

10 March 2011

Determination of Project Application for the Young to Wellington Gas Pipeline

Proposal

The proposal is to construct and operate a 219 km high-pressure natural gas pipeline between Young and Wellington. The pipeline would connect the Moomba-Sydney Pipeline and the Wellington Gas-Fired Power Station. The project's 100m wide linear corridor would traverse 4 local government areas (Young, Cowra, Cabonne and Wellington) and has been selected to minimise conflicts with towns, infrastructure and sensitive areas such as waterways, vegetation, threatened species and heritage sites. Nonetheless, the pipeline would cross 9 major watercourses as well as road and rail infrastructure.

The carbon steel pipeline would be covered externally with specialised polymer materials to protect against corrosion and buried at a minimum depth of 750mm. It would have a maximum external diameter of 508mm (steel pipe) and would have a maximum operating pressure of 15.3 Mega Pascal. Other infrastructure to be installed along the pipeline includes:

- Marker posts, every 200 m;
- Approximately 7 mainline valves (to be installed approximately every 30m);
- Provision for entry for inspection and maintenance; and
- Cathodic test points.

The precise construction route would be designed to respond to specific site constraints within the 100m wide linear corridor. The construction area required would be approximately 30 m wide but would vary in width at constrained sites (narrower in sensitive areas and wider near watercourses). Ancillary facilities such as compound sites, laydown yards, site offices and construction camps would also be developed within the 100m wide corridor.

Delegation to the Commission

As a result of the Proponent having declared a reportable political donation, the Deputy Director-General of the Department of Planning referred the project application (MP09_0143) to the Commission for determination under a delegation issued by the Minister on 18 November 2008.

The Commission consisted of Mr Garry Payne AM as chair, and Mr John Court.

Meeting with the Department

The Commission met with Departmental staff on 1 March 2011 for a briefing on the DG's Report. The Commission requested clarification on the proposed pipeline material and the suitability of the pipeline depth. The Commission also discussed the option of including a condition to provide for independent mediation to assist in resolving negotiations between landowners and the Proponent during the detailed design and construction.

Key Issues

The Director-General's environmental assessment report (the DG's Report) identified the following key issues: Hazard and Safety; Ecological Impacts; Aboriginal Cultural Heritage; and Construction Noise, discussed below. Other issues raised in submissions were also considered in the DG's Report including: potential land use conflicts, geological and soil suitability and decommissioning.

In relation to Hazard and Safety issues, the DG's Report found the project can operate under acceptable safety levels, provided the relevant environmental commitments, safety measures and studies are implemented.

In considering the potential ecological impacts, the DG's Report indicated 0.67 ha of vegetation would be removed (0.07 ha of which is classified as an endangered ecological community). The DG's Report advised the proposed pipeline corridor has been selected to avoid intact remnant or regrowth vegetation and that with the mitigation measures to be implemented by the Proponent, the overall impacts are acceptable and manageable.

18 archaeological sites containing Aboriginal stone artefacts or modified trees have been identified in the vicinity of the pipeline corridor (11 within the corridor). The DG's Report indicates the pipeline would be realigned to avoid the heritage sites, during the detailed design and that the implementation of management measures would ensure impacts on these archaeological sites are minimised.

Construction would generate noise, impacting on receivers in the vicinity of the pipeline. The DG's report notes that under a worst case scenario, for a receiver at a single location, exposure to construction activities is unlikely to last more than a week. The Department has also recommended conditions allowing for extended construction hours, but limiting the timing and duration of works that would generate high noise impacts such as jack hammering, rock breaking and saw cutting. The DG's Report found that construction noise associated with the proposal can be appropriately managed to avoid unacceptable impacts at nearby sensitive receivers.

The DG's Report concludes that "the Department is satisfied that the Proponent has provided a robust and conservative assessment of potential impacts and that the project warrants approval".

