**Attachment 2**

**For Public Notice via Internet**

**REASONS FOR DECISION UNDER *ENVIRONMENT EFFECTS ACT 1978***

**Title of Proposal: Loy Yang B Power Station Turbine Upgrade**

**Proponent: IPM Operation and Maintenance Loy Yang Pty Ltd**

**Description of Project:**

IPM Operation and Maintenance Loy Yang Pty Ltd propose to upgrade two steam turbines at the existing Loy Yang B Power Station to improve it’s efficiency and greenhouse gas intensity (by approximately 5%, from 1.23 to 1.17 tCO2-e/MWh), and therefore increase theoretical capacity by up to 8.6%. The proposed upgrade includes replacement of existing turbine blades with more efficient blades and installation of improved seals. Other ancillary upgrades to accommodate the additional steam mass flow, coal and flue gas include an upgrade of boiler feed-pumps, safety valves, flue gas induced draft fans, and cooling water pumps.

The proposed upgrade works will be undertaken completely within the confines of the existing power station.

**Decision:**

The Minister for Planning has decided that an Environment Effects Statement (EES) is not required for the Loy Yang B Power Station Turbine Upgrade, as described in the referral accepted on 29th November 2016.

**Reasons for Decision:**

* The proposed upgrade would not cause significant adverse effects on environmental values and amenity of surrounding areas, largely due to the works for the upgrade being confined completely to the existing power station.
* Emissions to atmosphere, including greenhouse gas emissions, can be adequately assessed and managed through the works approval process under the *Environment Protection Act 1970* and the proponents existing EPA accredited licence (3987), in accordance with applicable subordinate legislation and statutory instruments.

**Date of Decision: 28 December 2016**