

Media Release

19 October 2011

Major overhaul at Tarong North Power Station to benefit region

Tarong North Power Station commenced its largest planned maintenance overhaul earlier this month, injecting more than \$16 million directly into the local economy.

The overhaul, which started on Friday 7 October, is the second major overhaul at the station since it was commissioned in 2003.

Stanwell Corporation Limited (Stanwell) will invest approximately \$22.5 million in refurbishing the station's generating unit and a further \$10 million in capital works.

Stanwell Chief Operating Officer Wayne Collins said the investment would not only benefit the power station, but would also deliver significant economic benefits to South East Queensland.

"More than \$16 million is being spent with local contractors and suppliers," Mr Collins said.

"Some of this will be spent at local motels and hospitality businesses, accommodating and feeding the large contingent of contracted workers."

The 42-day overhaul will involve more than 650 specialist contract personnel, 100 Tarong Power Station employees, 150,000 hours and more than 8000 work tasks.

"With such a large workforce on site, our focus is on ensuring the health and safety of our employees, contractors and visitors to site," Mr Collins said.

Tarong Site Manager Dennis Franklin said the planned maintenance project was an important part of Stanwell's stringent operations and maintenance practice, which required all generating units to be overhauled every four years.

Mr Franklin said the overhaul would involve an inspection of key components, the installation of new parts and repairs to existing equipment to ensure the plant continued to operate safely and to deliver highly reliable power to Queensland.

Mr Franklin said the station's thermal efficiency was the best in Australia for a coal-fired power station.

"The plant's high performance is based on the original design, which incorporated world-class engineering performance," Mr Franklin said.

"This high performance has been enhanced by the highly competent and innovative people who operate and maintain the station."

The unit is scheduled to return to service on 19 November 2011.

ENDS

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Background

Stanwell Corporation is Queensland's largest power generator, with the installed capacity to supply more than 45 per cent of the state's peak power needs.

Established on 1 July 2011 and owned by the Queensland Government, Stanwell is the owner and operator of:

- 1446.9 MW Stanwell Power Station (coal) near Rockhampton
- 1415 MW Tarong Power Station (coal) in the South Burnett
- 443 MW Tarong North Power Station (super-critical coal) in the South Burnett
- 385 MW Swanbank E Power Station (gas) near Ipswich
- 125 MW Swanbank B Power Station (coal) near Ipswich
- 325 MW Mica Creek Power Station (gas) near Mount Isa (not connected to the NEM)
- 86.4 MW Kareeya Power Station (hydro) in Far North Queensland
- 63 MW Barron Gorge Power Station (hydro) in Far North Queensland
- 32 MW Mackay Power Station (gas) in Central Queensland
- 7.3 MW Koombooloomba Power Station (hydro) in Far North Queensland
- 4.7 MW Wivenhoe Small (hydro) located at Wivenhoe Dam

Stanwell sells energy from the 195 MW Collinsville Power Station in north Queensland, through a Power Purchase Agreement with its owners Transfield Services Infrastructure Fund.

Stanwell owns Meandu Mine, which has the capacity to supply up to seven million tonnes of coal a year to the adjacent Tarong power stations. It has a coal supply agreement with Wesfarmers Resources' Curragh Mine that includes the sharing of revenue from coal exports. Stanwell also has gas interests, including an equity stake in Blue Energy Limited.

Stanwell is an active competitor in the National Electricity Market (NEM). The Corporation sells electricity into the NEM spot market pool and provides ancillary services to the Australian Energy Market Operator to ensure the secure and reliable supply of electricity throughout Queensland.

Stanwell employs nearly 1000 people across its various sites.

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