

# SHIRE OF ASHBURTON

### **SPECIAL COUNCIL MEETING**

**AGENDA** 

**ATTACHMENTS** 

Irwin Meeting Room
Mercure Hotel
Perth

4 August 2010

### **ATTACHMENT 1**

## SUMMARY OF GOVERNMENT AGENCY SUBMISSIONS BHPB APPLICATIONS

No.	Agency	Summary of Agency Submissions	Shire Comment	Shire Recommendation
1.	A/Manager Priority Projects Unit Department of Indigenous Affairs 1st Floor, 197 St Georges Terrace, Perth, 6000	The Department of Indigenous Affairs (DIA) has been liaising closely with BHP Billiton Petroleum Pty Ltd to ensure they comply with the requirements of the Aboriginal Heritage Act 1972 with regard to dealing with Aboriginal heritage.  With regard to social impacts, housing is considered an important issue by this Department. Overcrowding results in considerable other issues for Aboriginal people. It is recorded in the Overcoming Indigenous Disadvantage 2009 Strategic Framework Fact Sheet that overcrowding can affect reading writing and numeracy, disability and chronic disease, and family and community violence.  The Social Impact Assessment (SIA) report states that anecdotal advice is that resources development activity in the last two years has led to a dramatic increase in private rental costs.  This could significantly affect the around 60 households of Indigenous people who are currently renting (SIA, p24), particularly as when as stated in the Macedon Gas Project Social Impact	Noted and agreed in part.  The assessment of any final development must be in accordance with the assessment requirements of the Department of Indigenous Affairs (DIA). The assessment under the Aboriginal Heritage Act 1972 is mandatory, however it is reasonable that it be reflected as a condition of any planning approval.  The Shire accepts the comment about housing stress placed on Onslow by the development. It is anticipated that the establishment of a transient workforce accommodation camp for the period of construction will assist in limiting the impact of the development on Onslow.  Reference to the proposed Chevron development is noted however it is not part of the application before Council. The LNG plant proposal (Wheatstone) is subject to a complex rezoning proposal that is separate to the BHPB domestic gas plant and infrastructure proposal.  In addition, negotiations with the Thalanyji non-exclusive Native Title holders will continue separate to the planning process.	Should Council resolve to support the application, a condition be included in any Planning Approval requiring development to be in accordance with an assessment to the requirements of the Department of Indigenous Affairs.

Assessment (SIA, p24) Indigenous people have significantly lower individual and family incomes, and already have higher numbers of people per dwelling compared to the total demographic.

Although the Macedon impact alone is potentially quite small, with a planned 10 permanent workers resident in the town, and 300 construction workers who will be housed in a Fly in Fly Out camp with minimal interaction with the town, the Wheatstone project adds another 300 people as operational workforce and a construction workforce estimated at 3000 people. Both projects together could significantly impact the population estimated by the Shire of Ashburton as being around 800 as of March 2010 (SIA p19). DIA has had meetings with Chevron representatives who have indicated that Chevron may be open to being part of an Onslow Industry Forum.

The Chevron representatives informed us that the Chamber of Minerals and Energy runs a body called PICC which representatives from around 7 companies and also some government representatives that looks at issues around development. A subgroup of this body could be formed specifically to look at Onslow. The purpose of such a forum would be to explore possible synergies between the companies involved in the area and how working together could minimise impacts on the town.

It is recommended that BHP Billiton consider this option. It is noted, for example, that the number of permanent Chevron workers will roughly correspond to the number of construction workforce required by the Macedon project.

Both companies will also presumably need to house workers for the purpose of temporary and complete shutdowns on an annual and five year basis. In the SIA (p42) it is reported that the transient accommodation in the town is already strained and this is affecting local rents. There may be possibilities for the companies to investigate shared use accommodation arrangements. According to the SIA (p39), the Onslow Structure Plan identifies development areas for up to 370 dwelling units located Unallocated Crown Land and subject to negotiations with the Thalanyji non-exclusive Native Title holders.

It is recommended that BHP Billiton enter negotiations as soon as possible if they are planning to locate their workers in those dwelling units. This may be a way in which the local Aboriginal people may benefit from the development. The Department of Indigenous Affairs would have liked more time to have investigated the SIA more carefully. This is the feedback we are able to supply in the time provided.

2.	Manager Petroleum & Geothermal Infrastructure Petroleum Titles and Land Access Department of Mines and Petroleum Mineral House, 100 Plain Street East Perth 6000	The Department is aware of and welcomes the proposal by BHPB Petroleum (Australia) Pty Ltd (BHPB) to develop the Macedon gas field and pipe the natural gas to a shore based gas treatment plant to be located at the Ashburton North Strategic Industrial Area located approximately 15km southwest of Onslow.	Noted and Agreed	Should Council resolve to support the application the pipeline design issues as outlined in the Department of Mines and Petroleum should be included as a condition in any Planning Approval.
		The Department is also supportive of BHPB's proposed pipeline that will convey treated dry gas from the treatment plant along a dedicated pipeline common user corridor to the Dampier to Bunbury Natural Gas Pipeline (DBNGP). On reviewing the BHPB project documents submitted with its two applications, I recommend that you request further information with regards to the following:		
		(a) A preliminary design concept for the pipeline crossing the Ashburton River is required to demonstrate how BHBP plans to overcome seasonal flooding events that may expose a buried pipeline.		
		(b) What is the proposed pipeline separation between the new pipeline and the existing Griffin (GJV) pipeline at the sections where they will be aligned parallel to each other and at the shore crossing?		
		(c) The planned dedicated 50m wide common user pipeline easement is to accommodate up to 3 pipelines.		

		What is the separation distance allocated for each pipeline?		
3.	Manager – Major Hazardous Facilities Department of Mines and Petroleum Mineral House, 100 Plain Street East Perth 6000	Section 4.1.3 of the BHP Application for Planning Approval, SPP 4.1 – State Industrial Buffer Policy, advises that a risk assessment is being undertaken as part of the Environmental Protection Statement still under consideration, and refers to the EPA Guidance Statement No. 3 – Sensitive Land Use.	Noted and Agreed	Should Council resolve to support the application the need for risk assessment should be included as a condition in any Planning Approval.
		As the safety risk regulator we have requested preliminary advice from BHP against the EPA Guidance Statement No. 2 – Guidance for Risk Assessment and Management: Off-site individual risk from Hazardous Industrial Plant.  This guidance statement considers		
		risk-determined distances to neighbours, commercial developments, residences, etc. To date we have not received any information from BHP on this matter.		
4.	Director General Department of Planning Albert Facey House, 469 Wellington Street Perth 6000	DoP raises no objection to the above proposals. DoP notes that under the Shire of Ashburton local planning scheme the proposals can be determined prior to the subject land being rezoned for strategic industry. Also, DoP notes that these proposals need to be considered with regard to the future strategic direction for the area i.e. as part of the proposed Ashburton North Strategic Industrial Area (SIA).	Noted and Agreed.	Should Council resolve to support the application the key strategic consideration of ensuring that Planning Approval accommodates the Government's intention that the SIA and accommodates multiple proponents, access arrangements and ancillary industries in the SIA.

