13 October 2017

Clay Preshaw
NSW Department of Planning and Environment
GPO BOX 39
SYDNEY NSW 2001

Dear Clay,

RE: SYERSTON PROJECT DEVELOPMENT CONSENT DA 374-11-00 – PROPOSED MODIFICATION 5

Clean TeQ Holdings Limited (Clean TeQ) owns the rights to develop the Syerston Project (the Project). Development Consent DA 374-11-00 for the Project was issued under Part 4 of the *Environmental Planning and Assessment Act, 1979*.

The Project includes the establishment and operation of the following:

- mine (including the processing facility);
- limestone quarry;
- rail siding;
- gas pipeline;
- borefields and water pipeline; and
- associated transport and infrastructure.

Construction of the Project commenced in 2006 with the construction of the borefield, however Project operations are yet to commence.

Clean TeQ is proposing to recommence construction of the Project in early 2018.

Proposed Modification 5

The existing hazard study conditions in Development Consent DA 374-11-00 require the preparation of hazard studies for all components of the Project regardless of the level of risk associated with each Project component. Clean TeQ is proposing to modify existing hazard study requirements in Development Consent DA 374-11-00 to change:

- the scope of the hazard studies to target the higher risk Project components; and
- the submission timing of the hazard studies to be prior to the commencement of construction and commissioning of higher risk Project components.

Development Consent DA 374-11-00 requires the preparation of the following pre-construction hazard studies in accordance with Condition 52, Schedule 3 of Development Consent DA 374-11-00:

Pre-Construction Hazard Studies

52. Prior to carrying out any development under this consent after 6 May 2017, the Applicant must prepare and submit for approval a:

(a) Fire Safety Study for the development, ...

(b) Final Hazard Analysis for the development, ...

(c) Construction Safety Study for the mine processing facility and Gas Pipeline, ...

(d) Hazard and Operability Study for the mine processing facility and Limestone processing facility, ...

Clean TeQ proposes the following modifications to Condition 52, Schedule 3 of Development Consent DA 374-11-00:

Pre-Construction Hazard Studies

52. Prior to ~~carrying out any development under this consent after 6 May 2017~~ commencing construction of the mine processing facility or the gas pipeline (except for construction of those preliminary works that are outside the scope of hazard studies), unless otherwise agreed by the Secretary, the Applicant must prepare and submit for approval a:

(a) Fire Safety Study for the ~~development~~ mine processing facility or the gas pipeline, ...

(b) Final Hazard Analysis for the ~~development~~ mine processing facility or the gas pipeline, ...

(c) Construction Safety Study for the mine processing facility and Gas Pipeline, ...

(~~d~~c) Hazard and Operability Study for the mine processing facility ~~and Limestone processing facility~~ or the gas pipeline, ...

Development Consent DA 374-11-00 requires the preparation of the following pre-commissioning hazard studies in accordance with Condition 53, Schedule 3 of Development Consent DA 374-11-00:

Pre-Commissioning Hazard Studies

53. Prior to commissioning of the mine processing facility and gas pipeline, the Applicant must prepare and submit for approval a:

(a) Transport of Hazardous Materials Study for the development, ...

(b) *Emergency Plan for the development, ...*

(c) Safety Management System for the development, ...

Clean TeQ proposes the following modifications to Condition 53, Schedule 3 of Development Consent DA 374-11-00:

Pre-Commissioning Hazard Studies

53. Prior to commissioning of the mine processing facility and gas pipeline, unless otherwise agreed by the Secretary, the Applicant must prepare and submit for approval a:

(a) Transport of Hazardous Materials Study for the development, ...

(b) *Emergency Plan for the ~~development~~ mine processing facility or the gas pipeline, ...*

(c) Safety Management System for the ~~development~~ mine processing facility or the gas pipeline, ...

Justification for Modification 5

A Preliminary Hazard Analysis (PHA) has been prepared for the Project (SHE Pacific, 2000). The PHA identified potentially hazardous incidents that could occur at each of the Project components (Table 1). The key potentially hazardous incidents are associated with the processing facility and gas pipeline Project components (i.e. the higher risk Project components).

