

ASSESSMENT REPORT

CAMDEN GAS PROJECT – STAGE 2 Modification (DA 282-6-2003i MOD 12)

1 BACKGROUND

The Camden Gas Project (CGP) is a major coal seam methane production project involving the extraction of gas from the Illawarra Coal Measures, collection and treatment of the extracted gas, and transfer of the treated gas by pipeline to the Sydney market. AGL Energy Limited (AGL) is the operator of the CGP, which is located to the south of Camden and Campbelltown in the Camden, Campbelltown and Wollondilly local government areas.

On 16 June 2004, the Land and Environment Court granted consent to DA 282-6-2003i, Stage 2 of the CGP, which initially comprised 43 wells, a gas treatment plant at Rosalind Park (refer to **Figure 1**) and gas gathering systems. Stage 2 has subsequently been expanded with additional gas wells and gas gathering systems and currently has approval for 123 wells and the gas processing plant.

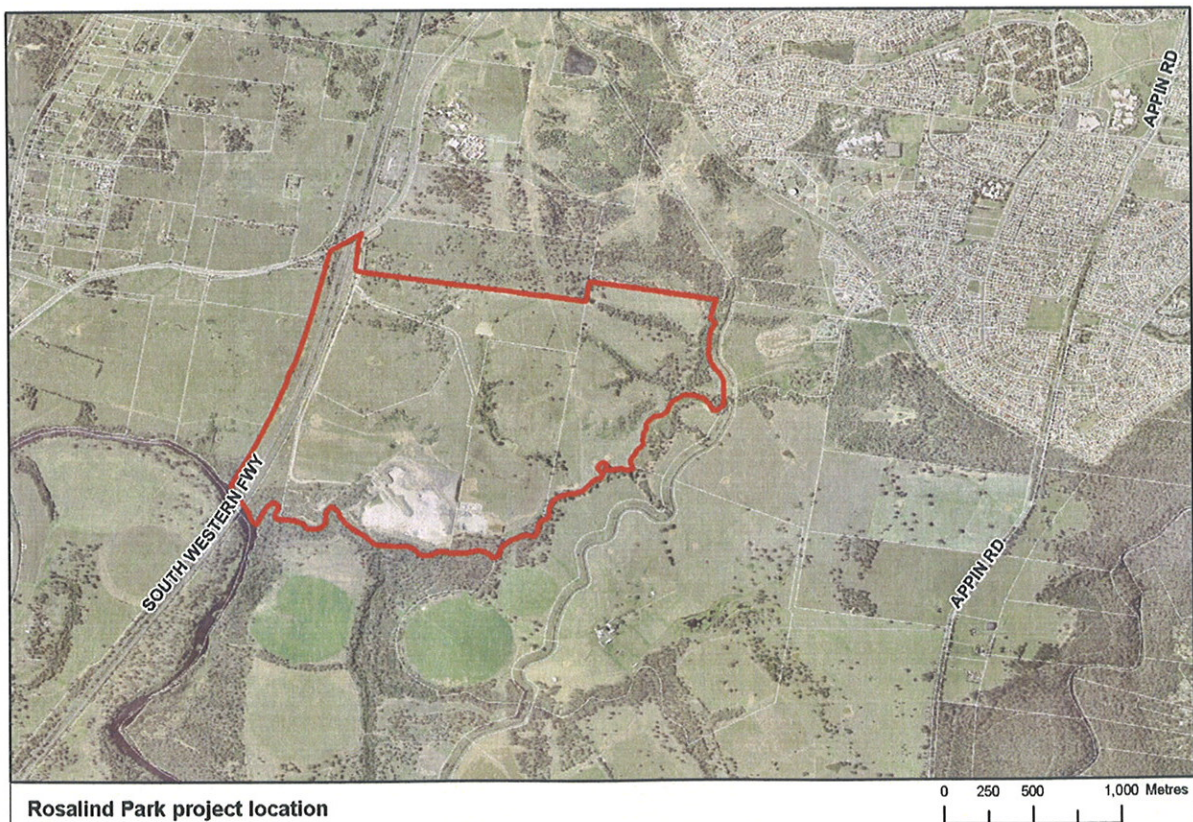


Figure 1: Rosalind Park Gas Plant location

2 PROPOSED MODIFICATION

AGL has sought a modification to the conditions of consent for DA 282-6-2003i as a result of the expanding use of the Rosalind Park Gas Plant (RPGP) and upgrades to the operational performance of Stage 2 of the project. The proposed modifications are related to the monitoring and reporting of noise, air quality and waste at the RPGP.

3 STATUTORY CONTEXT

Part 3A

Under clause 8J(8)(d) of the *Environmental Planning and Assessment Regulation 2000*, a development consent granted by the Land and Environment Court under Part 4 of the *Environmental Planning & Assessment Act 1979*, is taken to be approval under Part 3A of the Act for the purposes of modification.

The original development consent was granted by the Land and Environment Court under Section 76A(7) of the Act. Consequently, section 75W of the EP&A Act is the appropriate statutory provision under which this modification application can be determined.

Approval Authority

The Minister is the approval authority for the modification application. However, the Director, Mining & Industry Projects may determine the application under the Minister's delegation of 25 January 2010.

Modification

As the proposed modification represents a minor change to the administration of the originally approved operations, the Department is satisfied that it can be treated as a modification of the original development consent under section 75W of the EP&A Act.

4 CONSULTATION

The Department is not required to notify or exhibit applications under section 75W of the EP&A Act. However consultation was undertaken with Department of Environment, Climate Change and Water, which supports most of the modifications sought.