		A key strategic consideration in this regard is to ensure that any development approval(s) accommodates the Government's intention that the SIA accommodates multiple proponents and appropriate access arrangements for all future core and ancillary industries in the SIA.		
5.	Senior Town Planner Development Services Branch Water Corporation 629 Newcastle Street Leederville 6007	With respect to the proposals above, the Water Corporation does not object to these Planning Applications, the works are not within the Water Corporation's operating licence areas for Water and Wastewater services.	Noted and Agreed.	Noted and Agreed.
6.	Regional Manager Department of Water Pilbara Region Lot 4608 Cherratta Road Karratha 6714	Please note that 2 submissions were received from the DOW:  Submission 1 - 19 May 2010.  Thank you for your letter received on 6 May 2010, providing the Department of Water (DoW) with the opportunity to comment on the above proposal. The DoW Pilbara region has reviewed the planning applications and offers the following advice.  The DoW has assessed the proposed BHP Billiton planning applications and given the Onslow town site and surrounding area is highly constrained (flooding, severely limited groundwater,) cannot support the planning application until a District Water Management Strategy (DWMS) has been produced for the Strategic Industrial Area.	Noted and Agreed (to both submissions.  The Department of Water's approach was somewhat modified in its second submission. However, it is agreed that water management is crucial to the development of the land. Importantly, the Department does not now require a District Water Management Strategy (DWMS) to be produced for the Strategic Industrial Area before it can support the application. In this regard, should Approval be issued, a water management plan should be required to the requirements of the Department.	Should Council resolve to support the application the need for a water management plan to the requirements of the Department of Water should be a condition in any Planning Approval.

The DWMS should demonstrate that Onslow is capable of supporting the Strategic Industrial Area as a whole and how the above constraints will be managed. The Onslow DWMS will be the reference for the future strategic industrial area, subdivision and development, and the DoW recommends approval of the planning application be deferred until appropriate investigations have been undertaken and a DWMS has been produced.

The DWMS should demonstrate that the subject area can support the proposed change in zoning. It should contain a level of information that reflects the site constraints and risk to water resources.

This should include, but not be limited to:

- Site constraints
- Flood Risks
- Water Management
- Fit-for-purpose water source planning
- Design and management objectives

The DWMS should include a commitment to prepare a Local Water Management Strategy (LWMS) to be implemented at development application stage. The information contained in the preceding district water management strategy should provide the foundation for development of a local water

management strategy, required by individual proponents (i.e. BHP Billiton Petroleum) to support their planning applications.

The DoW encourages BHP Billiton Petroleum to engage in discussions with other future users off the SIA to discuss development of the DWMS. It may be undertaken in an Pilbara Region integrated manner, with sharing of information, to benefit all stakeholders.

### Summary

The DoW considers that more information is required to demonstrate district water management issues have been addressed, before any planning applications are approved.

Submission 2 – received 12 July, 2010

The Department of Water considers that issues raised by the Department in relation to BHP's Macedon Development application, should be addressed at the next, more detailed level of planning.

Therefore, the DoW is comfortable that the project proceed, prior to preparation of a DWMS, providing a Local Water Management Strategy is prepared to address water management issues identified – in due course.

Department of State Thank you for providing the Noted and Agreed. Should Council resolve to support the Department of State Development Development recommended application all (OSO) with the opportunity to The Department has provided an information sought by the Department comment on the Macedon extensive assessment of the required of State Development in any Planning Development Application (DA). information associate with any Approval. approval. All areas covered in the DSD has a particular interest in the submission should be included in any planning for the proposed Approval Ashburton North Strategic Industrial Estate (AN SIA) and has been working with BHP Billiton Petroleum (BHPB), LandCorp and Main Roads WA to ensure that the Macedon project can be seamlessly integrated into the AN SIA when it is created. The Macedon road is important, as it will be part of a multiuser infrastructure corridor, and the hydrology study indicates that the proposed road may act as a barrier to floodwater drainage. DSD understands that BHPB will initially construct the road so that it is fit for Macedon purposes and, at a later stage, the road will be upgraded to form the AN SIA access road. This requires the road to be constructed so that: 1. it can be easily upgraded, and 2. it is in a location that fits into the overall concept plan for the multiuser infrastructure corridor currently being established by LandCorp. Moreover, the road and the gas sales pipeline alignment will need to be planned carefully so that they do not limit the available space within

the infrastructure corridor.

### (A) GAS PLANT AND GAS PIPELINES DOCUMENTS

Please note that the documents contain a factual error: Retention lease WA.12- R has been converted into Production licence WA-42-L.

### 1) POSSIBLE CHANGES TO THE DA

BHPB states in the DA that changes to the Macedon project design could be made while FEED is being undertaken.

DSD is concerned that, if these changes were to be major, agencies would not get an opportunity to comment on the changes. DSD would like to have an undertaking from BHPB that, if it proposes changes to the Macedon project, the relevant agencies (e.g. DSD, LandCorp, Main Roads INA (MRWA)) will be further consulted so they can comment on the changes.

Furthermore, DSD understands that the DA cannot be determined prior to completion of the ERS, which currently is underway (expected to be completed in August 2010).

### 2) WET GAS PIPELINE

### Specification

The DA does not reflect the written agreement BHPB has given to DSD in regard to the specifications of the wet gas pipeline within the AN SIA.

BHPB agreed that the wet gas pipeline from the western boundary of the AN SIA to the Macedon gas plant would be constructed to the residential gas pipeline requirement (i.e. deeper burial and greater wall thickness) to ensure that no constraint is placed on the development of the AN SIA. DSD would like this reflected in the DA document.

### Shore crossing

The DA lacks information on the shore crossing facilities. BHPB has advised DSD that the company requires a lease for the umbilical termination to facilitate gas transfer from the offshore well system into the wet gas pipeline. DSD understands that a number of tanks with hydraulic equipment will be constructed within the lease.

DSD would like information on these facilities to be included in the DA, including information on whether this area will be fenced.

### River crossing

The DA does not provide details on the river crossing for the wet pipeline, i.e. how deep the pipeline will be buried and when the company expects to undertake the work near the river. DSD understands that the river is frequented by 'grey nomads' in the dry season and is also aware that the pastoralist has expressed concerns over the river crossing.

DSD would like to know from BHPB how these issues will be mitigated.

### 3) SALESGAS PIPELINE

### Specification

The DA does not reflect the written agreement BHPB gave to DSD in regard to the specifications of the sales gas pipeline within the AN SIA.

BHPB agreed that tile sales gas pipeline from the Macedon gas plant to the Onslow Road would be constructed to the residential gas pipeline requirement (i.e. deeper burial and greater wall thickness) to ensure that no constraint is placed on the development of the AN SIA DSD would like this reflected in the DA document.

### User principle

DSD is keen for SIA users to sham infrastructure, such as the pipeline, where possible, and BHPB has advised DSD that tile 500mm pipeline is oversized to allow for the export of third party domgas (i.e. there would be enough capacity for the Wheatstone domgas).

DSD would like the DA to reflect that tile pipeline will be shared. Moreover, DSD would like to see a map included in the DA showing the location where a provision for future connection(s) to the BHPB sales gas pipeline will be made.

Life of pipeline

The DA states that tile CP system will be designed to last the life of the sales gas pipeline, which is quoted to be approximately 20 years, the anticipated lifespan of the Macedon project.

DSD would like to know whether this means that the CP system will need to be replaced after 20 years and whether this would involve significant earthworks that could disrupt the industries within the AN SIA, or impact on road traffic, or have a negative impact on a third party pipeline user?

DSD would like BHPB to provide clarification on this matter.

### 4) MAINTENANCE OF PIPELINES

The DA provides information on the maintenance of the gas plant but no information is given on maintenance of the pipelines. DSD would like tile DA to contain information on pipeline maintenance, including the timing of maintenance events and the number of people required.

