



western slopes pipeline december 2017

Community Consultative Committee

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1. Project Activity Update

Recently completed activities

- APA has now completed the vast majority of field work required to inform the Environmental Impact Assessment for the project. In total we have accessed approximately 250km of the alignment including 60 individual properties. The information gathered is being reviewed and should any additional field work be required we will be in direct contact with the relevant landowners.
- Engagement with landowners regarding refinement of the alignment to address property specific feedback is ongoing. The opportunity for alignment changes to be incorporated prior to the EIS being submitted has now passed however the EIS will provide a mechanism for ongoing refinements based on defined criteria.



Upcoming activities

- During Q1 2018 APA will be focused on the completion of all technical reports to support the documentation of the project EIS. We expect to submit the EIS to the Department of Planning for adequacy review towards the end of Q1 2018.
- The Draft Aboriginal Cultural Heritage Assessment report will be provided to Registered Aboriginal Parties for comment in January 2018.
- We will soon be commencing easement negotiations with landowners in locations where there is a high degree of route confidence. The initial agreement being proposed will consist of an easement deed granting APA an option to obtain an easement at a future date. The landowner will be paid a fee for entering into the agreement which will be non-refundable should the project not proceed.
- Investigation of opportunities for regional gas supply will also continue including engagement with a range of potential gas users.



Talking to the community

- APA had planned to provide an opportunity for the broader community to access information regarding the project at community drop-in sessions after both the Tottenham and Coonamble CCC meetings.
- It has become clear that such sessions would prove impractical given the likelihood of protest activity and as such we have regrettably had to cancel these sessions.
- APA appreciates however that there is a desire from some landowners to be able to meet with APA in a group forum.
- Accordingly, we have committed to organising directly affected landowner meetings to be held in early 2018 that will provide an opportunity for directly affected landowners to meet with APA and Department representatives in a moderated forum environment.
- APA will be contacting all landowners regarding preferred timing and locations for these events in coming weeks,
- The opportunity for landowners to meet directly with APA representatives at a time and place of their choosing also remains.

2. AS 2885 – Pipelines - Gas and liquid petroleum Summary presentation

Overview

- AS2885 Standards first published in 1970's (under different names eg AS CB28-1972, AS 1697-1975, ... , AS2885-1987, ..., AS2885-2012)
- Standards have been reviewed and revised continuously
- The objective of AS2885 Standards is to provide minimum requirements for the safe design, construction, inspection, testing, operation and maintenance of hydrocarbon pipelines
- AS2885 series currently include 6 parts:
 - 2885.0: General requirements
 - 2885.1: Design and construction
 - 2885.2: Welding
 - 2885.3: Operation and maintenance
 - 2885.4: Submarine pipelines (not relevant)
 - 2885.5: Field pressure testing

General requirements

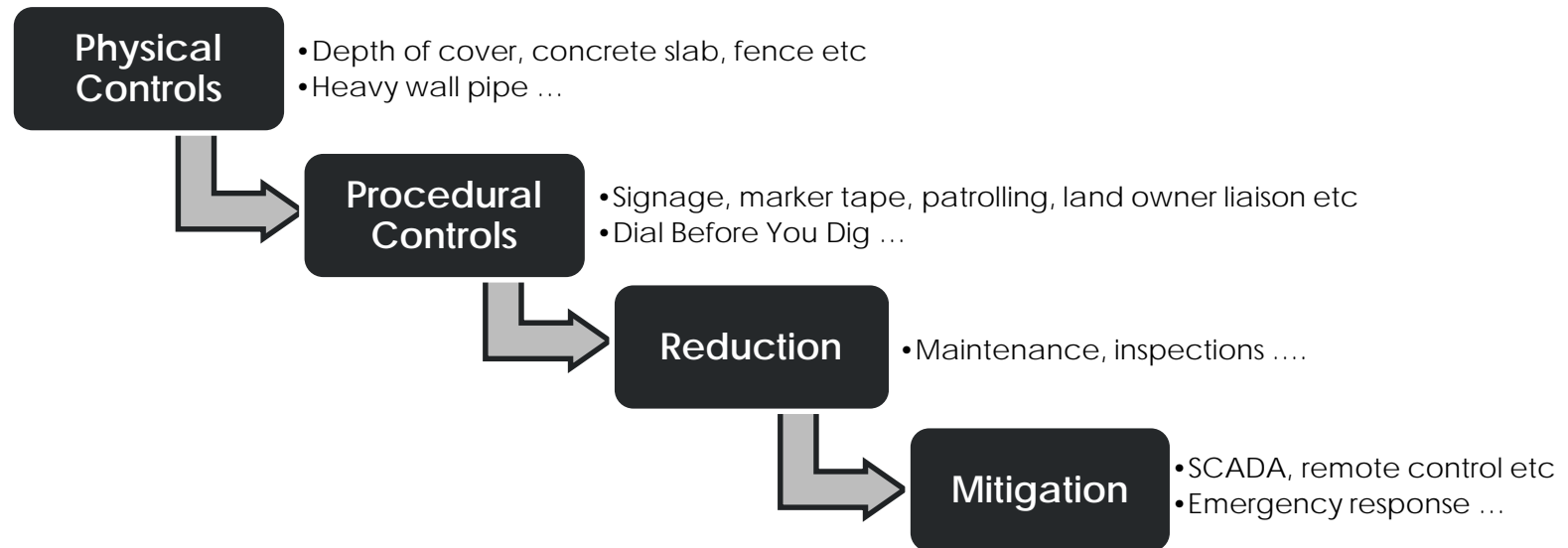
- Fundamental principles of AS2885 Standards:



