

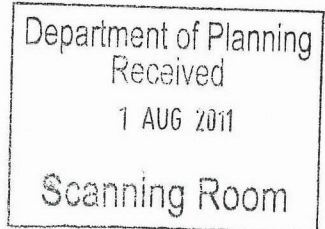
26 July 2011



Director General
Department of Planning
GPO Box 39
SYDNEY NSW 2001

Your Ref: 10-0133
Our Ref: A586423

Attn: Belinda Scott



Dear Ms Scott

Subject: MP 10_0133 Newcastle Gas Storage Facility, Tomago

Thank you for your email dated 23 June 2011 inviting comment on the above proposal. The Hunter-Central Rivers Catchment Management Authority (CMA) has reviewed the information provided and provides the following comments for your consideration.

It is acknowledged that this proposal is being assessed under Part 3A of the *Environmental Planning and Assessment Act, 1979* and that the *Native Vegetation Act 2003* (NVA) does not apply in this circumstance. Nevertheless, the CMA considers that the principles of the Catchment Action Plan (CAP) and the NVA should still apply. The CAP is a whole-of government approach to natural resource management which has been endorsed by the NSW Government. It is a regional plan that provides a roadmap to ensure that natural resources are protected and enhanced for the enjoyment and viability of future generations. The CAP is available at <http://www.hcr.cma.nsw.gov.au>.

Specifically, the CMA's position is that any decision to clear native vegetation must include offsets to compensate for the impact of the clearing. These offsets may also include management actions to maintain or improve biodiversity.

The CMA notes that an estimated 20ha of native vegetation is proposed to be cleared under this proposal that includes the construction of a gas storage facility and pipeline. At this stage the CMA has not been provided with any details of offsets and therefore must object to the proposal. The CMA is only able to support clearing that meets the 'improve or maintain' principles of the NVA.

The CMA recommends that offsets be determined using either the Environmental Outcomes Assessment Methodology (EOAM) or BioBanking methodology. It is acknowledged that under the EOAM endangered ecological communities (EECs) are unable to be offset. The CMA supports this principle, however for the purposes of determining offsets for this proposal where the Native Vegetation Act, 2003 does not apply, the CMA would support the application of either methodology.

The CMA notes that Pipeline Option 1 proposing Horizontal Directional Drilling (HDD) through two EECs adjacent to the northern embankment of the Hunter River has now been reconsidered and will not be proceeding. The CMA supports this amendment.

The CMA acknowledges that the footprint of the gas storage facility will impact on *Eucalyptus parramattensis subspecies decadens* habitat and koala habitat, including Swamp mahogany – paperbark swamp forest EEC. It is noted that the *E. parramattensis* community is reported as being planted as part of previous rehabilitation activity. Mitigation actions outlined in Section 9.4 of the Environmental Assessment report include the re-planting of over 67 *E. parramattensis* proposed for removal as part of the construction process. The mitigation actions also include identifying and restoring potential koala habitat in consultation with Port Stephens Council. It is important that if the proposal does go ahead that these actions become part of the consent conditions.

Groundwater

Groundwater systems in the Tomago area provide an important source of water as a back up to potable use in the lower Hunter as well as for the survival of Groundwater Dependent Ecosystems and flow in the Hunter River during dry times.

The CMA's guiding principles on Groundwater state that 'Ecologically sustainable management of groundwater should be encouraged in all individuals, communities and agencies that own, manage or use the water source'. It is critical that monitoring of groundwater in and around the proposed development be carried out throughout the life of the project to ensure that groundwater resources are protected from contamination and any drawdown impacts associated with pipeline construction.

The CMA notes that the Environmental Assessment report recommends the development and implementation of a best practice Groundwater Management Plan to address the risk of contamination and the alteration of groundwater flows as a result of drawdown effects. The document is also to include a response plan to any spills and a contingency plan to respond appropriately to any drawdown caused by Horizontal Directional Drilling during the construction phase.

The CMA is of the view that the Groundwater Management Plan should also include monitoring of terrestrial vegetation for any adverse reactions to groundwater disturbance and include appropriate mitigation strategies should they be required.

If you require any further information please do not hesitate to contact Trevor Cameron, the CMA's Regional Catchment Officer Lower Hunter on 49384937.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Dean Chapman', with a stylized flourish at the end.

Dean Chapman
for Fiona Marshall
General Manager