### 5) ACCESS ROAD/INFRASTRUCTURE CORRIDOR

The BHPB access road and pipeline construction for the Macedon development will be part of the AN SIA infrastructure corridor that will provide multiuser access and services for the industrial estate. BHPB, in the first instance, is creating a 200m wide corridor

that will be widened by Chevron to 300m. A 50m wide corridor will be set aside for pipelines, enabling construction of up to 3 pipelines if required.

LandCorp is currently carrying out a study into the layout and design of the infrastructure corridor and is developing a cross section of the facilities in the corridor so usage of the corridor can be maximised. BHPB's DA does not provide a cross section for the pipeline and the access road to illustrate where they are located within the corridor.

Condition: BHPB to provide a cross section to clarify the location of the pipeline and the road, and also to continue discussions with DSD and LandCorp and the Dampier Port Authority to ensure that the BHPB plans are in alignment with the State's overall concept plan for the AN SIA.

### 6) TRAFFIC IMPACT ON REGIONAL ROADS

The DA states that rock for stabilisation will be sourced from licensed quarries located in the Dampier to Exmouth area. However, the amount of fill required is not stated.

The DA lacks details concerning impacts on regional roads, particularly Onslow Road, including anticipated traffic volumes and tile timing of peak traffic. DSD would like to see more information from BHPB in regard to the above.

Condition: BHPB should continue to work with MRWA on the traffic issues so that they can be managed. In addition, peak traffic on the AN SIA access road may impact on other users of the SIA (e,g. Chevron) and a traffic management and consultation plan should be put in place as a requirement of the DA approval.

7) ASHBURTON NORTH STRATEGIC INDUSTRIAL AREA SCHEME AMENDMENT

Given the timelines of the Macedon project, it has been agreed that the Macedon project can proceed without first rezoning the land to accommodate industry. The justification for this is based on:

- i) precedent: pipeline gas projects are already operational in Rural zones under the Shire of Ashburton's Town Planning Scheme No.7.
- ii) the size and scale of the Macedon project does not warrant a full rezoning, particularly as it is self contained (not requiring numerous integrated elements).

However, it has been made clear to BHPB that interest by other proponents in the Ashburton North site will require the Macedon project to be considered as part of the proposed Ashburton North Strategic Industrial Area.

Therefore, rezoning of the Macedon site to Strategic Industry will need to take place at a later time. Aside from the procedural requirements of the scheme amendment process, the most significant requirement is the need to develop a District Level Structure Plan across the entire site. BHPB needs to be mindful of the need to participate in this activity to ensure an optimal planning outcome can be delivered.

DSD would like to see a commitment by BHPB to feed into the process of rezoning the SIA.

### 8) TEMPORARY WORKFORCE ACCOMMODATION

The DA states that BHPB will utilise a Temporary Construction Camp on its land allocation in tile proposed Ashburton North SIA. The company expects to require the camp for up to 4 years. DSD would like to have information included in the DA on whether BHPB intends to retain the lease over the camp or surrender it after 4 years.

### 9) Operating Workforce

The DA outlines that Macedon will have an operating workforce of 10 people and that BHPB intends that this workforce will reside in the town of Onslow. The remaining workforce will reside in an operational (fly-in/fly-out) camp on land identified near the Ashburton North site.

The impact of the operational fly-in/fly-out camp needs to be considered carefully. As it lies in the "Stage 2 area" of the Ashburton North SIA, there is a likelihood this area will not be rezoned 'Strategic Industry' for some time.

Therefore, as camps are permitted in 'Rural' zones it may be possible to establish the camp for a finite period. However, utilisation of the remaining area identified far the SIA could be compromised by the presence of the camp. In addressing the issue of locating a portion of its operational workforce in town, the DA provides no consideration of the impact this population growth will have on the Onslow town site, particularly in respect to land access and infrastructure. This is important given that, at present, there is no spare infrastructure capacity to service additional population.

DSD requires BHPB to provide detail of how it intends to address these issues.

#### 10) Maintenance crew

The DA mentions the need for annual shutdowns and major shutdowns lasting up to two weeks involving maintenance crews of 60 and 100 people, respectively. BHPB did not previously bring to DSD's attention the need to accommodate a large number of maintenance workers on a regular basis.

DSD would like the DA to include information on where BHPB expects to accommodate these people, particularly as housing in Onslow is already tight and the influx of maintenance crews could stretch services.

- (B) SURFACE WATER ASSESSMENT
- 1) RAISING FLOOD WATERS UPSTREAM

The study concedes that the Macedon development will cause upstream flood waters to rise due to damming of flood water by the access road. DA is concerned that this may affect the development of the AN SIA and could potentially increase the development costs for future proponents or, in the worst case scenario, preclude certain areas of the AN SIA from DSD would like development. BHPB to include a risk mitigation strategy in the DA. The risk mitigation strategy should take a strategic approach and indicate how future cumulative impacts from flood water may be managed.

2) ALTERATION OF THE ASHBURTON RIVER MOUTH

The DA states that changes to the drainage patterns as a result of the Macedon development could have a follow-on effect on erosion and sediment deposition that may impact on the mouth of the Ashburton River.

DSD is concerned that changes to the Ashburton River may affect the development of the AN SIA. DSD would like 8HPB to include information in the DA on how this risk could be mitigated.

### 3) ACCESS ROAD HEIGHT

The study does not provide information on the height of the access mad, except for floodways, for which a minimum height 4.0rn AHO is quoted. DSD would like detailed information included in the DA on the overall height of the access road and the location and size of culverts.

### 4) ACCESS ROAD I ONSLOW ROAD INTERSECTION

In meetings between DSD, BHPB and MRWA, it is agreed that the intersection with Onslow Road required a 200m seal. The DA should contain a commitment by BHPB that it will be putting in place this seal.

### 5) HOOLEYS CREEK

In previous meetings BHPB has pointed out to DSD that drainage of floodwaters in the AN SIA was through Hooleys Creek.

The hydrology study does not mention Hooleys Creek and the anticipated impacts on areas that are affected by Hooleys Creek floodwaters.

DSD would like clarification on this matter.

		6) MITIGATION OF CONTAMINATED STORMWATER		
		The DA outlines that there could be contamination of the AN SIA site from contaminated runoff, especially in the vicinity of the access road. The DA indicates that BHPB will mitigate the risk from runoff at its gas plant site by installing a basin to catch the contaminated stormwater.		
		DSD would like to know how BHPB will mitigate the runoff of stormwater from the road.		
		(C) SOCIAL IMPACT ASSESSMENT		
		The social impact documentation that is provided with the Development Application is extensive and shows Significant detail. Clearly, considerable thought has gone into devising a suite of strategies to contribute to the development of Onslow. However, as the town's infrastructure networks cannot support additional development there is a need to investigate what strategies need to be put in place to service growth in population.		
8.	LandCorp Level 3 Wesfarmers House 40 The Esplanade Perth 6000	Thank you for providing LandCorp the opportunity to comment on the Macedon Development Application. LandCorp supports the development of the proposed Macedon Gas Project and provides the following comments:	Noted and Agreed in part.  The LandCorp submission provides valuable guidance to the necessary assessment required from its perspective. However, some recommendations are outside the	Should Council resolve to support the application the information relevant to the Applications as sought by LandCorp should be included as a condition in any Planning Approval.