- Pipeline Licence required by Regulatory authorities to ensure compliance with Statutory requirements
- Before pipelines are placed in operation, their structural integrity shall be checked and proved by adequate testings and inspections
- A safety and operating plan is required for each pipeline to ensure integrity and safe operation of the pipeline is maintained
- Any change to pipelines or their surroundings shall continuously be reviewed and appropriate steps are to be taken to assess the changes and where necessary modifications are to be made in order to maintain safe operation

Safety Management

- AS2885 requires formal Safety Management Studies to be carried out as an ongoing process over the life of the pipeline to ensure safe operation
- The outcomes of the safety management studies shall be incorporated in the pipeline management system
- All threats to pipelines shall be identified, removed or controlled with multiple independent control measures



Safety Management – Threat Identification

- “*Location Classifications*” are defined terms in order to reflect threats to pipeline integrity and risks to people, facilities and environment
- Location Classifications shall be specified along the full length of the pipeline based on the identified threats and risks within proximity of the pipeline.
- Location classes include:
 - *Rural (R1)*: Unused & undeveloped land used for rural activities such as grazing, agriculture and horticulture
 - *Rural Residential (R2)*: Land occupied by single residence blocks typically in the range 1 ha to 5 ha
 - *Residential (T1)*: Land developed for community living including multiple dwellings in proximity to each other
 - *High Density (T2)*: Land developed for high density community use including multi storey buildings

Safety Management – Threat Identification

- AS2885 requires special provisions in “*High consequence Areas*” to reduce and maintain risk at an acceptable level - reduce to a level *As Low As Reasonably Practicable (ALARP)*

High Consequence Areas: locations where pipeline failure could result in multiple fatalities or significant environmental damage

- All T1 and T2 locations and also areas in R1 and R2 locations including sensitive uses or heavy industry are taken as high consequence areas
- In high consequence areas, pipeline shall be designed with adequate and extra wall thickness in order to:
 - Avoid pipeline rupture (i.e: large hole in the pipe caused by an excavator or mechanical equipment/machinery); and
 - Limit gas discharge rate in the event of a loss of containment.

