

Mr Michael Bush Manager, Projects and Construction SA Power Networks 1 Anzac Hwy Keswick, SA, 5035

25th February 2020

Dear Michael

Proposed Extension to STCC and STCSC for operation of TGN

I refer to the relevant AER, AEMO, ESCOSA and EPA approvals and licences that have been granted to SA Power Networks for the temporary operation of emergency generation facilities at Elizabeth, Adelaide South Australia (TG North).

The SA Government (SAG) notes that some of the current approvals and licences will cease on or around 1 June 2020.

As you are aware, SAG has contracted a new lessee, Nexif Energy (Nexif), on a long term 25-year lease, to relocate the generation equipment from the temporary site at Elizabeth, to their proposed site at Snapper Point, Outer Harbour.

Under the Agreement to Lease signed with the Treasurer in August 2019, Nexif has chosen to defer the relocation of the equipment until May 2021. This is primarily due to challenging time frames associated with achieving all relevant approvals, authorisations and connection to operate on their new site prior to the coming 2020/21 Summer period.

SAG therefore requests SA Power Networks commence work to extend the current operational licences and approvals from AER, ESCOSA, EPA and AEMO at the site for a further 12 months to 1 June 2021.

I confirm that SA Power Networks' applications for extension of the current approvals is at the request of SAG to ensure continued availability of the generators to AEMO under current arrangements over the coming Summer.





Energy and Mining

I can confirm that the operating conditions for the 5 TM2500 units at Elizabeth will remain the same (monthly maintenance firing of the turbines and under AEMO or Ministerial direction, emergency power generation to avoid rotational load shedding) and the exemption from the DA process continues to apply for this installation.

Should you have any questions, please contact me directly on 0401 987 076 or via email <u>nick.smith2@sa.gov.au</u>.

Regards

Nick Smith Director, Energy Programs and Services.

