

AUGUSTA POWER STATIONS DECOMMISSIONING PROJECT

Community Fact Sheet June 2016



On the 9 May 2016 at 9:30am Augusta Power Stations ceased generating. Disconnecting Northern Power Station from the network marked the official closure of Flinders Operation and the end of 62 years of power generation at the site.

CESSATION OF OPERATIONS

The Augusta Power Stations' economic viability was progressively eroded as wind and solar generation increased in South Australia causing a significant oversupply of power in the market. This coupled with the decline of energy consumption, through the loss of industrial customers and the increase in household energy efficiency, provided no expectation that the Flinders Power business would be sustainable.

The decision to close the Augusta Power Stations was made at the conclusion of a detailed strategic review. During this process the business consulted extensively and investigated a range of options with key stakeholders, including the South Australian Government.

DECOMMISSIONING PROCESS

The decommissioning process will take over 18 months to complete and is quite complex. Plans for each phase have been developed in conjunction with demolition contractors in addition to State Government approvals.

The appointment of McMahon Services Australia as the Principal Contractor for the project follows an eight-month planning period where both parties have worked collaboratively to prepare for the demolition, asset salvage and decommissioning of the Augusta Power Stations.

PROJECT UPDATE

- ✓ A Project Alliance agreement was formed with McMahons.
- ✓ Decommissioning work has commenced with the site being progressively handed over to McMahons
- ✓ Installation and setup of demolition offices for the project underway
- ✓ Decommissioning contractor in the process of mobilising resources to site
- ✓ Preparations under way for the first onsite auction at Playford

EVENTS

30/06/16	Mobilisation of McMahon Services Australia.
21/06/16	2 Day onsite auction
25/05/16	Council consent to demolish Northern Power Station
19/05/16	Project Alliance Agreement with McMahons signed
09/05/16	Northern Power Station ceases generation
27/04/16	Last coal train to Port Augusta
11/04/16	Council consent to demolish Playford A & B Power Stations
07/10/15	Confirmation of Flinders closure
11/06/15	Announcement of intent to close The Flinders business

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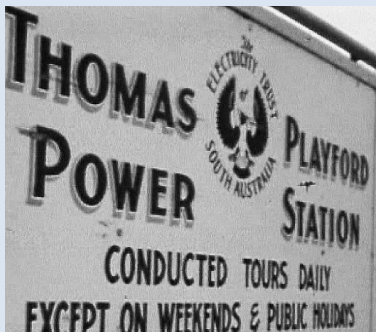


HISTORY SNAPSHOT

The story of Port Augusta's power stations is the story of the energy industry in South Australia.

It began in 1943, when commercial coal mining began in Leigh Creek. The South Australian Government wanted to develop a self-sufficient energy supply following coal shortages during the Second World War.

The Electricity Trust of South Australia (ETSA) needed a station with boilers capable of burning Leigh Creek coal, and commissioned Playford A and B Power Stations in 1954. The Playford Power Station brought the region an economic and population boost, and helped Port Augusta achieve city status in 1964.



The larger Northern Power Station was commissioned in 1985.

HISTORICAL MATTERS

Prior to closure, a group of employees known as the *Hunters & Collectors* were tasked with finding and handing over historical items to the Port Augusta City Council and ETSA Museum for preservation and public display.

VISION

The Flinders Power vision is to set a new standard for the closure of electricity generation operations that will be the benchmark for all future coal fired power station and associated coal mine closures in Australia.

DEMOLITION

Active demolition zones have been established. McMahon Services Australia is the principal contractor. The demolition will see approximately 50,000 tonnes in scrap metal being removed.

FUTURE LAND USE

Flinders Power is proposing to leave the site in a condition suitable for future industrial use.

RAILWAY

The Leigh Creek Railway will be maintained in accordance with the railway lease by Flinders Power until July 2018 when the railway will be handed back to the State Government.

ASH DAM

Flinders Power is responsible for the rehabilitation of the ash dams on the Port Augusta site. These dams contain ash that is a by-product of the burning of coal in the power stations. The ash residue from the burnt coal is mixed with seawater and pumped into the ash dams where it settles over time. Rehabilitation involves management of dust and restoration of the land to be consistent with the original land state.

Flinders is continuing its management of the ash dam by pumping water directly into the ash dam to maintain dust suppression until the site rehabilitation is completed.



Flinders Power

Augusta Power Stations
Power Station Road
Port Augusta SA 5700

Regular updates
can be found on
the Flinders
Power website.