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Ref: D2012/110385

Mr Clay Preshaw Mining and Industry Projects Department of Planning and Infrastructure GPO Box 39 SYDNEY, NSW 2001

Dear Mr Preshaw,

STATE SIGNIFICANT DEVELOPMENT CAMDEN GAS PROJECT – NORTHERN EXPANSION (STAGE 3) APPLICATION NO. 09_0048

Thank you for your email dated 2 November 2012 advising of the exhibition of the Submissions Report for the Camden Gas Project – Northern Expansion (Stage 3).

The Sydney Catchment Authority (SCA) continues to have an interest in this proposal as the Upper Canal, which is owned and operated by the SCA, traverses a large part of the project area and the main gas gathering line is proposed to be located within the Upper Canal corridor.

The SCA has reviewed the Submissions Report and has comments in the attached submission including recommended conditions of approval.

The SCA would appreciate being involved in any further environmental assessment and consultation process associated with the project and the opportunity to comment on any draft conditions.

If you have any further enquiries in regards to this proposal, please contact me on 4724 2452 or <a href="mailto:m

Yours sincerely

MALCOLM HUGHES

A/Senior Manager Sustainability

7/2/13

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SUBMISSION BY THE SYDNEY CATCHMENT AUTHORITY STATE SIGNIFICANT DEVELOPMENT CAMDEN GAS PROJECT – NORTHERN EXPANSION (STAGE 3) APPLICATION NO. 09_0048 FEBRUARY 2013

INTRODUCTION

The Sydney Catchment Authority (SCA) continues to have an interest in this proposal as the Upper Canal, which is owned and operated by the SCA, traverses a large part of the project area and the main gas gathering line is proposed to be located within the Upper Canal corridor.

The Upper Canal is a critical public infrastructure item for the supply of raw drinking water to the Prospect Water Treatment Plant and the land is classified as 'controlled land' under the provisions of the *Sydney Water Catchment Management Act 1998* and the Sydney Water Catchment Management Regulation 2008. It is essential the Upper Canal and the quality of water in the Canal are protected from all potential impacts during the construction and operation of the project.

In December 2010 the SCA made a submission on the 2010 Environmental Assessment Report (our Ref: D2010/04458).

The SCA has reviewed the Submissions Report and notes the following aspects of the amended project that are relevant to the SCA:

- the main spine gas gathering line has been realigned to the western side of the Upper Canal corridor, as requested in the SCA's previous submission;
- gas well W11, originally proposed to be located on SCA land, has been removed from the project as requested by the SCA;
- a number of gas gathering lines and one access road will cross SCA land, with crossing methods to be agreed between SCA and AGL;
- AGL has stated the detailed design of the project, including developing mitigation measures, will be undertaken in consultation with the SCA to avoid or minimise potential impacts on the SCA's infrastructure and operations and on the heritage significance of the Upper Canal.

It should be noted that the SCA had suggested to AGL that the gathering lines that are proposed to cross the Upper Canal be installed on existing bridges wherever possible, as the SCA would prefer to minimise the number of new infrastructure installations crossing the Upper Canal corridor. The SCA does not have any in-principle objection to underboring the Upper Canal.

The following comments and recommendations relate only to that part of the project which may have implications for the SCA.

PROTECTION OF SYDNEY CATCHMENT AUTHORITY INFRASTRUCTURE

The construction and operation of the project has the potential to adversely affect the safety and operation of the Upper Canal. Although a number of appropriate mitigation measures and Proponent's intentions regarding consultation have been identified in the Submissions Report, the Upper Canal is a critical public infrastructure item that must be specifically protected from damage. An appropriate condition consistent with the following is requested:

The Proponent shall:

- a) ensure that the Works do not damage Sydney Catchment Authority water supply infrastructure or reduce the safety of the operation of the infrastructure; and
- b) repair, or pay all reasonable costs associated with repairing Sydney Catchment Authority infrastructure that is damaged by the project; and
- relocate, or pay all reasonable costs associated with relocating any infrastructure that the Sydney Catchment Authority considers needs to be relocated as a result of the project; and
- d) develop the final detailed design of all project infrastructure on Sydney Catchment Authority lands in consultation with the Sydney Catchment Authority; and
- e) obtain approval of the Sydney Catchment Authority for all project infrastructure on Sydney Catchment Authority lands.