Safety Management Study

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AS 2885.1—2012

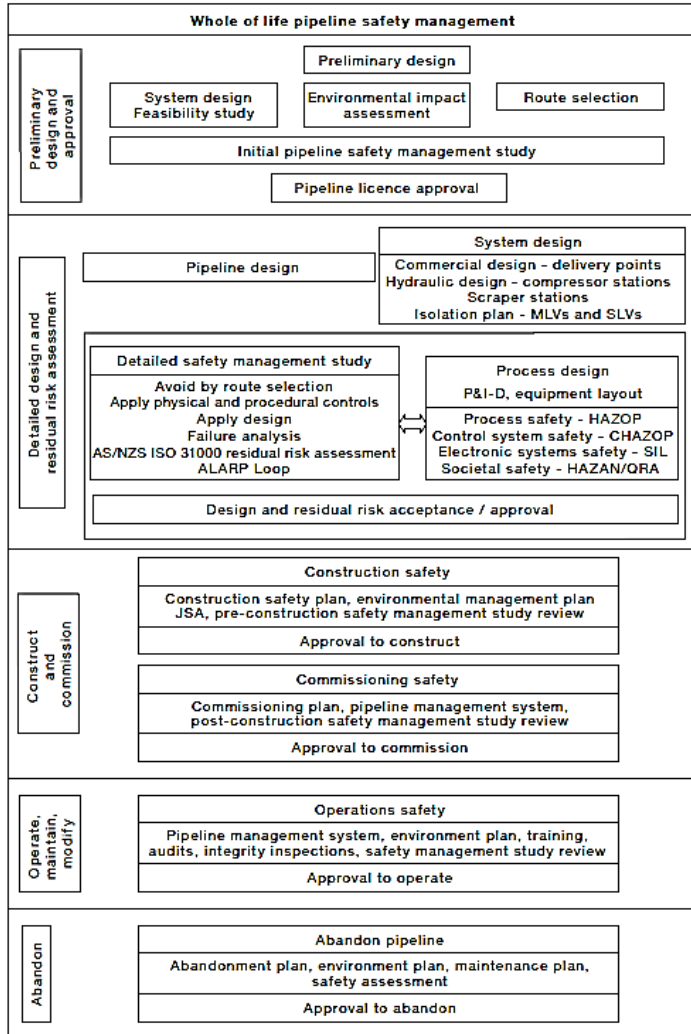


FIGURE B1 WHOLE OF PIPELINE SAFETY MANAGEMENT

AS 2885.1—2012

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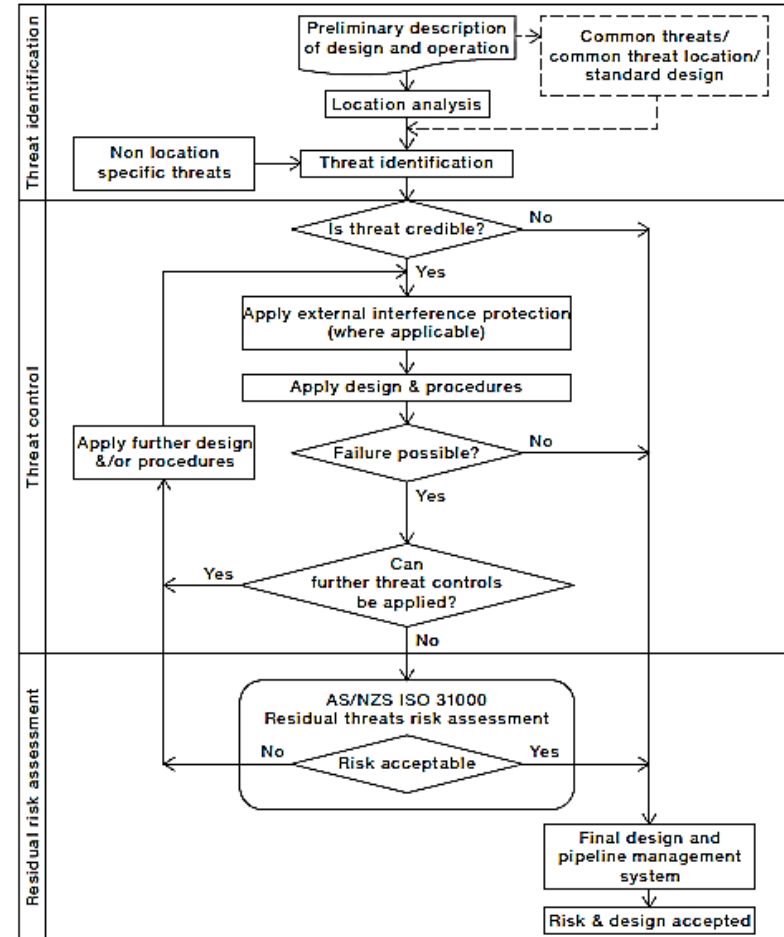


FIGURE 2.3.1 PIPELINE SAFETY MANAGEMENT PROCESS

Design Process

- Pipelines shall be leak tight and have the necessary capability to safely withstand all reasonably predictable influences to which it may be exposed during the whole of its design life
- A structured design process shall be followed to appropriately address safety and performance requirements of each specific pipeline including:
 - ✓ Safety of pipeline and public
 - ✓ Specific design for the nominated fluids
 - ✓ Route selection based on existing land use and any known future land planning
 - ✓ Engineering calculations for known load cases and probable conditions
 - ✓ Stresses, strains, displacements and deflections
 - ✓ Natural events such as earthquake, ground movement, land instability, wind, cyclone, bushfire, lightning and any specific geotechnical conditions
 - ✓ Fatigue, vehicle crossing ...
 - ✓ Materials used for pressure containment as per standards and traceability
 - ✓ Fracture control plan to limit fast fracture
 - ✓ Reliable over pressure control
 - ✓ Hydrostatic test pressure to approximately 1.25 times of the maximum design pressure
 - ✓ Pipeline integrity management plan
 - ✓ Corrosion and integrity management
 - ✓ External interference protection (against 3rd party activities, excavations etc)
 - ✓ Design for a specified design life including regular mandatory reviews of the pipeline structural integrity and fitness for service

