1 Introduction

The proponent of the QHGP is seeking project approval under Section 75P(1)(c) of the Environmental Planning and Assessment Act (EP&A Act) – approval of the project with no further environmental assessment being required for the project or any particular stage of the project.

This report provides responses to submissions received from stakeholders during the public exhibition of the QHGP EA. It also describes further refinements made to the project as a result of these submissions and ongoing consultation.

The Submissions report has been prepared to satisfy the requirements of Part 3A of the EP&A Act and demonstrates the proponent has fully considered all submissions made.

It will assist the Director-General of the Department of Planning (DoP) in the further consideration and determination of the project.

1.1 Structure of this report

The Submissions report is structured as follows:

- **Chapter 1 – Introduction:** An introduction to the project and the environmental assessment process as well as a summary of the consultation process undertaken to date.
- **Chapter 2 – Consideration of submissions:** Response to the formal submissions provided to DoP and response to issues raised directly with the project team by stakeholders during the exhibition period.
- **Chapter 3 – Additional cultural heritage studies:** Summary of additional Aboriginal cultural heritage fieldwork and studies undertaken since the release of the EA, including a description of any refinements to the project as a result of these studies.
- **Chapter 4 – Additional biodiversity studies:** Summary of additional biodiversity fieldwork and studies undertaken since the release of the EA, including a description of the refinements to the project as a result of these studies.
- **Chapter 5 – Refinements to project:** A description of the refinements made to the project as a result of consultation or additional studies.
- **Chapter 6 – Revised Statement of Commitments:** The project SoCs provide a comprehensive picture of the project to be delivered, inclusive of all environmental management and mitigation measures.
- **Chapter 8 – References**
- **Chapter 9 – Glossary and Abbreviations**
- **Appendix A – Wallalong Brush specialist report**
- **Appendix B – Euraba Mission specialist report**
- **Appendix C – Aboriginal cultural heritage specialist report on refinements**
- **Appendix D – Biodiversity specialist report on refinements**

- **Appendix E – Specialist reports on refinements**
- **Appendix F – Revision L constraint maps**

1.2 Introduction

The QHGP is a critical energy infrastructure project that will deliver competitively priced natural gas from southeast Queensland to meet the growing demand for gas in the Hunter and Newcastle industrial regions of NSW. The QHGP will also provide greater security of gas supply to Newcastle, Sydney and NSW.

The NSW Minister for Planning declared the QHGP `critical infrastructure' which is essential for the State. Approval for the proposed project is now being sought under Part 3A of the EP&A Act.

An environmental assessment of the proposed project was prepared and exhibited for public comment between 19 September and 20 October 2008.

1.3 Project need

The QHGP is critical energy infrastructure for NSW and as such is a project of state and national significance as it will:

- Assist the development of gas-fired power stations.
- Assist in reducing greenhouse gas emissions.
- Complete the missing link in eastern Australia's gas network.
- Provide security of supply for gas customers in eastern NSW.
- Assist in the development of a new gas export industry for NSW.
- Provide significant economic benefits for NSW.

1.3.1 Facilitate development of gas-fired power stations

By providing access to a gas source, the QHGP will facilitate the development of gas-fired power stations in the Hunter and along the pipeline's route through northern NSW.

Generating electricity using cleaner sources such as gas will make a material contribution to the NSW Governments' commitment to greenhouse gas emission reduction targets.

With access to competitively priced delivered gas and the potential for a national emissions trading scheme to be implemented, it is likely that the QHGP will positively influence investment in gas-fired technology by electricity generators and manufacturers.

1.3.2 Reducing greenhouse gas emissions

Should QHGP's 160 petajoule (PJ) capacity be devoted totally to electricity generation, it has the potential to reduce greenhouse gas emissions by approximately 12 million tonnes CO2–e (carbon dioxide equivalent)[1].

Electricity generation accounts for 69.9 per cent of Australia's carbon dioxide emissions (Carbon Pollution Reduction Scheme Green Paper 2008). NSW is currently responsible for just over a quarter of Australia's total greenhouse gas and around 47 per cent of all greenhouse emissions in NSW result from energy generation (NSW GH Plan, 2005).

