HAZELWOOD

Community consultation

A PRIVILEGE

This will be my last open letter to the community before my retirement at the end of this month.

After 11 years at Hazelwood, the last two as Asset Manager, I want to pay tribute not only to our employees for their outstanding contribution over that time, but to the broader community for their support for our business.

Hazelwood has operated in the Latrobe Valley for more than 50 years and during that time, a lot of people have passed through the business. During my time in this role, it has been a privilege to work every day with such a dedicated workforce, in often challenging times.

There has also been a lot of great interaction between Hazelwood and the community, with the most recent example our community information session in Morwell late last month which focussed on our 2016 Mine Work Plan Variation and rehabilitation.

Our people gave an excellent presentation about our rehabilitation progress and I appreciated the opportunity to answer the many questions around all aspects of our business, in particular environmental performance.

Community consultation on the 2016 Mine Work Plan Variation will continue in coming months through a number of avenues, including small group sessions and information displays. I urge you to take advantage of these opportunities to familiarise yourself with its content. A draft plan will also be available to inspect by the end of this month.

It is also my privilege to introduce our new Asset Manager at ENGIE Hazelwood, Tony Innocenzi, who has held a number of management roles with the business over 34 years. I have no doubt that Tony's experience and local knowledge will ensure a smooth transition.

I have worked all over the world in the electricity generation sector but have enjoyed nowhere more than my time in the Valley. In fact, my family and I have become so settled in this wonderful region that we decided to remain here in retirement.

I look forward to maintaining contact with the many friends and business acquaintances we have developed over the years, and to watching the continuing evolution of the energy industry.

Thank you again for your support.

George Graham, Asset Manager

OLD FAITHFUL

An area in the disused part of the Hazelwood Mine, often called 'Old Faithful', has been laid to rest… permanently.

'Old Faithful' is referred to by geologists as a "fire hole" which can be thousands to millions of years old and occurs naturally in some coal seams under the earth. Most fire holes are dormant and lie in the ground completely extinguished, however when exposed or in the presence of oxygen, these fire holes can re-ignite. The evidence when they do ignite is an occasional rise in the overlying soil temperature or a small area of steam rising from the mine surface.

Over the years, if 'Old Faithful' stirred, mine employees at ENGIE Hazelwood would excavate below the surface to remove any warm coal then fill it in with clay soil.

ENGIE Mining Engineer, Luke Degaris, said many years ago, the accepted way to deal with these "areas of interest" was to dig them out, hose the hole down with water, foam or fire retardant then fill them in with clay.

"However we have now learnt the most effective method is to starve the surrounding area and the area of interest of oxygen," Mr Degaris said. "So if there is any activity at all, such as an increase in temperature or steam rising, we dig out the warm coal and the surrounding area and clay cap it."

These days, modern technology is keeping a close eye on every part of the mine – used and disused areas. Thermal imaging, mounted on relocatable frames, scans the mine area 24 hours a day, seven days a week.

If the thermal imaging detects areas of increased temperature or any visual signs of steam are seen, appropriate action is taken immediately.

Now, comprehensive rehabilitation of the disused Northern Batters has allowed employees to gain better access to 'Old Faithful' which is located between batter levels one and three.

Heavy machinery was used to dig down almost six metres, removing the hole's core, until the area was completely cool and at a normal temperature. This entire hole and the surrounding area was then filled with compacted clay in several layers. It will now be covered in top soil.

"This work means 'Old Faithful' and the area around it will be permanently starved of oxygen in what is a permanent solution," Mr Degaris said.

Meanwhile rehabilitation of the 15 hectares Northern Batters will be completed over the next few months.

The huge project started in November last year. The next area for rehabilitation will be the disused Eastfield Southern Batters.

REHABILITATION NORTHERN BATTERS

The Northern Batters rehabilitation project has notched up a significant milestone as this current section of rehabilitation nears completion.

The project, which began at the start of this year, has experienced no injuries or accidents.

Hazelwood Mine production Manager, Rob Dugan, said this achievement was a credit to all involved in the project.

