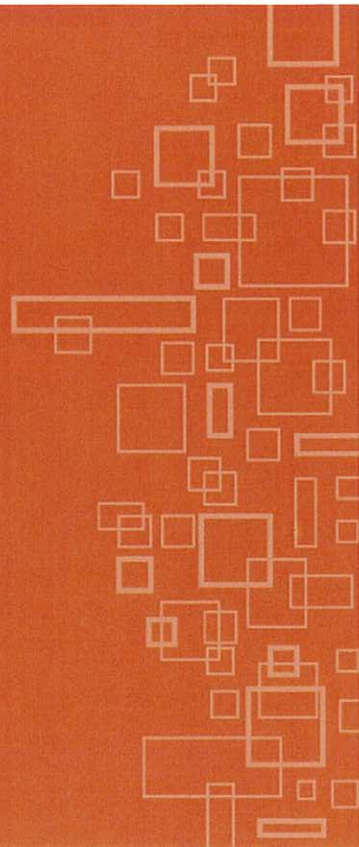




The Coordinator-General



Queensland Curtis Liquefied Natural Gas project

Coordinator-General's change report number 1 – Pipe transport

September 2011

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1 Introduction

The *Queensland Curtis LNG project: Coordinator-General's evaluation report for an environmental impact statement* (Coordinator-General's report) was released in June 2010, pursuant to section 35 of the *State Development and Public Works Organisation Act 1971* (Qld) (SDPWO Act).

The proponent for the project is Queensland Gas Corporation Ltd (QGC). In a letter dated 24 June 2011 from QGC to the Deputy Coordinator-General, a change application was lodged seeking changes to a condition in the Coordinator-General's report.

2 Description of the change application

QGC has applied for a change to Appendix 1, Part 2 – Transport Condition 1 of the Coordinator-General's report as follows:

Change from:

Subject to condition 2 below regarding pipe transport at Gladstone, rail transport from the point of importation to the field marshalling yard must be for at least **75 per cent of pipe transport tasks** for the export pipeline and gas collection header pipelines.

to:

Subject to Condition 2 below regarding pipeline transport at Gladstone, rail transport from the point of importation to the field marshalling yard must be for at least **60 per cent of pipe transport tasks** for the export pipeline and gas collection header pipelines.

3 Reasons for the change application

As a result of the January 2011 Queensland floods, large sections of the Queensland rail network were damaged or destroyed. This resulted in Queensland Rail (QR) being unable to transport any of QGC's pipe to western Queensland for a period of approximately three months. This has prevented approximately six shipments of pipe from being moved at the Port of Brisbane.

QGC has requested to haul the excess or stranded pipe via road from Brisbane to the Pipeline Right of Way (ROW) to ensure that:

- safety at the Port of Brisbane is maintained and double handling is minimised
- shipments from China can be unloaded
- pipe reaches the ROW in time for construction.



The change will be incorporated into logistics plans through an addendum to each plan issued by QGC. QGC did not propose to issue new versions of the Surat Region and Gladstone Logistics Plans, as each has been used to develop the road impact assessment (RIA) and road use management plans (RMPs). QGC has proposed that it will consider addenda to the RIA and RMPs if required.

4 Public notice decision

In accordance with section 35G of the SDPWO Act, the Coordinator-General must decide whether or not to require the proponent to publicly notify the proposed change application and any effects on the project.

The change applied for relates to a specific obligation, specific duration and does not materially affect the specific obligations contained in the relevant conditions.

The Coordinator-General has determined that there would be no benefit in publicly notifying this application based on the:

- inability to comply with the original conditions for reasons beyond QGC's control
- QGC's intention to fulfil the original intention of the condition to the greatest extent possible.

Accordingly, the proponent was notified on 16 August 2011, it was the view of the Coordinator-General that the administrative nature of the proposed change did not warrant public consideration, and the change application was not required to be publicly notified prior to the evaluation commencing.

