



Planning

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Mr Steve Jackson
Manager Power Development
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ST LEONARDS NSW 2065

Our ref: 10/05760-2
Your ref:

Dear Mr Jackson

Proposed Dalton Energy Project, Upper Lachlan Local Government Area (MP 10_0035) – Supplement to the Director-General's Requirements

I refer to the Director-General's requirements issued for the above project on 19th April, 2010.

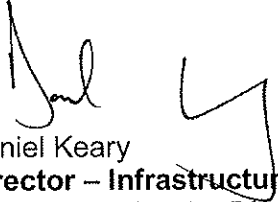
As you are aware, the project was declared a Controlled Action under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) on 11th June 2010, for likely impacts on listed threatened species and communities. In accordance with section 75F(3) of the NSW *Environmental Planning & Assessment Act 1979*, I have enclosed the Commonwealth's requirements for the assessment.

I also confirm that the interim administrative procedures in relation to the accredited assessment process will apply to the assessment of this project under the EPBC Act, so that the Department can undertake an environmental impact assessment of the project to satisfy the requirements of both NSW and Commonwealth legislation.

You must ensure that the Environmental Assessment adequately addresses the Director-General's requirements issued on 19th April, 2010, and the supplementary requirements attached to this letter.

If you have any enquiries about these requirements, please do not hesitate to contact Neville Osborne on the above contact details.

Yours sincerely

 5/7/10
Daniel Keary
Director – Infrastructure Projects
as delegate for the Director-General

Department of the Environment, Water, Heritage and the Arts – requirements for environmental assessment EPBC 2010/5484

Section 75F(3) of the *Environmental Planning and Assessment Act 1979*

The Commonwealth Minister for Environment Protection, Heritage and the Arts has declared the AGL gas-fired power station and associated infrastructure project (the proposed construction and operation of a gas-fired power station and associated infrastructure located approximately 3.5 km north of Dalton in New South Wales), to be a controlled action under section 75 of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

The controlled action is likely to have a significant impact on the EPBC Act listed critically endangered ecological community White Box-Yellow Box-Blakely's Red Gum Grassy Woodland and Derived Native Grassland (Box-Gum Woodland) and the EPBC Act listed endangered ecological community Natural Temperate Grassland of the Southern Tablelands of NSW and the Australian Capital Territory (NTG).

In accordance with the one-off accredited assessment process for this project, the environmental assessment of the impacts of the controlled action must be assessed under part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act). Pursuant to section 75F(3) of part 3A of the EP&A Act the Director-General is required to notify the proponent of these requirements.

The assessment should include enough information about the controlled action and its relevant impacts to allow the Commonwealth Minister for Environment Protection, Heritage and the Arts to make an informed decision whether or not to approve the controlled action under the EPBC Act.

The following assessment requirements are to be integrated into the assessment required for part 3A of the EP&A Act. The following matters in the EPBC Act and schedule 4 of the *Environment Protection and Biodiversity Conservation Regulations 2000* should be considered.

General information

1. The background of the action, including:
 - a. the title of the action;
 - b. the full name and postal address of the designated proponent;
 - c. a clear outline of the objective of the action;
 - d. the location of the action;
 - e. the background to the development of the action;
 - f. how the action relates to any other actions (of which the proponent should reasonably be aware) that have been, or are being, taken or that have been approved in the region affected by the action;
 - g. the current status of the action; and
 - h. the consequences of not proceeding with the action.

Description of the controlled action

2. A description of the action, including:
 - a. all the components of the action;

- b. the precise location of any works to be undertaken, structures to be built or elements of the action that may have relevant impacts;
- c. how the works are to be undertaken and design parameters for those aspects of the structures or elements of the action that may have relevant impacts;
- d. to the extent reasonably practicable, a description of any feasible alternatives to the controlled action that have been identified through the assessment, and their likely impact, including:
 - i. if relevant, the alternative of taking no action;
 - ii. a comparative description of the impacts of each alternative on the matters protected by the controlling provisions for the action;
 - iii. sufficient detail to clarify why any alternative is preferred to another.

A description of the relevant impacts of the controlled action

3. An assessment of all relevant impacts¹ with reference to the *EPBC Act Policy Statement 1.1 Significant Impact Guidelines Matters of National Environmental Significance (2009)* that the controlled action has, will have or is likely to have on:
 - a. relevant threatened species and/or threatened ecological communities listed under sections 18 and 18A of the EPBC Act, including the Box-Gum Woodland and NTG.
4. Information must include:
 - a. a description of the relevant impacts of the action on matters of national environmental significance;
 - b. a detailed assessment of the nature and extent of the likely short term and long term relevant impacts;
 - c. a statement whether any relevant impacts are likely to be unknown, unpredictable or irreversible;
 - d. analysis of the significance of the relevant impacts;
 - e. any technical data and other information used or needed to make a detailed assessment of the relevant impacts.
5. A description of the relevant impacts on the Box-Gum Woodland and NTG should include an analysis of the vegetation condition on the site, as well as the methods by which this was determined. It should also include direct, indirect, cumulative and facilitative impacts on the:
 - a. extent of the Box-Gum Woodland and NTG, including connectivity with other areas of the ecological communities;
 - b. quality or integrity of the Box-gum Woodland and NTG (including, but not limited to, assisting invasive species, that are harmful to the ecological communities, to become established; or causing regular mobilisation of fertilisers, herbicides or other chemicals or pollutants into the communities which kill or inhibit the growth of species in the ecological community);
 - c. EPBC Act listed species in, or in any way dependent upon, the Box-Gum Woodland or NTG;
 - d. composition of the Box-Gum Woodland and NTG;

¹ The term "relevant impact" is defined in section 82 of the EPBC Act.