5 ASSESSMENT AND RECOMMENDED CONDITIONS

The Department's assessment is summarised in Table 1 below:

Table 1: Assessment of proposed modification

<i>Issue</i>	<i>Impacts and Consideration</i>	<i>Recommendation</i>
<i>Noise Monitoring</i>	<ul style="list-style-type: none">Under the existing consent, AGL is required to provide a Noise Monitoring Program (NMP) for the RGP. AGL has proposed to integrate the NMP into a Noise Management Sub Plan (NMSP) for the entire CGP. The NMSP would be part of a broader Environmental Management Plan for the entire CGP.AGL also proposes to remove the continuous noise monitoring system at Mt Gilead, which was required to be in place for the first 12 months of operation under the existing consent. The original EIS for the project predicted that an exceedence of 2dB would occur at this location on unusually hot days, as a result of the cooler fans running at maximum speed. However, since approval, noise monitoring has shown compliance with criteria at this location under typical and full operational capacities.	<ul style="list-style-type: none">The Department is satisfied that the proposed integration of the RGP's NMP into the NMSP for the overall CGP operation would provide a more effective and integrated approach to environmental management across the CGP. Consequently, the Department supports the proposal, and recommends that AGL continue to consult with DECCW in finalising the NMSP.Having reviewed the monitoring results at Mt Gilead, the Department is also satisfied that quarterly noise monitoring (rather than continuous) is adequate to ensure continued compliance.
<i>Noise compliance reporting</i>	<ul style="list-style-type: none">AGL proposes to increase the consent's required frequency for noise compliance reporting, so that the consent is consistent with AGL's current practice (ie quarterly reporting).DECCW's Environmental Protection License (EPL) only requires annual reporting. DECCW has advised that this requirement is considered adequate, however AGL may submit quarterly reporting at its discretion.	<ul style="list-style-type: none">The Department is satisfied that the existing requirement for annual noise compliance reporting is adequate, and maintains consistency with DECCW's EPL. As a consequence, the Department does not support modification of this condition of consent, but encourages AGL's continued quarterly reporting.
<i>Air Quality</i>	<ul style="list-style-type: none">AGL proposes an increase in the exceedance limits for concentrations of sulphuric acid mist (H₂SO₄) and/or sulphur trioxide (SO₃) at discharge points 1, 2, 3 & 4 for the RGP.AGL is seeking an increase to 10mg/m³. An	<ul style="list-style-type: none">The Department is satisfied that DECCW's proposed increases to H₂SO₄ and/or SO₃ concentration limits at discharge points 1, 2, 3 & 4 would not result in any additional

Issue	Impacts and Consideration	Recommendation
	<p>impact assessment by PAE Holmes found that these increases in concentration would not adversely affect the surrounding environment.</p> <ul style="list-style-type: none"> • Taking into account previous monitoring results and operating efficiencies, DECCW recommends lesser increases - from 3.1 to 5.0 mg/m³ at discharge points 1, 2 & 3, and from 1.0 to 3.5 mg/m³ at point 4. The Department supports DECCW's proposal as the revised limits are achievable, reflect proper and efficient operation of the plant, and are predicted to have no adverse impacts on the local air quality. 	<p>environmental impacts and would reflect proper and efficient operation of the plant.</p> <ul style="list-style-type: none"> • The Department recommends updating the air quality conditions to reflect the change to these limits.
<i>Workplace Health and Safety</i>	<ul style="list-style-type: none"> • AGL proposes to delete the condition requiring monitoring of the RGP's flare emissions through temperature and volume sampling. • There are known health and safety concerns with sampling of flare emissions and as a result this requirement has already been removed from DECCW's EPL. 	<ul style="list-style-type: none"> • The Department acknowledges that sampling of the RGP flare emissions raises health and safety risks and as a consequence, supports the removal of the relevant condition (condition 59 of schedule 4) from the consent.
<i>Hazardous, Industrial and Group A Waste</i>	<ul style="list-style-type: none"> • AGL proposes to remove conditions relating to limits on stored or generated hazardous, industrial, Group A and non-controlled aqueous liquid waste to reflect changes to DECCW's definition of Group A waste and the current waste management operations at the RGP. • DECCW has modified the definition of Group A waste to include all liquid waste, including non-controlled aqueous liquid waste. • Since consent was granted, AGL has upgraded the oily-water separator and has increased capacity for waste management and storage. • DECCW has confirmed that removal of these conditions is a reflection of current DECCW policy. 	<ul style="list-style-type: none"> • The Department acknowledges that conditions 100 – 102 of schedule 4 no longer reflect the current operational activities and the terminology used is out of date. • The Department is satisfied that the proposed change would have no adverse impacts, and that waste generation and disposal would be appropriately managed and monitored under the Waste Management Sub Plan and the Environmental Monitoring Program for the overall CGP. • As a consequence, the Department supports the deletion of the relevant conditions.

7 CONCLUSION AND SECTION 79C CONSIDERATION

The Department has assessed the modification application in accordance with the relevant requirements of the EP&A Act, including the objectives of the Act and the principles of ecologically sustainable development.

Based on this assessment, the Department considers that the proposed modification seeks changes that are consistent with current best practice management of small gas processing plants such as RGP. The proposed modifications essentially update previous conditions of consent to reflect current operational activities, management practices and monitoring policies and changes to DECCW standards. The assessment has found that the proposed modification would not generate any adverse environmental impacts above and beyond those associated with the approved operations. Consequently, the Department is satisfied that the proposed modification is in the public interest and should be approved.

8 RECOMMENDATION

It is RECOMMENDED that the Director, as delegate of the Minister:

- **consider** the findings and recommendations of this report;
- **determine** that the proposed modification falls within the scope of section 75W of the EP&A Act;
- **approve** the application under section 75W, subject to conditions; and
- **sign** the notice of modification in Appendix A.

Colin Phillips

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