SOIL AND WATER MANAGEMENT

The construction and operation of the project has the potential to adversely affect the quality of water in the Upper Canal. The mitigation measures identified in the Submissions Report, including a commitment to update the Soil & Water Management Sub Plan, are considered adequate provided the SCA is consulted during that process. As this consultation is currently not a stated commitment, an appropriate condition consistent with the following is requested:

The Proponent shall update and implement the existing Soil and Water Management Sub Plan for the project in consultation with the Sydney Catchment Authority. Those elements of the Sub-Plan relating to project infrastructure on Sydney Catchment Authority lands shall be to the satisfaction of the Sydney Catchment Authority.

PROTECTION OF GROUNDWATER

In 2012 the NSW government adopted two new coal seam gas codes of practice – the Coal Seam Gas Code of Practice of for Well Integrity and the Coal Seam Gas Code of Practice for Hydraulic Fracturing Stimulation. Implementation of these codes by the proponent would assist in reducing the potential for coal seam gas activities to impact on waters within the Upper Canal. An appropriate condition consistent with the following is requested:

The Proponent shall construct and operate wells in accordance with the Coal Seam Gas Code of Practice of for Well Integrity and undertake any hydraulic fracturing in accordance with the Coal Seam Gas Code of Practice for Hydraulic Fracturing Stimulation.

HERITAGE MANAGEMENT

The construction of the project has the potential to adversely impact on individual items of heritage significance within the curtilage of the Upper Canal, such as flumes, stone work or distance markers. The mitigation measures identified in the Submissions report, including updating AGL's existing Cultural Heritage Management Plan, are considered adequate provided the SCA is consulted during that process. As this is currently not a stated commitment, an appropriate condition consistent with the following is requested:

The Proponent shall update and implement the existing Cultural Heritage Management Plan for the project in consultation with the Sydney Catchment Authority.

SAFETY AND RISK MANAGEMENT

To ensure there is appropriate communication between the SCA and AGL and that incident and emergency procedures adequately address all risks to the Upper Canal, appropriate details should be included in AGL's Emergency Response Plan. An appropriate condition consistent with the following is requested:

Appropriate incident and emergency procedures to address all risks to the Upper Canal shall be developed in consultation with the Sydney Catchment Authority and included in AGL's Emergency Response Plan. Those elements of the Response Plan relating to the construction and operation (including maintenance and monitoring) of project infrastructure on Sydney Catchment Authority lands shall be to the satisfaction of the Sydney Catchment Authority.

REDUNDANT GAS ASSETS

The SCA is concerned the Submissions Report does not include a stated commitment to remove all redundant gas assets on completion of the project, when gas reserves are depleted or when extraction is no longer economically viable. The only commitment is to seal abandoned wells and remove plant and equipment from those sites. Therefore an appropriate condition consistent with the following is requested:

On completion of gas extraction operations, all redundant gas assets on Sydney Catchment Authority land, including all gas gathering lines, shall be removed and all impacted areas shall be cleaned up and rehabilitated to the satisfaction of the Authority, unless otherwise agreed to by the Authority.

CONSOLIDATION OF PLANNING CONSENTS

The current application is for the third stage of the Camden Gas Project. Earlier stages of the project were assessed over a number of years and were subject to a number of

modifications. These earlier stages have some implications for the SCA. The SCA considers there would be benefit if the various consents were consolidated. This would help clarify the controls relevant to parts of the project not only within the planning consents but also approvals issued by other authorities.