



NSW GOVERNMENT
Department of Planning

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Our ref: S07/00277
Your ref:

Mr Dennis Morton
Managing Director
Eastern Star Gas Ltd
GPO Box 4526
SYDNEY NSW 2001

Dear Mr Morton

**Proposed Expansion of Wilga Park Gas-Fired Power Station and Associated Infrastructure,
Narrabri Local Government Area (Application: 07_0023)**

I refer to your request for Director-General's requirements for the above project. The Director-General's Environmental Assessment Requirements are attached, pursuant to section 75F(2) of the *Environmental Planning and Assessment Act 1979* (the Act). It should be noted that the Director-General's requirements have been prepared based on the information provided to date.

Please note that under section 75F(3) of the Act, the Director-General may alter or supplement these requirements if necessary and in light of any additional information that may be provided prior to the proponent seeking approval for the project.

If your proposal contains any actions that are likely to significantly impact matters of National Environmental Significance, it will require an additional approval under the *Commonwealth Environment Protection Biodiversity Conservation Act 1999* (EPBC Act). This approval is in addition to any approvals required under NSW legislation. It is your responsibility to contact the Department of Environment and Water Resources in Canberra (6274 1111 or <http://www.environment.gov.au>) to determine if the proposal is likely to significantly impact on matters of National Environmental Significance, and would require an approval under the EPBC Act. The Commonwealth Government has accredited the NSW environmental assessment process for assessing any impacts on matters of National Environmental Significance. As a result, if it is determined that an approval is required under the EPBC Act, please contact me immediately as supplementary Director General's requirements will need to be issued.


You should ensure that you consult with the Department prior to submission of a draft Environmental Assessment to determine:

- fees applicable to the application;
- whether the proposal requires an approval under the EPBC Act and any assessment obligations under that Act;
- consultation and public exhibition arrangements that will apply; and
- number and format (hard-copy or CD-ROM) of the Environmental Assessments that will be required.

Once you have lodged the Environmental Assessment, the Department will consult with the relevant authorities to determine the adequacy of the Environmental Assessment. Following this review period the Environmental Assessment will be made publicly available for a minimum period of 30 days.

You should keep the contact officer for this project, Patricia Cabezas ((02) 9228 6447 or patricia.cabezas@planning.nsw.gov.au), up to date with the progress of preparation of the Environmental Assessment, and seek clarification of any issues that may be unclear or may arise during this process.

Yours sincerely


Yolande Stone 17/7/07
A/ Executive Director
As delegate for the Director-General

Director-General's Requirements

Section 75F of the *Environmental Planning and Assessment Act 1979*

Application number	07_0023
Project	<p>Expansion of Wilga Park Power Station near Narrabri from 11 megawatts to 40 megawatts. The power station would operate on coal seam methane gas that would be obtained from the Bibblewindi pilot production program and would include:</p> <ol style="list-style-type: none"> 1. construction and operation of additional reciprocating engine-driven generators up to a plant capacity of 40 megawatts at the existing Wilga Park Power Station; 2. upgrading the existing substation adjacent to the Wilga Park Power Station; 3. construction and operation of a gas gathering system consisting of approximately 3.5 kilometres of pipeline; 4. construction and operation a 36 kilometre gas pipeline which would connect the gathering system to the power station; and 5. installation gas compression facilities to ensure adequate gas flow.
Location	Biblewindi State Forest 1424, Lot 7 DP 757126, Pilliga East State Forest 532, TSR 63078 (7003 / 1068406), TSR 941 (7004 / 1068406), Lot 12 DP 757084, Lot 1 DP 248407, Lot 2 DP 860120, Lot 22 DP 757086, Lot 1 DP 660118, Lot 17 DP 757086 and land indicated in Figure 1 of the Preliminary Assessment Report entitled "Petroleum Exploration Licence 238 Gas Utilisation Project".
Proponent	Eastern Star Gas Limited
Date of Issue	17 July 2007
Date of Expiration	17 July 2009
General Requirements	<p>The Environmental Assessment must be prepared to a high technical and scientific standard and must include:</p> <ul style="list-style-type: none"> • an executive summary; • a description of the proposal, including construction, operation, and staging; • an assessment of the environmental impacts of the project, with particular focus on the key assessment requirements specified below; • justification for undertaking the project with consideration of the benefits and impacts of the proposal; • a draft Statement of Commitments detailing measures for environmental mitigation, management and monitoring for the project; and • certification by the author of the Environment Assessment that the information contained in the Assessment is neither false nor misleading.
Key Assessment Requirements	<p>The Environmental Assessment must include assessment of the following key issues:</p> <ul style="list-style-type: none"> • Strategic Justification (all project components) - the Environmental Assessment must include a strategic assessment of the need, scale, scope and location for the project in relation to predicted electricity demand, predicted transmission constraints, and the strategic direction of the region and the State in relation to electricity supply and demand, and electricity generation technologies. The Environmental Assessment must demonstrate that sufficient gas resources exist to sustain the operation of the expanded power station, and must include sufficient details to understand the project within the context of relevant licences, permits or approvals and their requirements as they relate to the project and the Bibblewindi production program. With regard to the gas pipeline and gas gathering infrastructure, the Environmental Assessment must clearly identify the proposed routes and clearly describe land ownership, land use and zoning provisions for the land along the route. The suitability of routes must be assessed with respect to potential land use conflicts with existing and potential future surrounding land users. • Greenhouse Gas Impacts (power station component) - the Environmental Assessment must include a comprehensive greenhouse gas assessment, incorporating a quantitative model showing the tonnages of each greenhouse gas produced (directly and indirectly from the project) on the basis of each unit of production (MWh); total annual emissions; and project lifetime. Annual emission figures must also be expressed as a percentage of the total national and state greenhouse gases produced