Proposed Gas Treatment & Compression Plant, Construction Camp and Access Road (A3 document)

Part 4.2.2: Transient Workers Camp: It is noted that the transient workers camp is to be removed from the site once the construction and 12 month shutdown activities are complete. In addition to the anticipated Scheme rehabilitation measures, LandCorp will have rehabilitation provisions included in the site lease document. LandCorp recommends that separate land titles and leases be established for the plant and transient worker campsites.

The accommodation camp lease would terminate following completion of the 12 month shut down maintenance period allowing BHPB to rationalise their land holdings and ground rental payments. A separate lease for the workers camp also ensures that the facility has an agreed finite life and does not remain as a constraint on further industrial development and the creation of a Strategic Industrial Area.

#### Part 5.2: Land Allocation:

Reference is made to the allocation of land for investigation purposes and it should be noted that this was not a formal site allocation. To assess the proposed Macedon plant site, LandCorp requires details of BHPB's risk contour assessment to ensure that the level of risk at the plant site boundaries

control of the Shire and are more within the realm of the State authority.

Fore example, reference to leasing arrangements is a matter for State Agencies and cannot be included in a Planning Approval.

However, where possible, any Planning Approval should reflect upon the recommendations of LandCorp.

is appropriate for the operation of the facility and does not present a risk to surrounding uses.

The site lease will require that the Macedon operation does not detrimentally impinge on adjacent lands.

Planning Process to Create the SIA:

BHPB is expected to contribute to the planning measures required to create the SIA. This includes the provision of existing site data and contribution to any additional studies including, but not limited to, the preparation of a Local Water Management Strategy.

#### Fill Sources:

LandCorp seeks BHPB's advice on the source of fill material required for the road and site works. The use of burrow pits within the corridor or proposed SIA will not be supported.

Social Impact Assessment:

Workforce Impacts: References indicate that the additional operational workforce will have limited impact on the township. LandCorp considers that the additional impact of 10 operational workers, totaling 45 potential residents (when multipliers are applied to calculate associated population such as family members) will be significant on a township where existing infrastructure networks are already under extreme pressure.

Further stress on services and accommodation will also occur with the pre-construction camp (20-30), annual maintenance shutdown (60) and major shut downs (80 to 100). Greater detail on strategies / contributions to infrastructure to address these accommodation and servicing needs is expected.

Section 4.1.2.1 refers to a Workforce Management Plan to guide activities, but there is no indication as to when this will be available.

#### **Town Services:**

Water and power supply capacity in Onslow is already inadequate. Further clarification is required on the proposed mitigation actions. Department of State The Development (DSD) is preparing an Industrial Precinct Development Agreement and this should be the vehicle for an appropriate financial contribution to social infrastructure, including improvements to the capacity of water and power services. The Department of State Development provided LandCorp with a copy of their draft comments on this application. In general, LandCorp supports DSD's views and would like to reinforce comments on the following priority issues:

### Pipeline Standards:

As identified in DSD's comments, LandCorp requires that the DA acknowledge the agreement with BHPB that all gas pipelines within the SIA boundaries and to Onslow

		Road be constructed to the		
		residential gas pipe standard.		
		Access Road / Infrastructure Corridor: LandCorp requires cross sections and further detail of the alignments. These designs are to be signed off by LandCorp and the Dampier Port Authority, prior to construction.		
		Flood Study: The extent of damming from the proposed access road and the impact on the Onslow road requires further investigation. LandCorp recommends that BHPB contribute to cumulative flood modeling taking into account the staged development of the SIA. This modeling should assess the impacts of the proposed road on flood levels and period of inundation within and outside the SIA. Appropriate mitigation measures should also be identified. Road Construction:		
		LandCorp also recommends that BHPB and Chevron provide a combined strategy for the design and construction of the access road to ensure that any flood impacts are minimal. This strategy should be signed off by LandCorp and Dampier Port Authority.		
9.	Dampier Port Authority PO. Box 285, Dampier 6713	Thank you for seeking feedback from the Dampier Port Authority in relation to BHP Billiton (BHPB's) proposed access road to the Macedon Domestic Plant Site at Ashburton North. As you are aware, the DPA has a significant interest in	Noted and Agreed in part.  The Dampier Port Authority's submission provides valuable guidance to the necessary assessment required from its perspective.	Should Council resolve to support the application the information relevant to the Applications as sought by Dampier Port Authority should be included as a condition in any Planning Approval.

this road given that the access corridor will ultimately be vested in the DPA including responsibility for managing and maintaining the road.

The DPA is mindful that BHPB desire is to build a fit-for-purpose road extending from Onslow Road to the Macedon site. DPA understands that it will provide adequate access for BHPB operations.

In that case, the DPA suggests any sections of road that are subject to inundation have sufficient downstream batter protection. This will reduce maintenance of road and shoulder scouring that will follow inevitable inundation. The DPA is also cognisant that the road needs to be upgraded to the Port road design criteria.

Once Chevron's (CVX) Wheatstone Project commits to investing in the road (either through a preinvestment decision prior to FID or post FID) DPA will insist that CVX design and construct the road to DPA standards (consistent with MRWA standards). That will ensure suitable vertical elevation, adequate drainage for 1:100 year flood events, surface sealing, and will not require major maintenance after a cyclone event. Specific DPA comments in relation to the Macedon Access Road Development Application include:

a. Potable water supplies in the region are limited. BHPB

However, as with the DPA submission, some recommendations are outside the control of the Shire and are more within the realm of the State authority.

For example, speed limits are matters for State Agencies and cannot be included in a Planning Approval.

However, where possible, any Planning Approval should reflect upon the recommendations of DPA.

	should consider alternate	
	sustainable water supplies for	
	the road construction works	
	and/or dust control. These	
	supplies may include the use	
	of marine waters. If marine	
	water is used, it will be	
	suitable to use compact up to	
	top of sub-grade.	
b.	BHPB to ensure road signage	
	and marking are to MRWA	
	standards.	
C.	3 3 3	
	is provided to MRWA standards, particularly the	
	Onslow Road intersection.	
А	BHPB to ensure that the	
u.	intersection with Onslow Road	
	is designed to safely manage	
	ingress and egress of traffic	
	from the access road (this will	
	require close liaison with	
	MRWA).	
e.	Speed limits must be in	
	accordance with MRWA	
	standards and ensure safe	
	driving conditions.	
f.	Have BHPB considered the	
	installation of fences along the	
	access road to address the	
	risk of stock encroachment?	
	Alternatively, have BHPB considered the installation of	
	cattle grids to match	
	existing/required fences?	
g.	What commitment has BHPB	
Э.	made to road maintenance	
	during a defect liability period?	
h.	BHPB are to ensure they	
	control mesquite, mimosa and	
	other declared weeds during	
	the construction process as	
	part of overall project	
	environmental management.	

