

# Concept Plan Approval

## Section 75O of the *Environmental Planning and Assessment Act 1979*

The Planning Assessment Commission of New South Wales (the Commission) having considered all relevant matters prescribed under Section 75I(2) of the *Environmental Planning and Assessment Act 1979* (the Act), determine:

- a) pursuant to section 75O of the *Environmental Planning and Assessment Act 1979*, to grant Concept Plan approval for the Proposal referred to in Schedule 1, subject to the modifications in Schedule 2;
- b) pursuant to section 75P(1)(c) of the *Environmental Planning and Assessment Act 1979*, that the Stage 1 Project referred to in Part B of Schedule 2, requires no further environmental assessment; and
- c) pursuant to section 75P(1)(a) of the *Environmental Planning and Assessment Act 1979*, the further environmental assessment requirements for approval to carry out the Subsequent Stages Project, referred to in Parts B and D of Schedule 2, under Part 3A of the *Environmental Planning and Assessment Act 1979*.



Member of the Commission



Member of the Commission

Sydney

22 February 2011

File No: 10/02017

### SCHEDULE 1

<b>Application No:</b>	08_0154
<b>Proponent:</b>	AGL Upstream Infrastructure Investments Pty Ltd and its successors and assigns.
<b>Approval Authority:</b>	Planning Assessment Commission.
<b>Land:</b>	Land required for the development of the proposal, otherwise referred to as the Site.
<b>Proposal:</b>	<p>The Gloucester Gas Project comprising a proposal to:</p> <ul style="list-style-type: none"><li>• extract coal seam gas within an approximately 210 km<sup>2</sup> area, generally between the townships of Barrington and Stroud Road in the Gloucester Shire and Great Lakes Shire local Government areas;</li><li>• process the extracted gas at a processing facility located at one of two locations ("site 1" or "site 7") in the Gloucester Shire local government area;</li><li>• transport the gas from the processing facility to the existing gas supply network via an approximately 95-100 kilometre length pipeline (located within an overall</li></ul>

assessment corridor of 100 metres width), traversing the Gloucester Shire, Great Lakes Shire, Dungog Shire, Port Stephens, Maitland City and Newcastle City local Government areas;

- deliver the transported gas to the existing Newcastle-Sydney gas supply pipeline via a gas delivery station located at Hexham, in the Newcastle City local Government area; and
- associated ancillary infrastructure such as gas and water gathering lines, extracted and treated water storage ponds, salt evaporation ponds, water treatment plant, options for the disposal of treated water, an up to 15 megawatt power generation facility and associated transmission connection to the existing electricity grid, access roads, and temporary construction facilities and construction personnel camps;

but excluding any petroleum exploration activities pursuant to Petroleum Exploration Lease 285.

**Major Project:**

The Gloucester Gas Project was declared a Major Project under section 75B(1)(a) of the *Environmental Planning and Assessment Act 1979*, because it is development of a kind described in clauses 6 and 26A of Schedule 1 of *State Environmental Planning Policy (Major Development) 2005*.

**Concept Plan Authorisation:**

On 4 August 2008, the Minister for Planning authorised the submission of a Concept Plan for the Gloucester Gas Project.

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**SCHEDULE 2**

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## **PART B - DEFINITIONS**

<b>Act, the</b>	<i>Environmental Planning and Assessment Act, 1979</i>
<b>Concept Plan</b>	The Gloucester Gas Project described in Schedule 1 subject to the modifications in Schedule 2.
<b>Councils</b>	Gloucester Shire, Great Lakes Shire, Dungog Shire, Port Stephens, Maitland City and Newcastle City
<b>DECCW</b>	Department of Environment, Climate Change and Water
<b>Department, the</b>	Department of Planning
<b>Director-General, the</b>	Director-General of the Department of Planning (or delegate).
<b>Director-General's approval, agreement or satisfaction</b>	A written approval from the Director-General (or delegate).
<b>DII</b>	Industry and Investment NSW
<b>Environmental Assessment</b>	<i>Gloucester Gas Project Environmental Assessment</i> , dated November 2009 and prepared by AECOM
<b>HCRCMA</b>	Hunter-Central Rivers Catchment Management Authority
<b>NOW</b>	NSW Office of Water
<b>RTA</b>	NSW Roads and Traffic Authority.
<b>Statement of Commitments</b>	Concept area and project area Statement of Commitments identified in the Environmental Assessment
<b>Submissions Report</b>	<i>Gloucester Gas Project Submissions Report</i> , dated May 2010, and prepared by AECOM
<b>Stage 1 Project</b>	<p>Comprising the pre-construction, construction, commissioning, operation, decommissioning and rehabilitation of the:</p> <ul style="list-style-type: none"> <li>• <i>Stage 1 Gas Field Development Area</i> - 110 gas wells and associated infrastructure including gas and water gathering lines, within an approximately 50 km<sup>2</sup> section of the overall 210 km<sup>2</sup> gas field development area, between the townships of Gloucester and just south of Stratford in the Gloucester local Government area;</li> <li>• <i>Central Processing Facility</i> - a facility for the compression and processing of the extracted gas, and associated infrastructure (including extracted and treated water storage ponds, salt evaporation ponds, water treatment plant, options for treated water disposal (excluding groundwater re-injection) and an up to 15 megawatt gas-fired electricity generating facility) at one of two locations in the Gloucester Shire local Government area: site 1 (within the property owned by the Proponent known as the "Tiedeman" property) or site 7 (land currently owned by Gloucester Coal, adjacent to a rail loop which currently services the Stratford Colliery);</li> <li>• <i>Gas Transmission Pipeline</i> - an approximately 95-100 kilometre length pipeline between the central processing facility and existing gas supply network at Hexham (located within an overall assessment corridor of 100 metres width), traversing the Gloucester Shire, Great Lakes Shire, Dungog Shire, Port Stephens, Maitland City and Newcastle City local Government areas;</li> <li>• <i>Hexham Delivery Station</i> - a gas delivery station at Hexham to deliver the transported gas to the existing Newcastle-Sydney gas supply pipeline, in the Newcastle City local Government area; and</li> <li>• associated ancillary infrastructure such as access roads, temporary construction facilities and construction personnel camps.</li> </ul>