The use of gas for electricity produces around 40 per cent less CO2–e when compared to coal (AGO, 2006). It also produces around 80 per cent less carbon monoxide and nitrogen oxides, as well as 99 per cent less sulphur dioxides and particulates than coal (EIA, 1998).

1.3.3 Complete missing link in eastern Australia's gas network

The QHGP will be a third major gas pipeline into NSW, completing the missing link in Australia's east coast gas network by connecting the major manufacturing and export hub of the Hunter Valley in NSW directly with the Wallumbilla Gas Hub in Queensland (Figure 1.1). The QHGP will also connect into the fully utilised 25PJ Newcastle to Sydney pipeline, potentially facilitating the flow of gas to Sydney.

Additionally the QHGP also has the potential to encourage the exploration and development of sedimentary sequences in northern NSW, which are expected to have considerable gas reserves.

Figure 1.1 Eastern Australia's gas network and the proposed QHGP

Source: RLMS 2008

[1] Derived from https://www.oscar.gov.au/Deh.Oscar.Extension.Web/Content/NgerThresholdCalculator/Default.aspx on a basis of 160PJ per annum, CO2-e emissions from gas fired electricity generation approximately 40% of coal fired (Australian Greenhouse Office, 2006).

1.3.4 Secure eastern NSW's gas supply

The demand for natural gas has continually increased since the 1960s and is projected to increase from an annual consumption of 1,185PJ in 2005–6 to 1,740PJ in 2019–20. Exports are predicted to reach 2700PJ per annum in the same period (Roarty, 2007-08).

In addition to assisting to meet this growing demand, the QHGP will help provide security of supply for the domestic gas market. Eastern Australia has suffered in the recent past due to load shedding in times of peak demand and unexpected interruptions to supply. The gas transported by the QHGP will provide an alternate supply to eastern Australia and power the regional manufacturing industries that are needed for a diverse and sustainable economic base.

1.3.5 Development of a liquid natural gas industry

While the gas delivered by the QHGP will be initially used in its natural state by industry and for power generation, there is future potential to convert it to LNG for export.

As discussed above, northern NSW is expected to contain considerable potential reserves of gas. The QHGP could deliver this gas to the Hunter for processing and export, thereby creating a new industry for the region.

Projected economic benefits of the development of an LNG industry in the Hunter include:

- The creation of 3,000 construction jobs to build an LNG plant over a 3 to 4 year period.
- 200 permanent new jobs.
- Construction costs of $3 to 4 billion.
- Each plant would generate $1 billion in export revenue and $100 million per annum in royalties to the NSW Government.

1.3.6 Significant economic benefits in NSW

Economic modelling undertaken by ANZ Infrastructure Services (ANZIS) and analysis by Santos Limited predict substantial future benefits for NSW from the QHGP including:

- Expansion of aluminium smelters in the region: $2.5 billion+.
- Development of a 600 MW gas fired base load power station every year from 2011: $600 million per year.
- Development of gas exploration and production in northern NSW: $500 million+.
- Development of LNG plants in Newcastle: Capital value $5 billion+.
- NSW state royalties from LNG exports: $200 to $300 million per year.

ANZIS predicts that the flow-on effect of these developments could have economic multiplier effects of around three times in urban areas and seven times in regional areas.

1.4 Approval of QHGP under section 75P(1)(c)

The proponent of the QHGP is seeking project approval under Section 75P(1)(c) of the EP&A Act – approval of the project with no further environmental assessment being required for the project or any particular stage of the project.

For the purposes of this report, the Study Area can be defined as the 200 metre wide corridor in which the 30m wide right of way (ROW) will be defined.

1.4.1 Project description

QHGP is an 833km gas transmission pipeline from near Wallumbilla in Queensland to Newcastle in NSW. Of the total pipeline length, 611km will be located in NSW and 222km in Queensland. A short 9km lateral, or offshoot, in the Maitland area is also included in the project.

It is well advanced in its planning following three years of project development, community, government and agency consultation.

It traverses the local government areas (LGAs) of Moree Plains, Narrabri, Gunnedah, Liverpool Plains, Upper Hunter, Muswellbrook, Singleton, Maitland, Port Stephens and Newcastle.

The pipeline will be buried for its entire length with the only visible signs being occasional aboveground facilities such as marker signs, isolation valves, metering stations and regulators.

Initially the pipeline will carry 80PJ per annum with the possibility of increasing to 160PJ or more by the future installation of compressors.