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		i. Have BHPB considered smart drainage controls to ensure the preservation and/or enhancement of the natural wetlands in the area? This may assist reducing the overall impact of the road, and the same structures if well designed can be used as sediment control during the construction phase and downstream batter protection during the life of the road.  j. BHPB to ensure DPA are provided with all As-built drawings (hardcopies and electronic), maintenance and operational manuals upon completion of construction.  k. BHPB to ensure access is provided to DPA personnel during the construction phase of work to monitor compliance with the design drawings and other site related matters,  Please note that in the event the CVX project does not proceed, and no other significant projects requiring port load out facilities eventuate, the corridor land may not be vested in the Port, DPA assumes this could result in BHPB being responsible for road operation and maintenance until a port is developed and vesting occurs.		
10.	Director, Assessment and Compliance Services, Office of the Environment Protection Authority Level 8, 168 St Georges Terrace, Perth 6000	The Environmental Protection Authority (EPA) is currently considering the Macedon Gas Development project as a referral under Section 38 of the Environmental Protection Act 1986	Noted and Agreed	That in considering the Applications, Council acknowledge the environmental processes currently being undertaken by the EPA and the necessary approval from the Minister for Environment before Council can

11.	A/Regional Manager Main Roads WA PO Box 620, East Perth 6892	and will be providing public recommendations on the proposal through that process.  The Macedon Gas Development proposal was initially referred to the EPA in November 2008 and the EPA advertised its intention to assess the proposal at the level of an Environmental Protection Statement on 22 December 2008.  It is anticipated that the EPA will release its report and recommendations on the proposal in the next few months.  Note: The EPA has since assessed the proposal and an appeal period is open until 19 July. During that time, no decision from any agency/authority can be made whereby an approval is issued.  Please note that 2 submissions were received from the MRWA:  Submission 1 - 27 May 2010.  Main Roads in conjunction with the Department of State Development has been liaising with BHP Billiton	Noted and Agreed.  Main Roads has provided an extensive assessment of the required information associate with any approval. All areas covered in the submission should be included in any Approval	determine the Applications. In this regard, it is open for Council to indicate its support (or other wise) for the Applications and delegate the final decision to the CEO.  Should Council resolve to support the application all recommended information sought by Main Roads WA in any Planning Approval.
11.	Main Roads WA PO Box 620, East Perth	the proposal and an appeal period is open until 19 July. During that time, no decision from any agency/authority can be made whereby an approval is issued.  Please note that 2 submissions were received from the MRWA:  Submission 1 - 27 May 2010.  Main Roads in conjunction with the Department of State Development	Main Roads has provided an extensive assessment of the required information associate with any approval. All areas covered in the submission should be included in any	application all recommended information sought by Main Roads WA

Main Roads supports the Macedon Project in principle. However, the information provided by BHP Billiton relating to the design, configuration and operation of the road network is too limited to assess the likely road network impact.

Main Roads has reviewed the application document and provides the following summary of the key elements that apply to road access issues and request the suggested conditions be applied for the development.

### Flood Modeling/Drainage:

The data and critical assumptions used in the modeling are not clear and Main Roads is not confident that the modeling process using input data from a gauging station, which appears to be too far away is sustainable. The software tools used in the modeling are not design tools and are suitable only for investigation purposes.

Main Roads agrees that the location for the proposed road is subject to inundation due to break out from the Ashburton River, based on a detail investigation by Main Roads in the area, during a 1997 flood event.

URS consultants were commissioned by BHP Billiton for the flood modeling. However, due to the complex nature of the flood issues in this area Main Roads suggests that BGE consultants may provide more effective results due

to their experience in flood modeling works and flood investigation of this magnitude and nature, such as the Fitzroy Crossing hydraulic investigation Main Roads is currently working on.

Condition: More detailed flood modeling be undertaken by the proponent and include flooding scenario, drainage scenario and environmental drainage shadow issues, calibrated against the 1997 flood event, for Main Roads approval.

#### Road Access:

The Road Conceptual Drainage Design Report indicates that the design for the new access road from Onslow Road to the project site is based on a level height of 4.5 metres. However, the flood modeling indicates that the road at this level will over-top in a 1:10 year rain event, which would result in road flooding and closure. This level of service is not acceptable for a State Road. The flood modeling suggests an optimal road height of 5.8 metres, however, without accessing the flood modeling computation information, data used and level of rigour of investigation, Main Roads is not able to determine appropriateness of the suggested 5.8 metre road level.

No preliminary engineering plans, intersection treatment plans or specifications of the proposed 16 drainage culverts have been

provided. The proponent indicates that they will negotiate with Main Roads on necessary road modifications and upgrades. Main Roads previously advised BHB Billiton that the new access road and intersection with Onslow Road to be designed to Main Roads standards, which includes a nine (9) metre pavement on an eleven (11) metre formation for the access road and design criteria to cater for triple road trains (53.5m).

The intersection shall have a suitable turning pockets and the access road to be sealed 200metres from the intersection. The intersection will also require adequate lighting. Any permanent access tracks/roads from Onslow Road to the pipeline reserve west of the Onslow Road alignment are to be discussed and approved by Main Roads.

Road access to the Macedon site is proposed as a private road in the first instance. However, the tenure of the access corridor and access arrangements for the Macedon project require clarification and agreement to ensure that appropriate road standards are met and public access for future proponents in the Strategic Industrial Estate is not compromised.

I understand that the Department of State Development is the responsible State agency to address this issue in consultation with key stakeholders, including Main Roads.

The location and configuration of the future infrastructure corridor. including a road corridor is subject to a review of the proposed plan for the Strategic Industrial Estate by Landcorp in consultation with key including stakeholders, Main Roads. The future infrastructure corridor is planned to be about 300 metres wide. The proposed access road for the project should be consistent with the ultimate infrastructure corridor configuration.

#### Conditions:

Road engineering design plans, proposed road level, intersection details and drainage culvert specifications to be provided by the proponent for approval by Main Roads.

All roadworks including the intersection with Onslow Road shall be at the proponent's expense.

The location and configuration of the proposed Macedon access road within the future infrastructure corridor is subject to approval by Landcorp. Road corridor tenure and access agreements is subject to approval by the Department of State Development.

Page 2 of 3 Traffic Assessment:

The Proponent indicates that the travel demand and impact on Onslow Road will be minimal during the construction and

operational phases of the project. However, the proponent indicates that rock for pipeline stabilisation will be sourced from quarries within the Dampier to Exmouth region. It is assumed that the majority of rock will be transported to site on the Onslow Road. There is no mention of quantities of rock required, which could impact on the safety, efficiency and pavement condition of Onslow Road, nor is there an indication of how the future transport task will be managed.

Condition: Proponent to provide a comprehensive traffic impact assessment for the project for approval by Main Roads. Any road upgrading works identified shall be constructed at the proponents expense.

Gas Pipeline (Sales)

The gas pipeline from the gas plant to the Dampier -Perth pipeline is proposed along the western boundary of Onslow Road in a 50 metre wide easement. The plans provided are difficult to read. For clarification the proposed gas pipeline easement should be coincident with the proposed Onslow Road reserve boundary which is generally 100 metres parallel from the existing road pavement.

Condition: The proposed gas pipeline easement to be coincident with the proposed Onslow Road western road reserve boundary and subject to Main Roads approval.

Submission 2- Further correspondence from MRWA dated 9 July, 2010

I refer to your e-mail correspondence of 29<sup>th</sup> June 2010 with correspondence attached from BHPB in respect to Main Roads submission to the Shire of Ashburton of 27<sup>th</sup> May 2010.

BHPB Macedon is the first of the three major proponents that have an interest in the Ashburton North Strategic Industrial Area (ANSIA) to provide preliminary design information on the road infrastructure.

It is acknowledged that the designs are only preliminary at this stage and further review can be undertaken independent of the approval of the development application (albeit a possible condition of approval). A similar situation exists with the waterways information only being preliminary, where no further comment can be made until further detail is provided.

An area of concern is the design criteria being used is 1 in 20 years (serviceability) and not 1 in 50 years (survivability) for the waterways designs, which has been acknowledged by consultants BG&E will result in some overtopping, which is unacceptable.