<b>Subsequent Stages Project</b>	Comprising the pre-construction, construction, commissioning, operation, decommissioning and rehabilitation of gas wells and associated infrastructure including gas and water gathering lines and temporary construction facilities, within the remainder of the 210 km <sup>2</sup> gas field development area, in the Gloucester Shire and Great Lakes Shire local Government areas, which may be developed in one or more discreet stages.
<b>Project Approval</b>	Approval granted for a project in accordance with section 75J of the <i>Environmental Planning and Assessment Act 1979</i>

## **PART C – TERMS OF APPROVAL**

### **1. TERMS OF CONCEPT APPROVAL**

- 1.1 The Proponent shall carry out the Concept Plan and all related projects generally in accordance with the:
  - a) Major Project Application 08\_0154;
  - b) *Gloucester Gas Project Environmental Assessment*, dated November 2009 and prepared by AECOM;
  - c) *Gloucester Gas Project Submissions Report*, dated May 2010, and prepared by AECOM; and
  - d) the modifications to the Concept Plan contained within this approval.
- 1.2 In the event of an inconsistency between:
  - a) this Concept Plan approval and any document listed in 1.1a) to 1.1c) inclusive, this Concept Plan approval shall prevail to the extent of the inconsistency; and
  - b) any documents listed in 1.1a) to 1.1c) inclusive, the most recent document shall prevail to the extent of the inconsistency.
- 1.3 If there is any inconsistency between this Concept Plan approval and any related project approvals, this Concept Plan approval shall prevail to the extent of the inconsistency.
- 1.4 The Proponent shall comply with any reasonable requirement(s) of the Director-General arising from the Department of Planning's assessment of:
  - a) any reports, plans or correspondence that are submitted in accordance with this Concept Plan approval or any related project approvals; and
  - b) the implementation of any actions or measures contained in these reports, plans or correspondence.
- 1.5 To avoid any doubt, this Concept Plan approval does not permit the construction or operation of any projects associated with the Gloucester Gas Project. Construction cannot commence on any projects associated with this Concept Plan unless a separate project approval has been granted in relation to that project.
- 1.6 The Proponent may with the Director-General's agreement elect to meet the conditions of approval of multiple projects associated with this Concept Plan in a single consolidated manner (including through a consolidated plan or other document). In this case, the Proponent shall clearly demonstrate how the requirements of each relevant project approval as well as the requirements of this Concept Plan approval have been addressed in the consolidated plan or document.

## **PART D – FUTURE ENVIRONMENTAL ASSESSMENT REQUIREMENTS**

### **2. PROJECT APPLICATIONS AND SPECIFIC REQUIREMENTS**

- 2.1 Pursuant to section 75P(1)(a) of the *Environmental Planning and Assessment Act 1979*, the following environmental assessment requirements apply with respect to the Subsequent Stages Project:
  - a) a detailed project description, including the design and location of ancillary infrastructure (including access roads and temporary construction compounds) and demonstration that gas wells have been located to minimise landuse conflicts (including to residential receptors, mineral reserves, conservation areas and land of high agricultural value), consistent with the location principles outlined in Statement of Commitment 3 (concept area) of the Environmental Assessment;
  - b) an assessment of relevant statutory matters including land zoning, permissibility and consistency with the objects of the Act;
  - c) a demonstration that the project is consistent with the requirements of this Concept Plan approval and generally consistent with the scope and intent of the Concept Plan

