



18 March 2011

Department of Planning
23 – 33 Bridge Street
Sydney NSW 2000

Our ref: 21/19157/168392

Attention: Neville Osborne

Dear Neville

Sydney CityGrid Project - Stage 2D Response to issues raised by the Department of Planning

EnergyAustralia prepared an Environmental Assessment (November 2010) for Stage 2D of the Sydney CityGrid Project that was publicly exhibited by the Department of Planning between 11 November 2010 and 10 December 2010 and between 15 December 2010 and 21 January 2011. A total of 15 submissions were received during the exhibition period and the Director-General required that EnergyAustralia respond to issues raised in the submissions in accordance with Section 75H(6) of the EP&A Act. On 1 March 2011, EnergyAustralia submitted a Submissions Response and Preferred Project Report (February 2011) to the Department of Planning. This report responded to issues raised in the submissions.

This letter has been prepared on EnergyAustralia's behalf to respond to issues raised by the Department of Planning following completion of the Submissions Response and Preferred Project Report.

1 Submission from Transport NSW

Issue

Transport NSW provided a submission on 2 March 2011 that confirmed that extensive consultation has been undertaken with EnergyAustralia on this project. To ensure that the Stage 2D would not have an adverse impact on the viability of planning for a future mass transit corridor, Transport NSW considered the likely effect of the project on:

- the practicability and cost of carrying out development for the purposes of a metro on the relevant land in the future,
- the structural integrity or safety of, or ability to operate, a future metro,
- the land acquisition costs and the cost of the construction, operation or maintenance of the metro corridor.

Transport NSW indicated that there are concerns about the interaction between the project and the approved metro particularly during the construction of the metro as the City East Cable Tunnel (CECT) runs directly below the approved metro corridor. The placing of any foundations, other structures and building loads in or near the proposed rail alignment may affect the practicability of the mass transit corridor, its construction cost and the capacity to design it to meet future railway operational needs.



Transport NSW is satisfied that the project can proceed without having an adverse effect on the viability of a future mass transit corridor subject to the following conditions:

- 1. The owners of the site of the approved development must enter into an Agreement acceptable to Transport NSW that addresses the potential impacts of the approved development on the metro corridor, prior to the issue of a construction certificate and the commencement of any excavation below the existing ground level.*
- 2. The owners of the site of the approved development must:*
 - a. Allow in the design, construction and maintenance of the approved development for the future operations of metro railway tunnels in the vicinity of the approved development, especially in relation to noise, vibration, stray currents and electromagnetic fields.*
 - b. Prior to the issue of any occupancy certificate, provide Transport NSW with drawings, reports and other information related to the design, construction and maintenance of the approved development to allow Transport NSW to fully understand the interaction between the approved development and the metro corridor.*

Response

EnergyAustralia does not propose to enter into an agreement prior to the commencement of excavation below the existing ground level as requested by Transport NSW. Stage 2D works are to commence at the site for the proposed Riley Street Subtransmission Switching Station and move northwards. The CECT intersects the metro corridor approximately 2.9 km from the Riley Street Subtransmission Switching Station and tunnelling is not expected to reach this point until approximately 26 months into the construction period. EnergyAustralia believe it is reasonable that, should it be determined that an agreement is required, it be finalised prior to any works commencing within 25m of the metro corridor. Consultation with Transport NSW regarding the agreement has already commenced to ensure that finalisation of the agreement does not delay construction.

While EnergyAustralia has no objection to the intent of the requested conditions of approval, the text is proposed to be refined during negotiation of the MCoA with the Department of Planning.

2 Clarification of the implications of not seeking approval to refurbish the Dalley Street Zone Substation

Issue

The Submissions Report and Preferred Project Report (February 2011) outlined a change to the project described in the Environmental Assessment for Stage 2D of the Sydney CityGrid (November 2010). The effect of this change is that approval is no longer sought to refurbish the Dalley Street Zone Substation as part of Stage 2D. The Department of Planning requested clarification as to whether this change would alter EnergyAustralia's ability to achieve the licence requirements that require CBD substations achieve n-2 capacity.



