



Office of Water

Major Development Assessments
Department of Planning and Infrastructure
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5 August 2011

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Our ref : ER 21178
Your ref: MP10_0133

Attention: Belinda Scott

Dear Ms Scott

Exhibition of Environmental Assessment Newcastle Gas Storage Facility (10_0133)

I refer to your letter of 14 June 2011 and advise that the NSW Office of Water (NOW) has reviewed the Environmental Assessment (EA) for the project proposal and provides the following advice and recommended conditions of approval on the basis that the existing legislative provisions under Part 3A of the *Environmental Planning and Assessment Act 1979* apply to this proposal.

1. Site water balance

The EA provides that "Water for construction and operations will generally be sourced from existing HWC [Hunter Water Corporation] infrastructure." Based on this information, NOW is satisfied that the supply of water for the proposed project should have a minimal impact on water sources and dependent ecosystems.

2. Water licensing

The EA provides that dewatering of excavations may be required during construction. The EA does not identify that, as dewatering involves the taking of groundwater, any dewatering undertaken in the course of construction must be appropriately authorised by a water licence. The proponent must ensure that water licences are held to authorise the taking of groundwater by dewatering activities – see recommended conditions below.

3. Assessment of potential impacts

The assessment of potential impacts on surface water and groundwater raises a number of significant water management issues regarding risks to groundwater levels and flow, surface and groundwater quality, drinking water supply and ecosystem health.

Based on the information presented in the EA regarding avoidance, mitigation and management strategies to be implemented, NOW is satisfied that the proposed project does not pose an unacceptable risk of harm to water sources, groundwater dependent ecosystems, basic landholder rights to water and existing licensed water users.

It is also noted that NOW supports the revised site stormwater management philosophy (as per letter to Hunter Water Corporation dated 25 July 2011) however, it is considers that there are two outstanding issues, as follows:

Firstly, NOW is concerned that the EA does not assess the potential impact of the gas pipeline crossing Water Feature 4 or provide that the crossing will be undertaken in accordance with NOW's *Controlled Activities: Guidelines for Watercourse Crossings*.¹ Although Part 3A Major Projects are currently exempt from requiring a controlled activity approval (section 75U of the *Environmental Planning and Assessment Act 1979*), it is important that crossings are consistent with these guidelines to ensure that no more than minimal harm will be done to waterfront land as a consequence of the construction of the crossing.

Secondly, NOW is concerned that the EA does not demonstrate the capability of the constructed wetland/holding pond to deal with the volume of runoff from the uncovered and general plant areas. This issue was raised by NOW in advice regarding the adequacy of the EA and it is not clear in the current version of the EA that this issue has been addressed. The constructed wetland/holding pond must be designed so as to ensure its capability to deal with the volume of runoff from the uncovered and general plant areas.

4. Recommended conditions of approval

NOW recommends the following conditions regarding water licensing:

- The Proponent shall ensure that:
 - all water supplies for construction and operations are sourced from an authorised and reliable supply, and
 - the taking of water for purposes other than water supply, such as dewatering during construction, is appropriately authorised.

The EA provides that a Surface Water Management Plan (SWMP) will be prepared and implemented as part of the Construction Environmental Management Plan and Operations Environmental Management Plan. NOW recommends the following conditions regarding the SWMP:

- The SWMP shall be prepared in consultation with and to the satisfaction of NOW, and shall include but is not limited to:
 - a description of the quantity and source of all surface water supplies relating to construction and operations,
 - in relation to surface water quality:
 - detailed baseline data on surface water quality,
 - surface water quality impact assessment criteria,
 - a program to monitor surface water quality, and
 - a protocol for the investigation, notification and mitigation of identified exceedences of the surface water quality impact assessment criteria,
 - in relation to watercourse crossings, culverts and instream works:
 - detailed design of all watercourse crossings, culverts and instream works,
 - a program to monitor and manage watercourse crossings, culverts and instream works, and

¹ See <http://www.water.nsw.gov.au/Water-Licensing/Approvals/Controlled-activities/default.aspx>

- a protocol for the investigation, notification and mitigation of identified impacts associated with watercourse crossings, culverts and instream works.

The EA provides that a Groundwater Management Plan (GMP) will be prepared and implemented prior to the site construction program. NOW recommends the following conditions regarding the GMP:

- The GMP shall be prepared in consultation with and to the satisfaction of NOW, and shall include but is not limited to:
 - a description of the quantity and source of all groundwater supplies relating to construction and operations,
 - a description of all dewatering activities including the quantity of groundwater to be taken,
 - in relation to groundwater levels and quality:
 - detailed baseline data on groundwater levels and quality,
 - groundwater impact assessment criteria,
 - a program to monitor groundwater levels and quality,
 - a program to monitor the effects of any change in groundwater levels and quality on groundwater dependent ecosystems, and
 - a protocol for the investigation, notification and mitigation of identified exceedences of the groundwater impact assessment criteria.

If you require further information please contact Elizabeth Cala, Planning and Assessment Coordinator on (02) 4904 2533 at the Newcastle office.

Yours sincerely



Mark Mignanelli
Manager Major Projects, Mines and Assessment