1.4.2 Route development and ongoing iterations

Due to the iterative nature of pipeline project development and construction, the project description specifically includes, as an intrinsic element of project design and construction, the making of ongoing refinements to the 200m Study Area post approval as the project evolves in order to continue to reduce impacts. For the avoidance of doubt, the proponent is seeking approval of the project with this intrinsic element.

The route, refined over several years, aims to minimise impact by avoiding the most environmentally and culturally sensitive areas and using already disturbed land. The route refinement process is described in Figure 1.2.

Starting with a 200km wide corridor along the direct line from southeast Queensland to Newcastle, four 20km wide options were reviewed. A 200m wide Study Area was adopted to provide sufficient flexibility for alignment of the 30m wide ROW to avoid localised constraints and impacts whilst allowing for a practical scale for environmental assessment.

As described in Chapter 3 of the EA, careful route selection has avoided regional environmental constraints such as Ramsar wetlands, world heritage properties and national parks. Additionally, the proponent has followed advice provided by the Department of Environment and Climate Change (DECC) and avoided travelling stock routes (TSRs) as part of an overall design philosophy to avoid known sensitive areas. The preference during route selection has been for the pipeline to go through ‘disturbed’ (private agricultural) lands and avoid sensitive publicly owned lands such as TSRs except in exceptional cases where there is an explicit need to do so, such as to avoid existing infrastructure or to cross a TSR in order to travel parallel to avoid it.

Further refinements made to the pipeline alignment as a result of spring studies and fieldwork have confirmed that identified environmental constraints have been avoided. This is further discussed in Chapters 4 and 5.

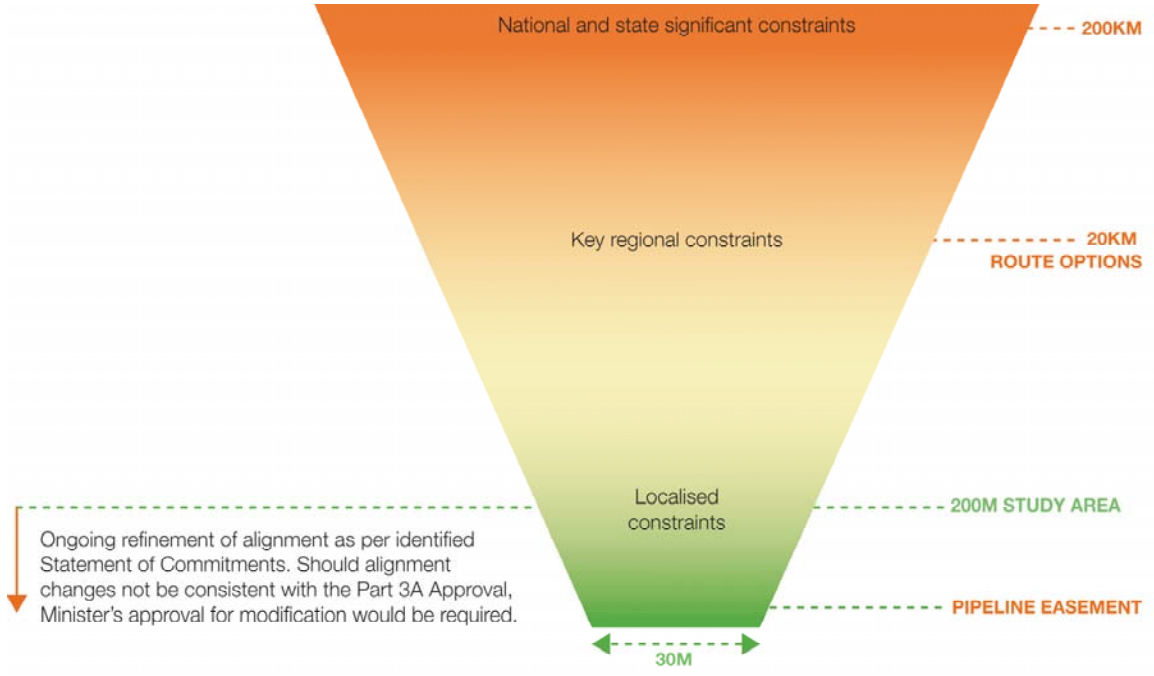
As described in the EA, because of the nature of pipeline design and construction, route development is an iterative process. Therefore, the Study Area will continue to be refined in response to submissions as well as post approval and prior to construction through ongoing stakeholder consultation and fieldwork. As a result of stakeholder consultation and submissions and consistent with the criteria in Chapter 3 of the EA, the proponent has revised the Study Area as presented in Chapter 6 of this submissions report.