Response

The Dalley Street Zone Substation was commissioned in 1969 and supplies electricity to the northern part of the CBD via feeders that emanate from Lane Cove and cross Sydney Harbour. Long term asset planning indicates that the substation will need to be replaced and is due to be retired in 2022.

The Concept Environmental Assessment (December 2008) stated that the Sydney CityGrid Project includes 'replacement or refurbishment of the Dalley Street Zone Substation or building at a nearby site.' The site at Dalley Street is highly constrained as there are a large number of electricity cables and other services in a grid of small narrow streets. Preliminary investigations indicated that the Dalley Street Zone Substation should be refurbished and connected to other CBD substations via the CECT and this was reflected in the Environmental Assessment for Stage 2D (November 2010). Refurbishment would have enabled the substation to remain operational until the scheduled retirement date in 2022, however it would not have deferred the need for an additional substation to serve the northern portion of the CBD.

Since completion of the Environmental Assessment (November 2010), further investigation has confirmed that the Dalley Street Zone Substation does not need to be connected to other CBD substations via the CECT to enable it to function until retirement in 2022. As a result, a shaft is no longer required to connect the Dalley Street Zone Substation to the CECT and approval to refurbish the substation is not sought as part of Stage 2D of the Sydney CityGrid Project. This change was reflected in the Submissions Report and Preferred Project Report (February 2011).

To ensure that the n-2 licence requirements are achieved, the Dalley Street Zone Substation would continue to be maintained until it is retired and this would involve replacing internal plant and equipment on a like-for-like basis, if required.

The Minister for Planning's declaration that the Sydney CityGrid Project is a project to which Part 3A applies included:

The refurbishment and augmentation of existing zone substations

EnergyAustralia does not consider that maintenance of the Dalley Street Zone Substation is subject to the Minister's declaration. As such, maintenance of the substation does not require approval under Part 3A of the EP&A Act.

3 Consultation with those owning properties above the revised section of the CECT

Issue

Section 3.1 of the Submissions Report and Preferred Project Report reflects that the section of the CECT between the intersection of Loftus Street and Bent Street, and the City North Zone Substation, has been realigned as a consequence of approval no longer being sought to connect the CECT to the Dalley Street Zone Substation. The Department of Planning asked whether those who own properties above the revised section of the CECT have been consulted regarding this change to the project.



Response

As indicated in Section 3.2.2 of the Submissions Report and Preferred Project Report (February 2011), EnergyAustralia would compulsorily acquire stratum to construct the CECT and the change to the alignment would alter the properties that would be affected by compulsory acquisition. One-on-one consultation would be undertaken with landowners that would be affected by compulsory acquisition once approval from the Minister for Energy has been granted to commence this process. This is consistent with the approach to consultation with landowners affected by compulsory acquisition of stratum along the length of the CECT.

At the closest point, the CECT would be approximately 22m below buildings on a site that would not have been affected by compulsory acquisition for the alignment presented in the Environmental Assessment (November 2010). This slant distance is substantially greater than that to numerous other structures in the vicinity of the CECT that would not be subject to compulsory acquisition of stratum for the CECT.

Figure 4.1 of the Concept Environmental Assessment (December 2008) identified a potential easement corridor for the CECT and the alignment outlined in the Submissions Report and Preferred Project Report (February 2011) is within this easement corridor. During exhibition of the Concept Environmental Assessment, no submissions were received from property owners in the vicinity of the section of the CECT subject to the change in alignment outlined in the Submissions Report and Preferred Project Report (February 2011).

Conclusion

EnergyAustralia looks forward to receiving draft Minister's Conditions of Approval for Stage 2D of the Sydney CityGrid Project. Should you have any queries regarding the response to the issues raised or require additional information, please contact me on 02 9239 7384.

Yours faithfully
GHD Pty Ltd

A handwritten signature in black ink, appearing to read 'Peter Carson', written in a cursive style.

Peter Carson

Senior Environmental Planner
02 9239 7384