



DOC20/220331-01

Ms Rose-Anne Hawkeswood
Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001

By email : Rose-Anne.Hawkeswood@planning.nsw.gov.au

Dear Ms Hawkeswood

Port Kembla Gas Terminal (SSI 9471 MOD 1) – Draft Consolidated Consent Conditions

I refer to the email dated 24 March 2020 from the Department of Planning, Industry and Environment (DPIE) (Planning) to the NSW Environment Protection Authority (EPA) seeking comments on the above.

The EPA provided comments and draft conditions in a letter dated 18 March 2020 (EPA reference DOC20/220331-01) for DPIE (Planning) consideration.

The EPA provides the following comments on water quality and air quality matters to assist in the assessment and determination of this project.

Water Quality

In our 24 March correspondence EPA proposed the following water related conditions: *Water Discharge Limits*, *Water Discharge Quality Verification Program (Verification)*, and *Receiving Environment Monitoring Program (Monitoring)*.

EPA does not object to the proposed *Discharge Limits* conditions (2A and 2B in the draft approval), namely:

- The hourly water discharge rate from the FSRU must not exceed 13,000 cubic metres per hour; and
- The average annual water discharge rate from the FSRU must not exceed 8,125 cubic metres per hour.

DPIE (Planning) has advised this average annual limit is based on 6 months at 13,000 m³/hr and 6 months at 3,250 m³/hr (The EPA previously proposed a 50th percentile limit of 3,250 m³/hr). DPIE (Planning) / the Proponent has indicated this provides a reasonable balance between allowing operational flexibility (which the Proponent has advised is required year-round) and limiting the overall impacts.

Elements of the other EPA conditions (Verification and Monitoring) have been largely incorporated into Schedule 3, Condition 3 *Water Discharge Quality Verification and Monitoring Program*.

Phone 131 555
Phone 02 9995 5555
(from outside NSW)

Fax 02 9995 6900
TTY 131 677
ABN 43 692 285 758

PO Box 668
PARRAMATTA
NSW 2124

Level 13
10 Valentine Avenue
PARRAMATTA NSW
2150 AUSTRALIA

info@epa.nsw.gov.au
www.epa.nsw.gov.au

Broadly EPA does not object to this process however:

- specific details on elements of the conditions may be added to relevant Environment Protection Licence conditions by the EPA;
- we request the following edit to Schedule 3, Condition 3:

Water Discharge Quality Verification and Monitoring Program

3. *Prior to the commencement of operations, the Proponent must prepare a Water Quality Discharge Verification and Monitoring Program, in consultation with the EPA and to the satisfaction of the Planning Secretary. The program must:*
 - (c) *outline an ongoing modelling program of the ~~potential~~ cumulative temperature impacts on discharges to Port Kembla harbour using a calibrated thermal plume model and validated model predictions based on the results of the verification program; and...*

As stated in our 24 March correspondence, contingency measures for any adverse impacts appear limited due to the vessel design and the completion of construction of the Floating Storage Regassification Unit (FSRU). As a result, varying gas production rates may be the most feasible mitigation option, if required.

Air Quality

EPA sought specific information on the FSRU air quality modelling operating scenarios for an extended period of time. This modelling information has now been cited and reviewed.

The EPA previously recommended a verification program to confirm the modelling outcomes presented in the original EIS. The *Air Quality Verification Assessment* Condition listed in our March correspondence has not been incorporated in these consolidated approval conditions.

DPIE (Planning) has indicated it has not included this requirement because the Proponent has confirmed the original air quality assessment modelled the case where 4 engines on the FSRU and 2 engines on the LNG carrier operate simultaneously (with gas or Marine Diesel Oil or a combination) and predicted criteria compliance at all sensitive receivers. Condition 33 of the draft approval also already requires point source discharge monitoring at the FSRU.

The EPA recommends the proposed *Air Quality Verification Assessment* condition be included in any approval, because:

- A verification condition confirming modelling outcomes is standard for most developments of this size;
- Modelling verification through stack testing is not a complex or costly undertaking and could help guide and simplify any air emission monitoring requirements in the future; and
- Concerns over air emissions were raised in submissions received by DPIE (Planning) during the public exhibition of the development.

The EPA is happy to discuss any of the above matters with DPIE (Planning) and the proponent at a mutually convenient time, if required.

Please contact Greg Newman on (02) 4224 4100 should you require any further information.

Yours sincerely

26/03/2020



GISELLE HOWARD
Director Regulatory Operations – Metro South
Environment Protection Authority