Further refinements to the pipeline have reduced the project's environmental impact. These refinements have been influenced by additional information received through:

- Consultation with affected landowners.
- Community consultation (detailed in Section 1.6 and Chapter 5).
- Ongoing consultation with NSW government agencies (detailed in Chapter 2).
- Additional cultural heritage consultation and studies (detailed in Chapter 3).
- Additional biodiversity studies (detailed in Chapter 4).

Due to the iterative nature of pipeline project development and construction, it is likely that further refinements to the Study Area will continue to be made as the project evolves post approval. These refinements will not alter the nature of the project and will aim to continue reducing the environmental impacts of the project and would be consistent with the geographic scope of the 20km central general route option described in Section 3.4 of the EA. As described in Section 7.2.1 of the EA, if the final route of the project is not consistent with the Minister's approval of the project under Part 3A, then the proponent would apply for a modification of the approval in accordance with Section 75W of the EP&A Act.

Figure 1.2 Route refinement process



1.4.3 No further assessment required

No further environmental assessment or preferred project report is required as it can be demonstrated that sufficient assessment of the impacts has been completed and the SoCs outline how these impacts will be managed.

Any changes that have been made to the Study Area since the release of the EA, or that may be made in the future, will not significantly alter the nature of the proposed project and would be intended to reduce the project's environmental impacts. Adaptive management techniques will be implemented to manage any unavoidable impacts.

1.4.4 Adaptive management of impacts

The route of the QHGP Study Area and the 30m ROW will continue to be refined during project development.

While the 200m Study Area provides the flexibility for avoiding most impacts and the EA has identified a comprehensive suite of mitigation measures, during the course of project development additional impacts may be identified as a result of further field studies or construction activities.

Where this is the case the proponent will apply adaptive management techniques to eliminate or manage environmental impacts. Further refinement of the pipeline alignment will seek to avoid relevant constraints, and as necessary the mitigation of any additional adverse impacts.

As the project develops through detailed design and into construction, the impacts of the project would be determined with greater certainty through ongoing fieldwork that is required to map seasonal and site-specific conditions. This would facilitate alignment of the 30m ROW to avoid impacts and achieve better local outcomes.

1.4.5 No significant impacts therefore no offset required

As a result of refinements made to the pipeline alignment, the project now avoids all significant biodiversity impacts. The project has made a substantial contribution to conserving biodiversity values by avoiding TSRs, enabling the conservation of potentially regenerative native vegetation. The project will also assist in meeting greenhouse gas reduction targets by enabling supply for gas fired power generation. Potential habitat loss is minimal and temporary and the ROW can be reinstated, rehabilitated and returned to its previous use. Operational impacts are mostly limited to maintenance activities in the 10m operational access corridor.

The QHGP is a low environmental impact project and the proponent submits that a biodiversity offset is not required.

1.5 Approval process

1.5.1 Application of Part 3A

The Minister for Planning has declared the QHGP a 'critical infrastructure' project under Section 75C (Part 3A) of the EP&A Act as, in the opinion of the Minister, the project is essential to NSW for economic, environmental and/or social reasons. The QHGP was gazetted as a 'critical infrastructure' project on 13 June 2008.

Critical infrastructure projects have impacts and benefits that extend beyond a single LGA and across the areas of responsibility of a number of government departments. The NSW Government has decided that the best way of progressing these projects is to increase certainty by streamlining the number of separate approvals that apply to the project.

The QHGP EA was placed on public exhibition between 19 September 2008 and 20 October 2008.

1.5.2 Submissions received

During the public exhibition period, a total of 60 submissions were received from individual stakeholders and government agencies. Responses to issues raised in these submissions are detailed in this report along with refinements to the project made as a result of submissions and ongoing consultation and fieldwork. This report also contains an assessment of the environmental impacts of these refinements.