Other concerns, which BHPB did not appear to address is the potential impacts of the waterways on the existing road networks both the Main Roads network or the Shire's network and the apparent lack of acknowledgement that the road design and waterways need to be considered by way of the overall co-ordination incorporating the requirements of all development proponents.

At this stage there has been no agreement on the ownership of the road infrastructure within the corridor but if the road is to become a State road then Main Roads will only accept design criteria that include survivability at 1:50 years.

The design is also based on an assumed 300 vehicles per day (VPD) which may address BHPB's expected traffic volumes but will not support the increased traffic volumes when the other proponents commence construction activities.

Main Roads has provided detailed comments on the draft ARUP report (28 May 2010) for the ANSIA commissioned by Landcorp and the Department of State Development. This report details that proponents are suggesting different road levels for road access in the infrastructure corridor to meet their required level of service (LOS) which will have a potential impact on flood events. It makes common sense that all parties need to agree on an acceptable LOS.

The report needs to be understood in the context of the expected use of the road corridor and in particular the likelihood that the road design will need to cater for a vast increase to the 300 VPD that the BHPB design is based on. One assumption in the ARUP report is to achieve Tier 3 for the future industrial area, 23.8 million cubic metres of fill will be required and depending where this material is sourced there may be up to 650,000 road train movements on the road.

From enquiries from subcontractors for the proponents there could be 3-5 million tonnes of rock required for the gas trains and port facilities. This will be sourced from east of North West Coastal Highway and adds a minimum of 40,000 road train movements on Onslow Road and the new road corridor

While Main Roads acknowledge that the design may meet BHBP's requirements we have concerns that a staged construction is not necessarily in the greater good of the overall Infrastructure Corridor.

It is considered that any decision by Council and advice to BHP Billiton, should include a requirement / be conditional on a number of the concerns being adequately addressed.

# SUMMARY OF NON GOVERNMENT AGENCY SUBMISSIONS BHPB APPLICATIONS

No.	Submission From	Summary of Submissions	Shire Comment	Shire Recommendation
1.	Troika Legal 2/148 Mill Point Road South Perth 6151	Grounds of objection to Planning Applications no. 20101070 and 20101071  1. Compliance  (a) Planning applications titled Proposed Gas Pipelines & Umbilical dated March 2010 (Ref: 20101070) and Proposed Gas Treatment & Compression Plant, Construction Camp & Access Road dated March 2010 (Ref: 20101071) (together, the "Applications" and the Macedon Gas Project Social Impact Assessment dated 30 March 2010 (the "SIA"), do not comply, or in the alternative, Forrest & Forrest Pty Ltd (the "Objector") does not admit their compliance, with the Shire of Ashburton Local Planning Policy Social Impact Assessment, the Shire of Ashburton Town Planning Scheme No.7 and the Planning and Development Act 2005.  (b) There has been no individual consultation by BHP Billiton Petroleum ("Australia") Pty Ltd (the "Applicant") with the Objector. The Objector became the new owner and operator of pastoral lease 3114/661 known as Minderoo Station (Minderoo Station") on 9 September 2009, which has	Noted and Agreed in part.  The submission raises a number of matters outside the ability of Council to consider them as part of the Planning Application. In relation to the comment from the submitter that BHP Billiton has not, in the opinion of the submitter, adequately consulted, this is matter between the two parties and perhaps, the Department of State Development. It should be noted however that in discussions with representatives from BHP Billiton, they deny that there has been a lack of consultation.  Suggestions made by the submitter that a Planning Approval include assessments and matters to their requirements cannot be included as a condition, as it is outside the ability of any approval. In this regard, the submitter should express their concerns with the Department of State Development and seek a negotiation with that agency and BHP Billiton.  However, the design of any road should include underground access points, so that livestock and vehicles can freely cross from one side to the other.  In addition, it is reasonable that fencing be provided in the form of	Should Council resolve to support the application the matters referred to in 'Staff Comment' of this schedule should be included as a condition in any Planning Approval.

- allowed for a period of over 8 months to date during which consultations could have occurred.
- (c) The Macedon Gas Project Social impact Assessment dated 30 March 2010 (the "SIA"), fails to identify or address any potential construction and operation impacts of the proposals on Minderoo Station, whether they be economic, social, ecological or cultural. The only exception is a reference to Minderoo Station which appears under paragraph 3.4.3.5 of the SIA, that refers to the pastoral industry in general.
- (d) The Applications and the Report titled Plant and Access Rood Conceptual Drainage Design dated 22 April 2010 (the "Report"), also fail to identify or address any potential construction and operational impacts of the proposals on Minderoo Station.
- 2. Impact on Minderoo Station
- (a) The grant of the Applications and/or the future activities of the Applicant on the land within Minderoo Station the subject of the Applications will:
  - (i) deprive the Objector of the use of land;
  - (ii) adversely affect the Objector's pastoral operations, pastoral improvements and revenue derived from the pastoral lease; and

stock proof fencing and erected prior to any construction works being carried out so that there are no exposed construction works. (iii) injuriously affect the viability of the pastoral business operated by the Objector.

#### Particulars

Without limiting the matters in paragraph 2(a) above, the particulars of impacts on Minderoo Station are as follows:

- (A) the northern section of Minderoo Station is part of the Ten Mile paddock (see attached map). This is productive grazing land, is currently in use and can hold approximately 1,500 free roaming safe cattle;
- (B) the proposed construction of the wet gas pipeline with umbilical to the gas plant, and the proposed construction of the access road from the existing Onslow Road to the gas plant ("Access Road") with the sales gas pipeline, will adversely affect cattle grazing movements and cattle safety;
- (C) the proposed Access Road, once constructed, will effectively sever off the north eastern corner of Minderoo Station. This is an area of 3,892.46 ha. (see attached map) and can hold approximately 1,000 free roaming sale cattle;
- (D) the construction and operation of the proposed

Access Road will lead to noise and dust disturbance to livestock, and livestock vehicle strike;

- (E) there is a watering point with a pipeline that is located directly north of Ten Mile Darn that may intersect with, or run across, the land the subject of the Access Road. This is at a point approximately half way along the Access Road and may need to be relocated.
- (b) Without limiting the matters in paragraph 2(a) above, the grant of the Applications and/or future activities of the Applicant on the land within Minderoo Station the subject of the Applications will cause environmental damage.
- 3. Refusal/granting of the Applications

By reason of the above, the Applications:

(a) should be refused; or

Particulars of refusal

The Shire of Ashburton should require the Applicant to provide an amended SIA, Applications and Report that identifies and addresses the issues raised by the Objector.

(b) only granted on conditions, reasonably acceptable to the Objector, which as far as possible have regard to the

competing interests of the Objector as owner and operator of the pastoral lease.