Table 1
Potentially Hazardous Incidents at the Project

Project Component	Potentially Hazardous Incidents
Mine (including Processing Facility)	• Gaseous releases including hydrogen sulphide and sulphur dioxide. • Fires including: ▪ torch (ignition of pressurised flammable liquid); ▪ flash (ignition of flammable gas and air); ▪ pool (ignition of a pool of flammable liquid); and ▪ warehouse (dangerous goods stores) fires. • Explosions.
Gas Pipeline	• Fires due to loss of containment from the gas pipeline. • Explosions due to loss of containment from the gas pipeline – includes the possibility of a vapour cloud explosion resulting from a large leak of gas.
Limestone Quarry	• Incidents associated with on-site storage of diesel. • Incidents involving explosives (limestone quarry).
Rail Siding	• Incidents associated with on-site storage of diesel. • Hazards associated with the transport of materials.
Borefields and Water Pipeline	• Diesel spills and fires also present a potential onsite risk during construction.

After SHE Pacific (2000).

Although the risk of Project-related hazardous events (with off-site impacts) was assessed to be low in the PHA, SHE Pacific (2000) recommended that further pre-construction hazard studies be conducted for the processing facility component of the Project (i.e. not the gas pipeline, limestone quarry, rail siding, borefields or water pipeline).

Notwithstanding the above, the existing hazard study conditions require the preparation of hazard studies for all components of the Project regardless of the level of risk associated with each Project component (e.g. a Hazard and Operability Study is required for the low risk limestone quarry).

The Modification would allow for the scope of the hazard studies to better reflect the outcomes of the PHA and target the higher risk Project components (e.g. processing facility, gas pipeline). This would be more consistent with other contemporary NSW Development Consents (e.g. Development Consents for quarries and rail sidings typically do not have a requirement for pre-construction and pre-commissioning hazard studies).

By linking the submission of the pre-construction hazard studies to commencement of the higher risk Project components (i.e. processing facility and gas pipeline), the Modification would allow for the construction and commissioning of lower risk Project components (i.e. borefields, water pipeline, limestone quarry and rail siding) to commence prior to the completion of the hazard studies. This would allow Clean TeQ to construct the borefields and water pipeline before completing the long lead time pre-construction hazard studies.

In addition, the Modification proposes to add "except for construction of those preliminary works that are outside the scope of hazard studies" consistent with the *Hazardous Industry Planning Advisory Paper No 12 Hazards-Related Conditions of Consent* and pre-construction hazard conditions in other contemporary NSW Development Consents. This would allow for the construction of "preliminary works" at the processing facility and gas pipeline that are outside of the scope of the hazard studies to commence prior to the completion of the hazard studies.

These "preliminary works" would include site establishment; earthworks; construction of site access roads and security fencing; construction of water management structures; establishment of temporary construction facilities (e.g. construction camp, offices, lay down areas, communications infrastructure); and construction of low risk infrastructure (e.g. offices, workshops, warehouse, laboratory and amenities buildings, fuel storage areas, potable water treatment plant and car parking facilities).

Approval Pathway

Clause 12 of Schedule 6A of the EP&A Act provides that section 75W of Part 3A of the EP&A Act continues to apply to modifications of development consents referred to in clause 8J(8) of the *Environmental Planning and Assessment Regulation, 2000* (EP&A Regulation) following the repeal of Part 3A.

The Project was approved under Part 4 of the EP&A Act in 2001 by development consent under Division 4 of Part 4 of the EP&A Act (relating to State significant development). Therefore the Development Consent (DA 374-11-00) is a development consent that falls within clause 8J(8)(c) of the EP&A Regulation.

Approval for the Modification is formally sought as a modification to the Development Consent (DA 374-11-00) under section 75W of the EP&A Act.

In relation to the request to modify Development Consent (DA 374-11-00), please also find enclosed:

- Application to Modify a Development Consent Form (Attachment 1).
- Political Donations Disclosure Statement, confirming Clean TeQ has no reportable political donations to declare (Attachment 2).

Summary

Clean TeQ requests that the DP&E modify Development Consent DA 374-11-00 under section 75W of the EP&A Act to incorporate the proposed changes to Conditions 53 and 54, Schedule 3 of Development Consent DA 374-11-00.

Yours sincerely,

CLEAN TEQ HOLDINGS LIMITED

JOHN HANRAHAN
APPROVALS LEAD – SYERSTON PROJECT