Design

- Pipeline material shall have adequate strength, ductility and fracture toughness
- Pipelines shall be buried with minimum 750mm depth of cover (could be up to 2,000mm deep at road/rail crossings and other locations depending on land use and excavation threats)
- All pressure containing materials shall be traceable to purchase documentation, manufacturing standards, testing standards, and to inspection and acceptance documents.
- All records shall be kept and maintained throughout the whole pipeline life
- AS2885 requires all pipelines to have at least 20% safety factor in wall thickness calculations for maximum internal pressure
- Additional wall thickness may be applied to provide protection against damage by external threats or corrosions

Design – Corrosion Control

- Pipelines shall be protected by a suitability engineered and robust coating and an active corrosion protection system (typically Cathodic Protection systems-CP)
- Natural gas is generally clean and dry, therefore internal corrosion is not credible. Where internal corrosion is a concern, internal coating may be used
- Routine inspections are required to demonstrate structural integrity of the pipeline wall thickness, CP and external coating
- Periodically, intelligent pigging is used to detect any corrosion (intelligent pigging is an inspection technique where an inspection probe is propelled through a pipeline to scan pipe wall and gather data such as the presence and location of corrosion or other irregularities in pipe)

Construction

- Pipeline construction shall be completed in compliance with an approved design
- Construction shall be carried out to ensure the safety of the public, construction and operating personnel, equipment, adjacent property and the pipeline
- During construction, care shall be taken to prevent damage to the environment
- On completion of construction, any necessary restoration along the route shall be carried out to minimise long-term degradation of the environment

6. response to questions raised

1. How does APA justify recent actions of personnel and contractors entering properties without contact or approval of the property owner(s) effectively in contravention of the provisions of the ATS and the new bio-security laws, as well as these persons being without any paperwork to explain who they are or what they are doing on the said land? Were these actions unlawful?

- APA has been completing environmental survey activities since August and in that time has accessed approximately half of the properties along the alignment. Up until recently all of this work has been completed with the full cooperation of landowners.
- During the week beginning 20 November APA decided to proceed with access to a small number of properties where the landowners had not provided express prior permission for the work to proceed by relying the authority granted by the ATS.
- All such actions were in full accordance with the ATS.
- Suitable notice was given to the relevant landowners including 3 separate written notices in the four weeks leading up to the activity. This included an opportunity for the landowner to notify APA of any reasonable requirements.
- If landowners elect to disregard APA's notification and do not respond with any reasonable requirements APA has authority to proceed with the planned survey activity in accordance with the terms of the ATS.
- The presence of the survey team was the subject of 3 prior written notices, all survey teams carried a copy of the ATS, the team lead on site was wearing APA uniform, carried an APA business card and was fully accountable for the other individuals involved in the survey.

2. What bio-security protocols are in place for the more complex construction phase? Who is responsible for them being enforced? And will they prevent contamination?

- Specific biosecurity protocols for the construction phase of the project are yet to be developed. The EIS will make commitments regarding the implementation of appropriate construction phase management plans to suitably mitigate the applicable risks.
- Consultation with landowners regarding any property specific requirements as well as the completion of pre-construction weed surveys along the alignment will be key information inputs in the development of these plans.

3. Why should individual landholders be exposed to potential problems arising from gaps in insurance cover, particularly when they are unable to see the details of the cover provided? What is to stop third parties in the future, trying to pass the blame onto landholders for damages, or to claim that they arose from natural or unforeseeable conditions?