# Proposed conditions

Without limiting the matters in paragraph 3(b) above, any grant of the Applications should be subject to the following conditions, to the extent that they are on the land within Minderoo Station:

- (i) the construction works must only occur within the areas of land the subject of the two Notices of Intention to Take dated 4 December 2009;
- (ii) the Applicant must provide the Objector with a construction schedule as soon as reasonably practicable, and in no event later than 60 days prior to the commencement of any works;
- (iii) the Access Road must be fenced on both sides. The fencing must be stock proof fencing constructed in the same style as existing boundary fencing. The fencing must be erected prior to any construction works being carried out so that there are exposed construction no works. The design and construction of fencing must be done in consultation with the Objector, to the Objector's reasonable satisfaction;
- (iv) the Access Road/ sales gas pipeline must have a minimum

		of 6 permanently open underground access points, so that livestock and vehicles can freely cross from one side to the other. The design and construction of access points must be carried out in consultation with the Objector, to its reasonable satisfaction;  (v) unless livestock and vehicles can freely cross the wet pipeline/ umbilical, this should have a minimum of 4 access points constructed on the same basis as set out in paragraph (iv) above;  (vi) the Applicant must take all reasonable safe guards against livestock being injured or unreasonably disturbed including, without limitation, the erection of temporary fencing around any exposed construction works;  (vii) the Access Road must be constructed as a sealed road with a bitumen surface; and  (viii) the Applicant must not use the Objector's water supplies.		
2.	General Manager Operations Onslow Salt Pty Ltd Minesite P.O. Box 23 Onslow, W.A 671 0	Thank you for your letter (ref RD.OG.2. 7) of 30 April 2010 and the opportunity to provide comment. Upon reviewing the proposal Onslow Salt has identified a number of serious concerns with planning application reference Number 20101071 that are not considered in the documentation provided. These are:	Noted and Agreed  The information sought by Onslow Salt is reasonable and should be reflected in any Planning Approval.	Should Council resolve to support the application the information sought by Onslow Salt be reflected in any Planning Approval.

- The drainage study does not consider the impact of the BHPB Macedon Gas Development access road infrastructure on the Onslow road, and as this is a vital supply route for Onslow Salt operations any change in extent and duration of flooding of the Onslow road may be of significance to Onslow Salt and the town of Onslow.
- 2. The drainage study does not consider the impact of the BHPB Macedon Gas Development access road infrastructure on either the Onslow Salt crystalliser field or the Onslow Salt condenser field.

In particular, the construction of the access road is likely to cause some changes upstream of this area and the Macedon project flood study does not present sufficient information with which to decide if there is any detrimental affect to Onslow Salt's Operation or the access to Onslow town site.

Both of the issues listed have the potential to seriously affect the future operations of Onslow Salt and their lack of consideration causes Onslow Salt to object to the proposed development until appropriate studies have been completed and appropriate measures are confirmed to rectify any identified adverse impacts on Onslow Salt's operation. Additionally, as Chevron plans to proceed with its Wheatstone project nearby, Onslow Salt believes that any further study must include possible impacts of Wheatstone project as well. Onslow

3.	Marine Coordinator The Wilderness Society WA 2 Delhi Street West Perth, 6005	Salt would be pleased to provide necessary information on the Onslow Salt crystallizer and condenser field for use in modeling the predicted impact.  Thank you for the opportunity to comment on the abovementioned Development Applications and Social Impact Assessment (SIA).  Both Development Applications make reference to an Environmental Protection Statement (EPS) currently before the WA EPA, however:  There is no reference at all in the Applications to the "Macedon Gas Development Consultation EPS" (CEPS) or comments (which may	Noted and Agreed in part.  Many aspects of the submission relate to areas outside the control of Council (relating to the environmental assessment).  However, reference to the need for additional information in assessing the proposal is supported. An update of the Social Impact Assessment as recommended is not considered warranted as it would require constant updating. The intent of the	Should Council resolve to support the application the information sought by the Wilderness Society WA as relevant to the Applications be reflected in any Planning Approval.
		Development Consultation EPS"	warranted as it would require	
		Whilst the Development Applications (and SIA) refer to a Draft EPS (a document subsequent to the CEPS), this has not been		

supplied to TWS and thus, we are unaware of its content or whether commitments made to stakeholders (outside the Onslow CRG Meeting) by BHPB since that time are reflected in that version.

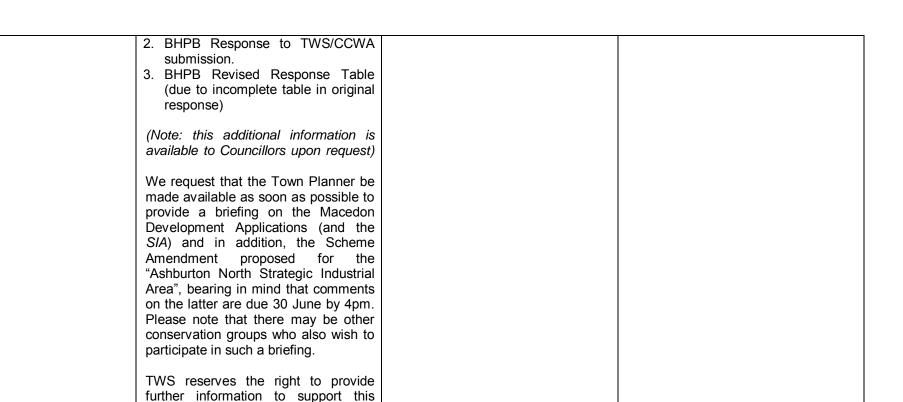
- In the interests of accuracy and due diligence, and in light of BHPB's policy of openness and transparency, the Shire should consider requesting a list of BHPB commitments or changes made to the EPS since the time that the CEPS was made available to Onslow CRG members and other stakeholders for comment. Note that the SIA states (pg 59) "In accordance with its commitment to open consultation. BHPB provided a Consultation Draft EPS to stakeholders in October 2009 for review prior submission of this Draft EPS to the EPA".
- The information contained in the Applications needs to be updated to reflect commitments made by BHPB subsequent to the CEPS comment process (e.g. Laying of pipeline and umbilical in same corridor).
- TWS is concerned that the start of the section entitled 'EPS' in the Applications may suggest to the reader that there was no interest by any individual or group in the EPS or consultation process. In particular, the statement that "no direct contact by any individual or group was made as a result of this advertisement (i.e. WA EPA advertisement of intention to set an

EPS level of assessment) does not reflect interest expressed through other means (CRG meetings, CEPS consultation process etc). In neither the Applications nor SIA is there reference as to the key issues raised by stakeholders (relevant to these Applications), the outcomes of the process or how issues or concerns were addressed by BHPB.

The SIA states "BHPB provided a First Draft of the SIA to stakeholders in October to review prior to submission of the SIA with the Development Application for the Macedon Gas Project to the Shire of Ashburton" (pg 60). Our understanding is that this actually occurred in March 2010 and the Draft SIA was supplied to Onslow CRG members only 2 days before the meeting. Also, although requested, the Draft SIA was not made available by BHPB to conservation groups for review or comment at that time. In addition, note that until Tuesday 25 May 2010 (the day before the deadline for public comments), a complete version of the Social Impact Assessment has not been available for download from the Shire of Ashburton's website or via BHPB.

