

Braemar 2 Power Station

Overview

Braemar 2 is an integrated, 450MW open-cycle, gas-fired power station which incorporates a 110km high-pressure pipeline network and is the second biggest of its kind in Queensland. The power station commenced full commercial operation in June 2009 and was officially opened on 25 August, 2009.

Braemar 2 is located 40km southwest of Dalby in Queensland, adjacent to the Queensland-New South Wales high voltage transmission Interconnector and Powerlink 320/275kV Substation.

The power station operates as a peak and shoulder period generator that aims to dispatch electricity during periods of higher electricity demand and capture the associated higher electricity prices during that time.

Revenues for the power station are underpinned by an electricity hedge agreement with Origin Energy for 300MW for a minimum of 10 years with options over an additional supply of 150MW. The additional 450MW of cleaner gas fired generation capacity addresses increasing demand for lower carbon emission electricity production in Queensland.

As an accredited generator under the Queensland Gas Scheme, Braemar 2 also benefits from earning Gas Electricity Certificates.

Location	Status	Expected Life	Capital Exp \$	Workforce
40kms SW of Dalby	2009 – full commercial operation commenced	30 years	\$546m	300 at peak 15 permanent

Economic Benefits

The cost of construction of Braemar 2 was \$546 million, completed within 20 months and delivered under budget. Estimates of \$60 million were injected into the local area creating many employment opportunities.



Development and ongoing operations

In a joint venture with Arrow Energy, ERM Power led the construction and project financing of Braemar 2.

In July 2011, Arrow took full ownership and operational control of the plant, reinforcing its commitment to provide gas to the domestic market.

Braemar 2 is fired by CSG from Arrow's Daandine and Tipton West gas fields. Arrow Energy is supplying gas to the Power Station at a rate of approximately 15 petajoules per annum (PJ/a), which is enough to power more than 200,000 households each year.

It currently provides three to four percent of Queensland's electricity – powering homes and businesses across the state.

The full acquisition of Braemar 2 was viewed as an important commitment by Energy in its role of delivering cleaner energy to Queensland.

Arrow's worldwide interests span coal seam gas developments, pipeline assets, electricity generation and an investment in a proposed liquefied natural gas (LNG) development.