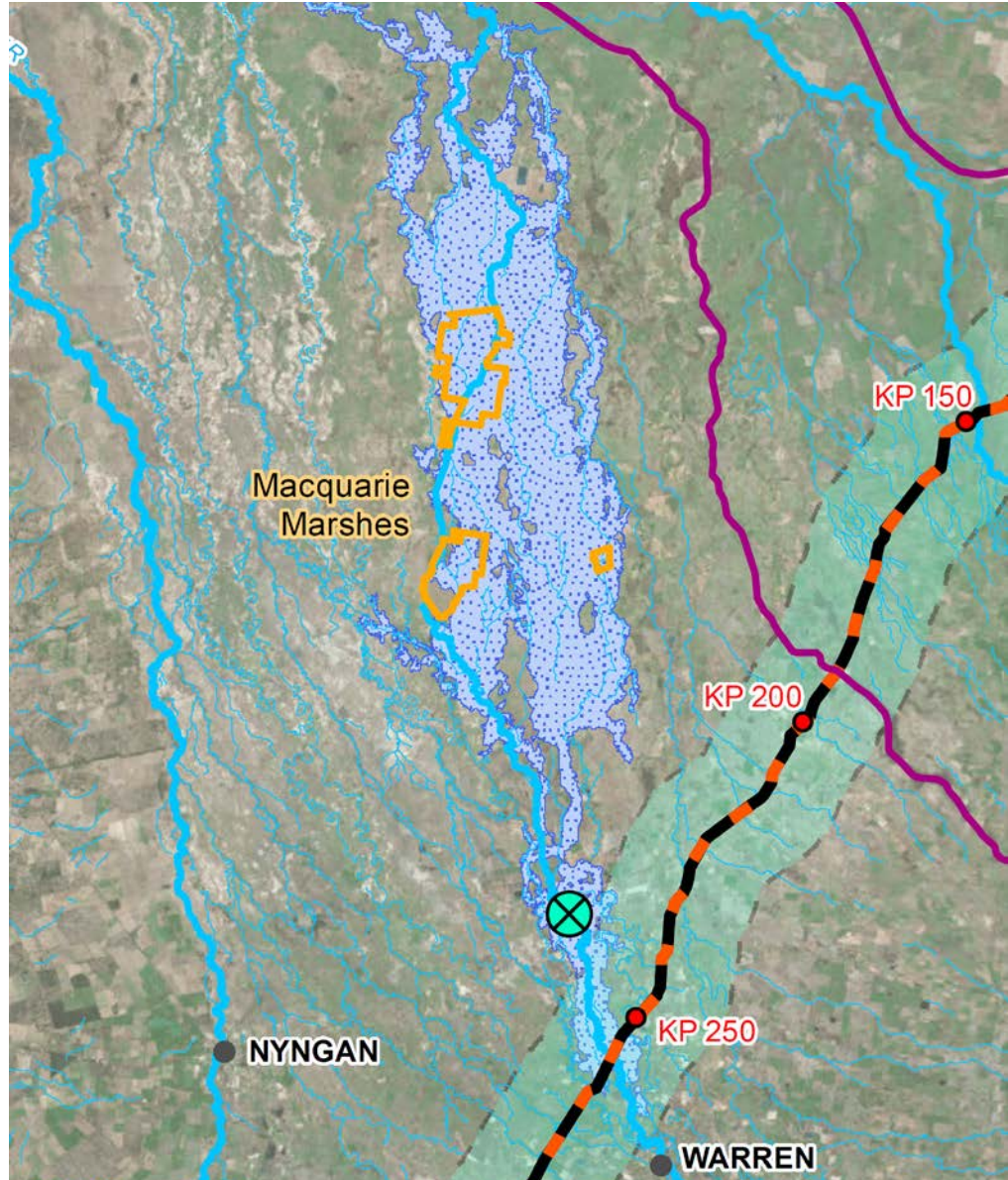
- Any future easement terms will provide a comprehensive indemnification of the landowner along the following lines:
“APA indemnifies the Owner against any claim made or brought against the Owner, or any loss suffered or incurred by the Owner resulting from any damage to property or injury to or death of any person caused or contributed to by APA or its Authorised Users. APA’s liability under this clause will be reduced proportionately to the extent that the loss or damage is caused or contributed to by the Owner or any of its Authorised Users.”
- APA is happy to extend a similar indemnity to landowners regarding access to properties for the completion of survey activities and notes that where landowners have entered into voluntary agreements the agreement includes a similar clause to that above.

4. Given that the proposed area for crossing the Macquarie River is a significant ephemeral wetland with well-known exposure to flooding, why was this the proposed route for the gas pipeline, chosen in the first place? How can APA justify persevering with this route in the face of problems clearly identified in any basic desktop study? Should the Government insist that such areas should be avoided, when there are clearly alternatives?