Commission's Comments

The Commission's consideration relied primarily on the Department's assessment of impacts, provided in the DG's Report. The Commission also referred to the proponent's *Environmental Assessment* and the Australian Standard *Pipelines – Gas and liquid petroleum (AS 2885.1-2007)* in its consideration of the proposal.

The Commission noted the issues raised in submissions and closely considered the suitability of the proposed pipeline depth and pipeline material as these relate to environmental impact and safety, the potential construction noise impacts during construction and the ecological impacts resulting from construction.

Proposed Pipeline Design

The Commission noted that the pipeline would traverse land used for cropping, ploughing or ripping activities, which have the potential to damage the pipeline. This has also been raised in submissions, and consequently, the Commission has considered the suitability of the proposed minimum pipeline depth, as well as the proposed pipeline material.

The DG's Report confirms the pipeline would be built to *Australian Standard AS 2885*. The Commission has confirmed that the proposed minimum depth of 750mm complies with the Australian Standard depth requirements for rural land. The Australian Standard takes account of the risks arising from potential damage to pipelines by earth-moving equipment and establishes design, construction, operating and maintenance regimes suitable to manage such risks. The Commission is satisfied the minimum depth adopted is appropriate, provided the pipeline is designed, constructed, operated and maintained in accordance with the Australian Standard.

The Commission sought clarification on the proposed pipeline material as the Proponent's Environmental Assessment only specified that a high density polyethylene coating would be used. The Department of Planning subsequently provided additional advice confirming the pipeline would be constructed from carbon steel, with a Tri-Laminate – 3LPE – 3 Layer Poly Ethylene coating.

The suitability of the proposed pipeline material (and depth) would be dependent upon other specifications such as the steel pipeline thickness, set at 9mm minimum, and would be increased as required at certain locations (such as crossings of waterways, roads and railways) along the route the pipeline would traverse.

The recommended conditions require that the project shall be designed, constructed, operated and maintained in accordance with *Australian Standard AS 2885 Pipelines – Gas and Liquid Petroleum*. These standards provide detailed requirements for pipeline design, as well as requirement for external interference protection. Both protection measures, such as penetration barriers, (concrete slabs, encasements etc.); and procedural measures, such as marking, signage and landowner/occupier liaison; are required to be implemented to prevent loss of integrity to the pipeline. They also provide detailed procedures for operation and maintenance.

Consequently, while the detailed pipeline design and external interference protection measures are yet to be finalised, the Commission is satisfied that the requirement to design, construct, operate and maintain the project in accordance with the Australian Standard would ensure that risks would be appropriately minimised and managed.

Construction Hours and Negotiation

Much of the length of the pipeline corridor is likely to be sparsely populated and the recommended conditions do not limit construction hours in areas where sensitive receivers would not be impacted by noise. In areas where noise would be audible at sensitive receivers, the recommended conditions allow for extended construction hours from 7am to 6pm Monday to Saturday and from 8am to 6pm on Sundays, and also outside these hours if affected receivers provide written agreement. The Commission notes that this has the potential to increase the daily duration of construction noise impacts, particularly on weekends, but also that some receivers may prefer this as it would reduce the overall construction period in the area. Typically construction is only expected to occur at any one section of the 219 km route for approximately one week.

The Commission is satisfied the potential to extend construction hours may be preferred by some receivers, but notes that this may not suit all receivers. The Commission considers the conditions of approval should also require the Proponent to appoint an independent mediator to facilitate negotiations, in cases where agreement cannot be reached (for example in cases relating to a proposed increase in the extended construction hours, or in finalising the route alignment, or associated construction impacts). The Department did not oppose

this suggestion and the Commission has amended the conditions to include this requirement.

Commission's Determination

The Commission has considered the DG's Report and associated documents for the project, including the submissions, the Proponent's response to submission, its statement of commitments and the recommended conditions of approval. The Commission is satisfied the project should be approved, subject to the recommended conditions as amended by the Commission.



Garry Payne AM
Chair



John Court
PAC Member