Environment.

We are keen to hear your views on whether you support the granting of the NOx exemption application and if you have any specific comments. Please provide your views at <https://yoursay.epa.nsw.gov.au>

The application, additional information, expert advice, and the submissions received as part of the public consultation process will all be considered by the EPA before a final decision is made.

.....

### NSW Environment Protection Authority

Email: [info@epa.nsw.gov.au](mailto:info@epa.nsw.gov.au)

Website: [www.epa.nsw.gov.au](http://www.epa.nsw.gov.au)

EPA 2021P3326

October 2021

The EPA [disclaimer](#) and [copyright](#) information is available on the EPA website.