5 Consultation

Targeted consultation was undertaken in accordance with section 35F of the SDPWO Act. Feedback was received from:

- Banana Shire Council
- Gladstone Ports Corporation Ltd (GPC)
- Gladstone Regional Council
- Port of Brisbane
- QR National
- Queensland Police Service (QPS)
- Department of Transport and Main Roads (TMR)
- Toowoomba Regional Council
- Western Downs Regional Council

Banana Shire Council advised it has already approved QGC's use of local roads around Biloela QR station, which relates to a Traffic Management Plan (TMP) and it



opposed the proposed change on the basis that increased truck movements on local roads would fall outside the current TMP.

GPC has expressed concern regarding movements through the port area. GPC has advised it will not consent to any increase in truck movement until an agreement has been reached with the proponent.

Gladstone Regional Council advised there have been two significant changes to logistics which were not anticipated in the Logistics Plan. The tables provided do not provide clarity on the routes that have been or are proposed to be traversed and the quantity of traffic involved. The new additional movements need to be clearly identified and incorporated in the RIA (including pavement analysis) and the RMPs.

QR has confirmed that contracts have been extended from the Port of Brisbane and also from Gladstone until 30 September 2011. A request for a second extension from Gladstone to Biloela is under review.

QPS has requested the proponent engage with the Officer in Charge—Gladstone Police District and the Regional Traffic Coordinator—Southern Police Region, to review and implement management strategies to mitigate any additional issues. QPS's Central Region requested that the proponent and the Coordinator-General support standardised requirements for travel times.

TMR recommended acceptance of the change report, provided that all documents including the RIA, RMP, TMP, Gladstone Logistics Plan and Marine Traffic Impact Plan are updated and submitted to the department for endorsement. Additionally, the proponent should advise of the commencement of any substantial future haulage exercises.

Western Downs Regional Council requests that any changes in pipe movements be quantified in relevant documents to fully understand the impacts on local roads.

No concern about the proposed change was expressed by the Toowoomba Regional Council or the Port of Brisbane.

6 Evaluation of change application

Appendix 1, Part 2 – Transport Condition 14 also relates to this change application. It will be automatically triggered by the change application because the pipeline rail transport would fall below 75 per cent of the full pipeline task if the requested change to Condition 1 is approved. Amongst other things, Condition 14 requires the proponent to revise the Surat Region Logistics Plan and submit it for approval.

The intent of Condition 1 is to reduce road impacts created from hauling the pipeline by road. The proposed change still meets the intent of this requirement, as at least 60 per cent of pipe transport will be by rail.

At present, the application for change does not provide clarity on the actual routes and changes to traffic impacts and movements, nor identify whether additional haulage will be carried out on currently proposed routes or on different routes. Also,



no additional assessment has been undertaken to update the RIA, RMPs or TMPs or to mitigate additional impacts if required.

To address both the link between Condition 1 and Condition 14 and the key issues raised during targeted consultation, such as the increase in traffic and road impacts, it is necessary that Condition 1 be revised to include a requirement to necessary revisions to the relevant RIA, RMPs and TMPs.



7 Conclusion

In evaluating the issues raised in submissions, I have assessed that submitters' concerns can be addressed by amending Condition 1, as follows:

Subject to Condition 2 regarding pipeline transport at Gladstone, rail transport from the point of importation to the field marshalling yard must be for at least **60 per cent of pipe transport tasks** for the export pipeline and gas collection header pipelines and the proponent must:

- a) update and submit all transport documents (including the Gladstone Logistic Plan, Road Impact Assessment, Road-Use Management Plan, Traffic Management Plan, Marine Traffic Management Plan) to DTMR, and/or the relevant local government for approval within 90 calendar days of the date of this report.

This change report has been prepared under Division 3A of the SDPWO Act. Conditions made in this report are made pursuant to section 35I(2) of the SDPWO Act. As per section 35K of the SDPWO Act, the Coordinator-General's report for the EIS for the project and the Coordinator-General's change reports have effect for the project. However, if the reports conflict, the Coordinator-General's change report prevails to the extent of the inconsistency.

A copy of this report will be given to the proponent, pursuant to section 35J of the SDPWO Act.

I would like to thank all stakeholders who commented and provided advice on the change application.

A copy of this report will be made publicly available, pursuant to s35J of the SDPWO Act, on the Department of Employment, Economic Development and Innovation's website at:

www.deedi.qld.gov.au/cg/coordinator-general-projects.html

Keith Davies
Coordinator-General

21 September 2011