A team of employees has been working on the project using a range of heavy equipment and machinery.

Rob said a great deal of planning and pre-preparation went into the project including a very comprehensive traffic management plan which involved limiting traffic flow in the vicinity and sealing off some areas. Employees received regular updates on activities in the form of flyers.

"It's a terrific achievement," Rob said. "The entire project was not only injury free, but was on time and on budget."

In conjunction with this project, the southern side of the open cut around the conveyor was rehabilitated over a seven-week period and the area around the Spoil Mound 4 and Spoil Mound 5 dumps rehabilitated and grass sown.

The team is now ready to move into the Eastfield Southern Batters rehabilitation project later in the year which will take the project into the new year.

Hazelwood Mine Work Plan Variation

ENGIE Hazelwood is currently engaged in community consultation around its 2016 Mine Work Plan Variation.

The existing Mine Work Plan Variation was approved in 2009. It sets out conditions for the mine under its current Mine Licence and also sets out the work methodology, including rehabilitation. Each section of the plan progressively explains the geological setting of the mine, how the mine is proposed to be developed over a period of time, what areas are to be mined and how progressive rehabilitation and the final closure concept will be implemented.

In 2015, the State Government altered one of the mine's licence conditions to include a Risk Assessment and Management Plan (RAMP) which requires all mine operators in the Latrobe Valley, including ENGIE Hazelwood, to prepare a 2016 Mine Work Plan Variation.

The RAMP has identified four key mine risk areas specific to the current work plan – Mine Fire; Ground Control; Environment; and Site Security and Emergency Response. Critical Control Performance Standards are generated and documented as part of the RAMP, which will be formally incorporated in its entirety as an annexure to the Work Plan Variation.

The current Community Engagement Plan and Environmental Management Plan for Hazelwood will be reflected within appropriate sections of the work plan. Consideration will also be given to Recommendations 18 and 19 from the second Hazelwood Mine Fire Inquiry which involved the generation of progressive rehabilitation "milestones" and the possible speed-up of rehabilitation.

A well attended community information session was held in Morwell late last month to explain the 2016 Mine Work Plan Variation and over the coming months, there will be further opportunities for the local community to take part in the consultation process.

A draft of the plan will be available from 25 July for people to review and make comment. Details of how to access the plan will be advised closer to this time.

POWER STATION START-UP

ENGIE Hazelwood has been trialling various fuel sources to use in boiler start-ups with a 50/50 combination of grus briquettes and black coal the most successful.

ENGIE Hazelwood, like other power stations and industry, is subject to an EPA licence. In the past year, it has never exceeded the licence limit allowed for emissions during the start-up process.

Start-ups are part of the process of bringing a generation unit back online after maintenance and they require an efficient ignition source to optimise the use of this auxiliary fuel, therefore reducing the number of hours of visible smoke.

A concentration on maintenance by ENGIE Hazelwood, particularly on the auxiliary mills, has resulted in the reduction of unplanned start-ups with the flow-on effect of a significant drop in visible emissions.

In the past, Hazelwood purchased briquettes from Energy Brix in Morwell to use in boiler start-ups however the need for an alternative fuel source resulted after the briquette production ceased. The Hazelwood boilers are specifically designed for brown coal briquettes.

This auxiliary fuel must have a high thermal efficiency and low moisture content. Brown coal alone is unsuitable because of its high moisture content and while black coal is both efficient and economical, it produces a darker visible smoke.

Gas is not an option as there is no high flow gas connection available to Hazelwood.

ENGIE Hazelwood has trialled briquettes from two overseas manufacturers which worked well however transport time and cost were an issue so Hazelwood has been trialling a 50/50 mixture of grus (a combination of broken and crumbled briquettes) and black coal.

Energy Brix has a stockpile of screened grus and Hazelwood provides the black coal. The two products are mixed to provide the optimum start-up fuel. This results in a slightly more coloured smoke than can usually be seen.

More than 25,000 tonnes of auxiliary fuel is used annually for start-ups which average around 100 a year.

Some 3000 tonnes of overseas briquettes are stored onsite for emergency use only.