- outlined in the documents under 1.1 of this approval. In addition demonstration that the nature of environmental impacts associated with the project are generally consistent with the nature of environmental impacts identified for the Stage 1 project;
- d) a detailed project-specific statement of commitments, consistent with the Statement of Commitments prepared for the Concept Plan, clearly identifying any new or amended commitments relating to the project (as relevant);
  - e) a justified level of consultation with (but not necessarily limited to) the following parties including identification of the issues raised and how these have been addressed in the Environmental Assessment: DECCW, DII, NOW, HCRCMA, RTA, Gloucester Shire and Great Lakes Shire Councils, relevant mineral titleholders, relevant service providers, property owners and the local community; and
  - f) assessment of the following key issues considering all components of the project (including temporary construction facilities) and cumulative impacts from other projects associated with the Concept Plan:
    - a comprehensive **groundwater impact assessment** – based on baseline monitoring and field investigations of the project site, groundwater monitoring results from the Stage 1 Project and considering cumulative impacts from the Stage 1 Gas Field Development Area. The assessment must identify hydrogeological conditions of the site and assess the potential impacts of the project (including dewatering and water quality) on beneficial aquifers including associated groundwater users, surface water systems and groundwater dependent ecosystems and identify mitigation and contingency measures to deal with potential impacts. The assessment shall develop a numerical hydro-geological model for the project area (expanding on the numerical model developed as part of the Stage 1 Gas Field Development Area) and identify an expanded operational monitoring program, which complements the monitoring program for the Stage 1 Gas Field Development Area. The assessment shall clearly demonstrate how groundwater assessment information would feed into the selection process for optimal gas well location to minimise groundwater risks (e.g. “no-go” areas, hydro-geological factors to be considered in well location etc);
    - a comprehensive **extracted water management strategy** – identifying the maximum cumulative water extraction rate associated with the gas wells (taking into account the Stage 1 Gas Field Development Area) including: demonstrating sufficient storage capacity for the water volumes and the final re-use/ disposal option(s) for the management and disposal of extracted water volumes. The assessment must identify the expected water quality of extracted water volumes and the level of water treatment required (including water quality criteria) for the preferred water reuse/ disposal option. The strategy must also identify finalised disposal options for the volumes of salt generated by the water treatment process;
    - a **flora and fauna impact assessment** – prepared in accordance with the *Draft Guidelines for Threatened Species Assessment* (DEC, July 2005). Specific consideration must be given to impacts associated with the project on any threatened species, populations and/ or ecological communities as well as the habitat of threatened species listed under both State and Commonwealth legislation recorded within the area. The assessment must include details on general site conditions (including details of vegetation communities, habitat types and species assemblages present) and level of proposed disturbance (including quantifying the worst case extent of impact on a community basis and on the basis of total native vegetation disturbed). Details must also be provided of the survey methodology implemented, demonstrating that the level of survey is appropriate and justified. Sufficient details must be provided to demonstrate the availability of viable and achievable options to offset the impacts of the project consistent with the principles of “maintain or improve”;
    - a **heritage impact assessment** – considering impact to both European and indigenous heritage values. The indigenous heritage assessment must be prepared in accordance with the *Guidelines for Aboriginal Cultural Impact Assessment and Community Consultation* (DEC, July 2005) considering both archaeological and

cultural values and demonstrating effective consultation with indigenous stakeholders during the assessment and in developing mitigation options (including the final recommended measures);

- an **air quality impact assessment** – prepared in accordance with *Approved methods for the modelling and assessment of air pollutants in NSW* (DEC, 2005) considering air quality impacts from gas flaring impacts during the commissioning stage including cumulative impacts from gas flaring from the Stage 1 Gas Field Development Area and the operation of the central processing facility;
- a **visual impact assessment** – considering cumulative impacts of the project on nearby receptors and on landscape values within the Vale of Gloucester;
- a **noise impact assessment** – focusing on construction noise impacts (including construction traffic noise) and identifying all reasonable and feasible mitigation measures that would be put in place to reduce noise impacts at residents including a strategy for works which extend to the evening and night time periods. Operational noise impacts of the gas wells shall also be confirmed at nearest sensitive receptors, considering cumulative impacts;
- a **construction traffic assessment** – identifying haul routes that will be used during construction, worst case traffic volumes associated with the project including associated impacts to road network performance, and any road upgrade requirements to accommodate the predicted volumes; and
- a gas well **decommissioning and rehabilitation strategy** identifying rehabilitation requirements at the completion of the project including completion criteria and monitoring requirements.

2.2 The Proponent may choose to submit separate project applications under Part 3A of the *Environmental Planning and Assessment Act 1979* for any one or a combination of discreet development stages associated with the Subsequent Stages Project. In this case, each Subsequent Stages Project application shall demonstrate that all environmental assessment requirements specified in 2.1, relevant to that discreet stage, have been addressed.

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