	<p>per year over the life of the project, and should be compared against best practice emissions for reciprocating engine driven generation and alternative electricity generation technologies. The feasibility of implementing additional measures to reduce greenhouse gas emissions must be evaluated. If a greenhouse gas offset is proposed, full details of this offset(s) must be included in the Environmental Assessment and the feasibility of its application assessed.</p> <ul style="list-style-type: none"> • Air Quality (power station, gas infrastructure components) – the Environmental Assessment must include an air quality impact assessment prepared in accordance with <i>Approved Methods for Modelling and Assessment of Air Pollutants in NSW</i> (DEC 2005). • Noise Impacts (all project components) – the Environmental Assessment must include a noise impact assessment for the project, conducted in accordance with <i>NSW Industrial Noise Policy</i> (EPA, 2000). With respect to construction noise, the assessment must be undertaken with reference to the criteria provided in Chapter 171 of the <i>Environmental Noise Control Manual</i> (EPA, 2004). The Environmental Assessment must include a description of the noise mitigation, monitoring and management measures to be applied to the project; including an assessment of the feasibility, effectiveness and reliability of proposed measures and any residual impacts after these measures have been implemented. • Ecological Impacts (gas infrastructure components) - the Environmental Assessment must include a flora and fauna impact assessment in accordance with <i>Guidelines for Threatened Species Assessment</i> (DEC, 2005). • Heritage Impacts (gas infrastructure components) – the Environmental Assessment must include an assessment of impacts on Aboriginal heritage, in accordance with draft <i>Guidelines for Aboriginal Cultural Heritage Impact Assessment and Community Consultation</i> (DEC, 2005). • Hazards and Risk Impacts (all project components) – the Environmental Assessment must include a screening of potential hazards on site (including new gas supply infrastructure) to determine the potential for off site impacts and any requirement for a Preliminary Hazard Analysis (PHA). The PHA, should potential off-site impacts be identified, must be prepared in accordance with the Department's <i>Hazardous Industry Planning Advisory Paper No. 3, Hazardous Industry Planning Advisory Paper No. 6 and Multi-level Risk Assessment</i>. • Environmental Risk Analysis (all project components) – notwithstanding the above key assessment requirements, the EA must include an environmental risk analysis to identify potential environmental impacts associated with the project (construction and operation), proposed mitigation measures and potentially significant residual environmental impacts after the application of proposed mitigation measures. Where additional key environmental impacts are identified through this environmental risk analysis, an appropriately detailed impact assessment of the additional key environmental impacts must be included in the EA.
Consultation Requirements	<p>You must undertake an appropriate and justified level of consultation with the following parties during the preparation of the EA:</p> <ul style="list-style-type: none"> • NSW Department of Environment and Climate Change; • Narrabri Shire Council; • Roads and Traffic Authority; • NSW Department of Primary Industries; • NSW Department of Water and Energy; • Civil Aviation Safety Authority; and • the local community. <p>The Environmental Assessment must clearly indicate issues raised by stakeholders during consultation, and how those matters have been addressed in the Environmental Assessment.</p>
Deemed refusal period	<p>Under clause 8E(2) of the <i>Environmental Planning and Assessment Regulation 2000</i>, the applicable deemed refusal period is 60 days from the end of the proponent's environmental assessment period for the project.</p>