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From: Tim Neal

Sent: Friday, 25 January 2019 1:28 PM

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Subject: UNGI [SEC=UNCLASSIFIED]

Hi All,

Thanks for earlier today and thanks again for all the hard work on this program.

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Thanks again

Tim

Tim Neal - Senior Adviser
Office of the Hon Angus Taylor MP
Minister for Energy

Parliament House, Canberra ACT 2600
M: s22

Underwriting New Generation Investments program – Submission Shortlist

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High Level Project Information										Detailed Project Submission Summary (Confidential and Internal)					
No.	Lead Project Proponent	Project name	Other project partner	Project location	Project Capacity (MW)	Generation technology	How the generation will be firmed	Mechanism of support	Additional Summary Comments	Commentary on Program Design	Project Financial elements	Project Market Commentary	Project Readiness	C&I/Retailer customers	
<h1>s22</h1>															
Project	29	Delta	Vales Point Power Station Efficiency Upgrade	N/A	Lake Macquarie, NSW	Upgrade to improve efficiency of output of current capacity of 1320MW	Thermal – coal	Thermal coal is fully dispatchable firm electricity generation	s45	s45	N/A	s45	N/A	N/A	Has existing arrangements with C&I customers that it already provides electricity to
Confidential (Y/N)	29	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes						

Underwriting New Generation Investments program (UNGI)

File note – Registration of Interest (ROI) filtering

The ROI process for the UNGI program was held over December 2018 to January 2019. There were 66 project submission received.

Based on the ROIs a filtering process was conducted which identified 24 projects. This summary of this list was sent to the Tim Neal at the Minister's Office on 4 February. It was also provided in MS19-900048 on 7 February 2019 (PE brief).

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The department also had regard to the findings of the Australian Energy Market Operator's (AEMO) 2018 Electricity Statement of Opportunities, which stated that the NEM faces increasing reliability risks over the next ten years, specifically:

- Without any additional investment in generation, Victoria will breach the reliability standard by 2021-22, NSW by 2023-24, and South Australia by 2024-25.
- Based off a 10 % probability of exceedance of the reliability standard –
 - : SA and Vic are expected to share a 40 MW gap in dispatchable generation from 2022, rising to 460 MW in 2028.
 - : NSW is expected to have reliability gap of 150 MW from 2023-24, rising to 700 MW by 2027-28.

Priority was given to projects that were at a more advanced state of development based the on information provided in the ROI.

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