- The specific location for the Macquarie River crossing was selected based on a consideration of a range of competing factors including most notably, intensive irrigated agricultural operations in neighbouring areas.
- The issues encountered at the Macquarie River crossing including environmental values, flooding and soil conditions are considered by APA to be entirely manageable through the adoption of appropriate construction management practices.
- The significance of the environment in this location and the likely impacts of the project upon those values and the need for specific mitigation strategies will be assessed in detail in the project EIS.

western slopes pipeline

Alignment location relative to Macquarie Marshes RAMSAR sites, and mapped extent of floodplain wetland (DIWA)



5. When will the community be informed of the actual location of above ground infrastructure, (eg. valves, scraper stations and staff camps), so that their impact can be properly assessed and evaluated?

- Preliminary work has been ongoing regarding the identification of potential sites for main line valves, scraper stations and temporary accommodation camps. Flood modelling of potential locations is currently being completed which will allow APA to shortlist sites for this infrastructure.
- Once this work has been completed APA will then directly engage with the owners of the sites of interest regarding the proposed infrastructure. Some early discussions have also been had with landowners that have expressed an interest in accommodating surface infrastructure or camps on their land.
- APA's intent is to seek approval for a larger number of sites than will be required in order to provide flexibility in the final design configuration of the pipeline as well as the construction strategy. The impacts of all sites will be fully assessed in the project EIS.



6. Does APA have the authority under the ATS to conduct detailed scientific and other environmental work that is really for the preparation of the EIS not the pipeline alignment establishment? Landholders and the wider community need to know what personnel are permitted to do on their properties and the exact time of their arrival. Why is this information not being disclosed?

- APA maintains that based on both clause (d) of the ATS and section 5H of the Pipelines Act, the ATS expressly authorises three activities, being:
 - (a) entry to the specified lands; and
 - (b) the carrying out of surveys; and
 - (c) the taking of samples from the lands for examination and testing.
- The function of the conditions of the ATS, which are set out in Schedule 1 to the ATS, is not to prescribe the activities or actions which may be carried under its authority but to regulate the way in which the approved activities may be carried out.
- In the ATS, the way in which survey operations related to the investigation for the preparation of a plan of the route and other apparatus, works or land required for the pipeline route and easement are to be carried out is specifically addressed in Condition 1.
- The remainder of the conditions, more generally, relate to the way in which access to the land and the carrying out of all survey activities (including such activities as flora and fauna surveys, archaeological surveys and the taking of samples from the lands for examination and testing) are to be undertaken by APA.

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Cont'd -

- This view is consistent with the intention of Parliament as disclosed in the Second Reading Speech for the Pipelines Amendment Bill 2006 <https://www.parliament.nsw.gov.au/bill/files/552/LC%203506.pdf> which repealed the previous permit regime and provided for the assessment of the environmental impacts of a proposed pipeline to be conducted under the Environmental Planning and Assessment Act 1979. The amending Act also replaced the former text of s5H with the current text. Relevant excerpts of the text of the Second Reading Speech is as set out below:

The bill will align the pipeline licensing regime with the planning reforms now implemented in the Environmental Planning and Assessment Act. The provisions of the Environmental Planning and Assessment Act will apply to pipeline approvals issued under the Pipelines Act. Environmental assessment of pipelines will be consistent with that applying to other major infrastructure projects. The bill will ensure that major pipeline projects are approved in a timely manner whilst ensuring that the environmental impacts of such projects are assessed and managed effectively.

*The entire permit stage is repealed by the bill. Environmental assessment and development approval will now be conducted under the Environmental Planning and Assessment Act in the same manner as with other major infrastructure projects. **In repealing the permit stage, the voluntary authority to survey is reinforced to ensure that pipeline proponents can investigate and determine possible routes for the proposed pipeline and undertake any necessary examination and testing.***

further information



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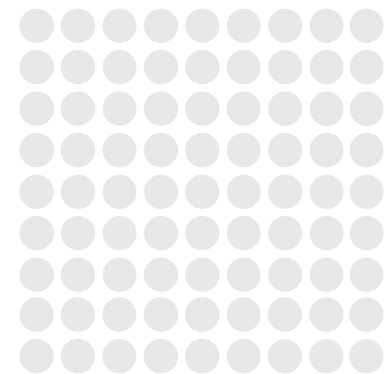
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Department of Planning & Environment - State Significant Infrastructure

<http://www.planning.nsw.gov.au/Assess-and-Regulate/Development-Assessment/Systems/State-Significant-Infrastructure>

Department of Industry – Resources & Energy - Pipeline Licensing Process

<http://www.resourcesandenergy.nsw.gov.au/energy-supply-industry/legislation-and-policy/pipelines-licensing>



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