- e. habitat present on site critical to the survival of the Box-Gum Woodland and NTG²; and
- f. abiotic (non-living) factors (such as water, nutrients or soil) necessary for the Box-Gum Woodland and NTG's survival, for example increasing groundwater levels or making the site wetter, soil disturbance or substantial alteration of surface water drainage patterns.

These impacts should be described for the construction and operation phases of the controlled action.

6. Where there is a potential habitat for EPBC Act listed species, such as the Golden Sun Moth (*Synemon Plana*), Grassland Earless Dragon (*Tympanocryptus pinguicollis*), Pink-tailed Worm-lizard (*Aprasia parapulchella*) or Striped Legless Lizard (*Delma impar*), surveys must be undertaken. These surveys must be timed appropriately and undertaken for a suitable period of time by a qualified person³. A subsequent description of the relevant impacts on such EPBC Act listed species should include, inter alia, direct, indirect, cumulative and facilitative impacts on the:
 - a. population of the species at the site;
 - b. area of occupancy of the species;
 - c. habitat critical to the survival of the species;
 - d. breeding cycle of the population; and
 - e. availability or quality of habitat for the species.

Proposed safeguards and mitigation measures

7. A description of feasible mitigation measures, changes to the controlled action or procedures, which have been proposed by the proponent or suggested in public submissions, and which are intended to prevent or minimise relevant impacts. Information must include:
 - a. a description, and an assessment of the expected or predicted effectiveness of, the mitigation measures;
 - b. any statutory or policy basis for the mitigation measures;
 - c. the cost of the mitigation measures;
 - d. an outline of an environmental management plan that sets out the framework for continuing management, mitigation and monitoring programs for the relevant impacts of the action, including any provisions for independent environmental auditing;
 - e. the name of the agency responsible for endorsing or approving each mitigation measure or monitoring program;
 - f. a consolidated list of mitigation measures proposed to be undertaken to prevent, minimise or compensate for the relevant impacts of the action.

² "habitat critical to the survival of a species or ecological community" refers to areas that are necessary:

- for activities such as foraging, breeding, roosting, or dispersal;
- for the long-term maintenance of the species or ecological community (including the maintenance of species essential to the survival of the species or ecological community, such as pollinators);
- to maintain genetic diversity and long term evolutionary development; or
- for the reintroduction of population or recovery of the species or ecological community.

Such habitat may be, but is not limited to: habitat identified in a recovery plan for the species or ecological community as habitat critical for that species or ecological community; and/or habitat listed on the register of Critical Habitat maintained by the Minister under the EPBC Act.

³ Where available, species-specific survey guidelines can be obtained on the department's *Species Profile and Threats Database*: <http://www.environment.gov.au/cgi-bin/sprat/public/sprat.pl>

Offsets

8. Should any residual impact exist that cannot be mitigated it may be necessary for offset measures to be considered in order to ensure the protection of matters of national environmental significance in perpetuity. If required, the department may negotiate offsets with you during the assessment phase.

Other approvals and conditions

9. Any other requirements for approval or conditions that apply, or that the proponent reasonably believes are likely to apply, to the proposed action. Information must include:
 - a. details of any local or State government planning scheme, or plan or policy under any local or State government planning system that deals with the proposed action, including:
 - i. what environmental assessment of the proposed action has been, or is being, carried out under the scheme, plan or policy; and
 - ii. how the scheme provides for the prevention, minimisation and management of any relevant impacts;
 - b. a description of any approval that has been obtained from a State, Territory or Commonwealth agency or authority (other than an approval under the Act), including any conditions that apply to the action;
 - c. a statement identifying any additional approval that is required;
 - d. a description of the monitoring, enforcement and review procedures that apply, or are proposed to apply, to the action.

Economic and social matters

10. A description of the short-term and long-term social and economic implications and/or impacts of the project.

Environmental record of person proposing to take the action

11. Details of any proceedings under a Commonwealth, State or Territory law for the protection of the environment or the conservation and sustainable use of natural resources against:
 - a. the proponent; and
 - b. for an action for which a person has applied for a permit, the person making the application.
12. Details of the proponent's environmental policy and planning framework.

Information sources

13. For information given in an environment assessment, the draft must state:
 - a. the source of the information;
 - b. how recent the information is;
 - c. how the reliability of the information was tested; and
 - d. what uncertainties (if any) are in the information.

Consultation

14. Any consultation about the action, including:

- a. any consultation that has already taken place;
- b. proposed consultation about relevant impacts of the action;
- c. if there has been consultation about the proposed action — any documented response to, or result of, the consultation.

15. identification of affected parties, including a statement mentioning any communities that may be affected and describing their views.