1.5.3 Post-determination activities

A range of activities would occur following the determination, including:

- Notification of decision via DoP website, project website and letters to stakeholders and affected landholders.
- Ongoing consultation with landholders on easement and compensation agreements.
- Ongoing project development, including detailed design, safety studies, and development of the Construction Environment Management Plan (CEMP).
- Ongoing consultation with stakeholders and the provision of information to affected individuals and other stakeholders.
- Construction of the pipeline.
- Construction-related communications and stakeholder engagement.

1.6 The consultation program

1.6.1 Consultation prior to exhibition

The stakeholder consultation process commenced in August 2007. The program of consultation activities and outcomes of stakeholder engagement up until the finalisation of the EA are documented in the EA at Chapter 6 and Appendix C.

1.6.2 Consultation leading up to and during exhibition

QHGP has encouraged stakeholder comment on project development through the implementation of an ongoing communication process. A number of communication activities were undertaken prior to, during and after the public exhibition period to encourage wide ranging stakeholder involvement.

These consultation activities included:

Exhibition locations

Copies of the EA were exhibited in 22 locations along the pipeline route, including the DoP and the Nature Conservation Council in Sydney, regional DoP offices in Tamworth and Newcastle, local council offices and municipal libraries.

Advertising

DoP placed advertisements in local and regional newspapers along the pipeline route to inform stakeholders of the public exhibition and how to make a submission. QHGP placed advertisements in local and regional newspapers to inform stakeholders of the dates, times and locations of information sessions and of the information available on the project website.

Information packs

Information packs were sent to all contactable landholders within the 200m wide Study Area, registered Aboriginal stakeholders, and other stakeholders prior to the commencement of the public exhibition. In all, approximately 650 information packs were sent. These information packs contained:

- A letter advising of the public exhibition.
- A brochure outlining the public exhibition dates and process.
- Dates, times and locations of information sessions.
- How to make a submission.
- An eight-page brochure summarising the EA.

Information sessions

Information sessions were held between Monday 29 September and Thursday 9 October 2008 at 11 major towns along the pipeline route. The purpose of the information sessions was to provide an opportunity for any interested party to meet with members of the project team and ask questions about the project and its impacts. Approximately 90 people attended these sessions over the two-week period. Attendees included affected landholders, people with a general interest in the project, and individuals and businesses seeking information on construction and employment opportunities.

EA on CD

The EA was produced in an electronic version on CD so that it could be easily provided to stakeholders wanting to obtain a copy of the complete documentation. The CDs were available at the information sessions and could be requested via the project website or the project hotline.

Briefings and meetings

Liaison was undertaken with affected landholders as part of the ongoing consultation process to discuss the proposed pipeline route and the possibility of avoiding or reducing impacts on their properties. Briefings or meetings with the Gwydir Valley Irrigators and the Upper Hunter Weeds Management Authority were also held during the public exhibition period.

Fact sheets

A series of 11 fact sheets was prepared to provide easily accessible information about key aspects of the project such as how the route was chosen, the construction process, future land use over the easement and biodiversity. These fact sheets were available in hard copy by phoning the project hotline, at the information sessions, and in electronic format on the project website at www.qhgp.com.au.

Website

The EA document was available for download from the QHGP project website www.qhgp.com.au, along with a summary document and the project fact sheets. Stakeholders were able to fill in an online form to request a CD copy of the EA documentation and fact sheets be mailed out to them.

Hotline

Phone calls to the QHGP office were transferred to a dedicated public exhibition hotline throughout the exhibition period so that any enquiries from interested parties could be answered immediately.

1.6.3 Future consultation

Stakeholder engagement will continue post-approval.

This will include ongoing liaison with affected landholders regarding pipeline route, access and compensation issues. Ongoing consultation with government agencies, statutory bodies, Aboriginal stakeholders, local councils, utilities and other identified stakeholders will continue to form a key part of project delivery from approval through to construction, and final rehabilitation

This engagement will include the formation of a Government Liaison Group (GLG) as per commitment C3 in the SoCs (refer to Chapter 6). The purpose of the GLG is to maintain ongoing liaison with representatives of government agencies and other authorities including:

- DECC.
- Department of Primary Industries (DPI).
- Department of Water and Energy (DWE).
- DoP.
- Department of Lands (DoL).
- Relevant Catchment Management Authorities (CMAs).