In light of the above, the submission made by TWS/CCWA on the CEPS (and BHPB's response) are considered of relevance to the Development Applications. Hence, the following documents are attached for your consideration:

1. TWS/CCWA joint submission to BHPB



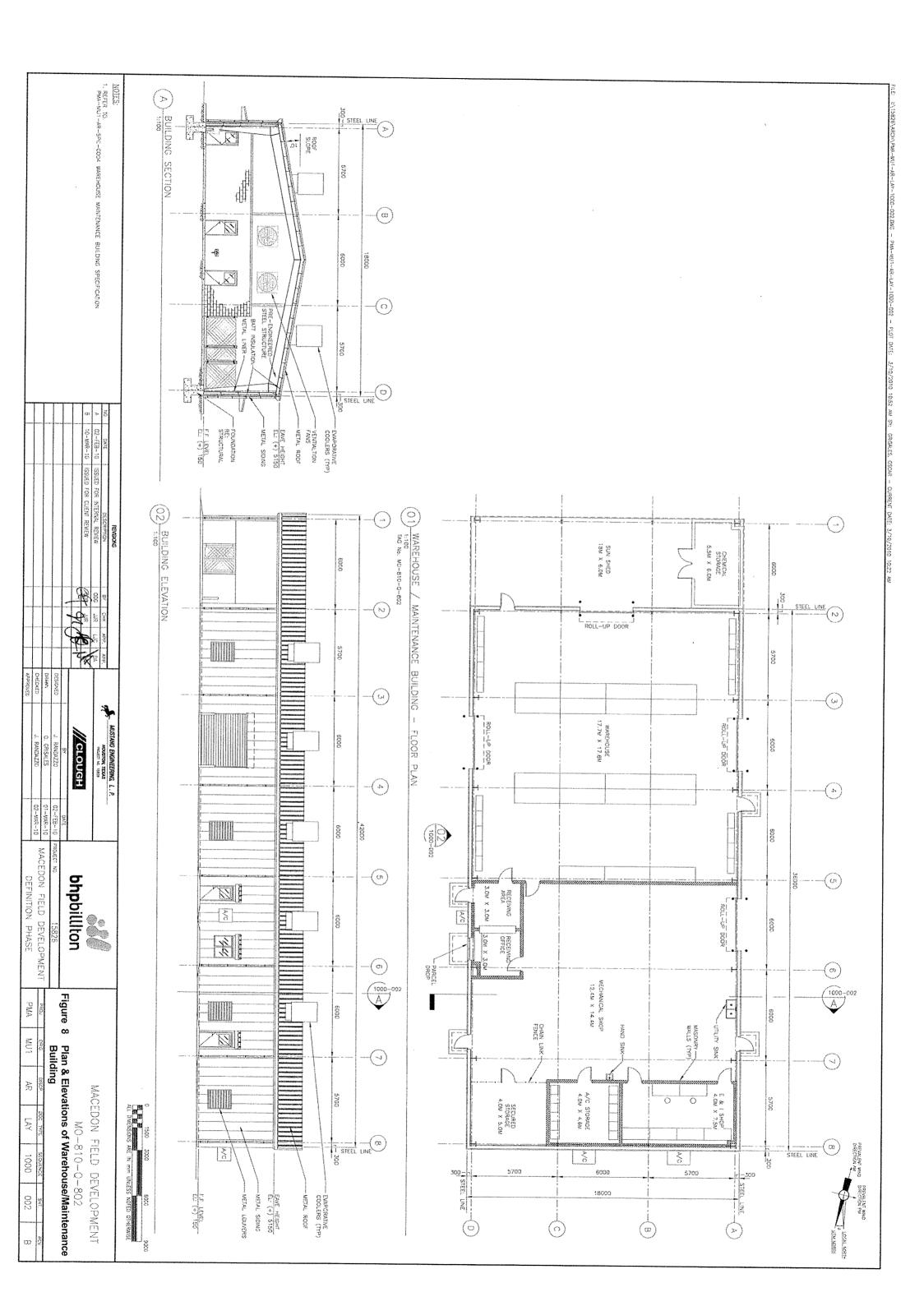
submission on the Development

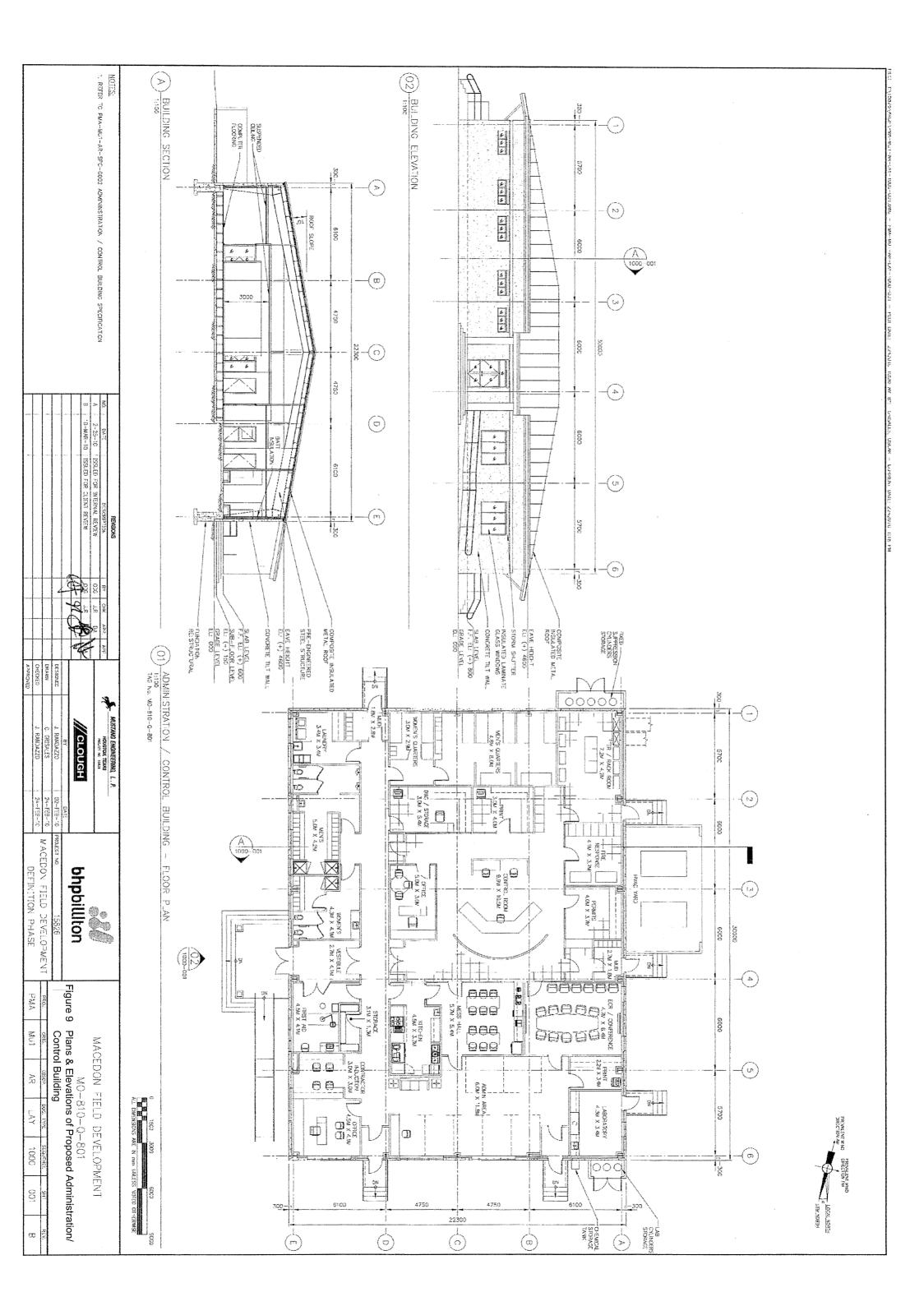
Applications and SIA.

NOTES MACEDON FIELD DEVELOPMENT DEFINITION PHASE **bhp**billlton N/A PMA Figure 3 NUS MACEDON FIELD DEVELOPMENT
GAS PLANT
SITE PLAN DISCP. DOC TYPE SEQUENCE SHT.

CI LAY 1000 001 A REV.

Figure 7 ISOMETRIC VIEW OF PLANT





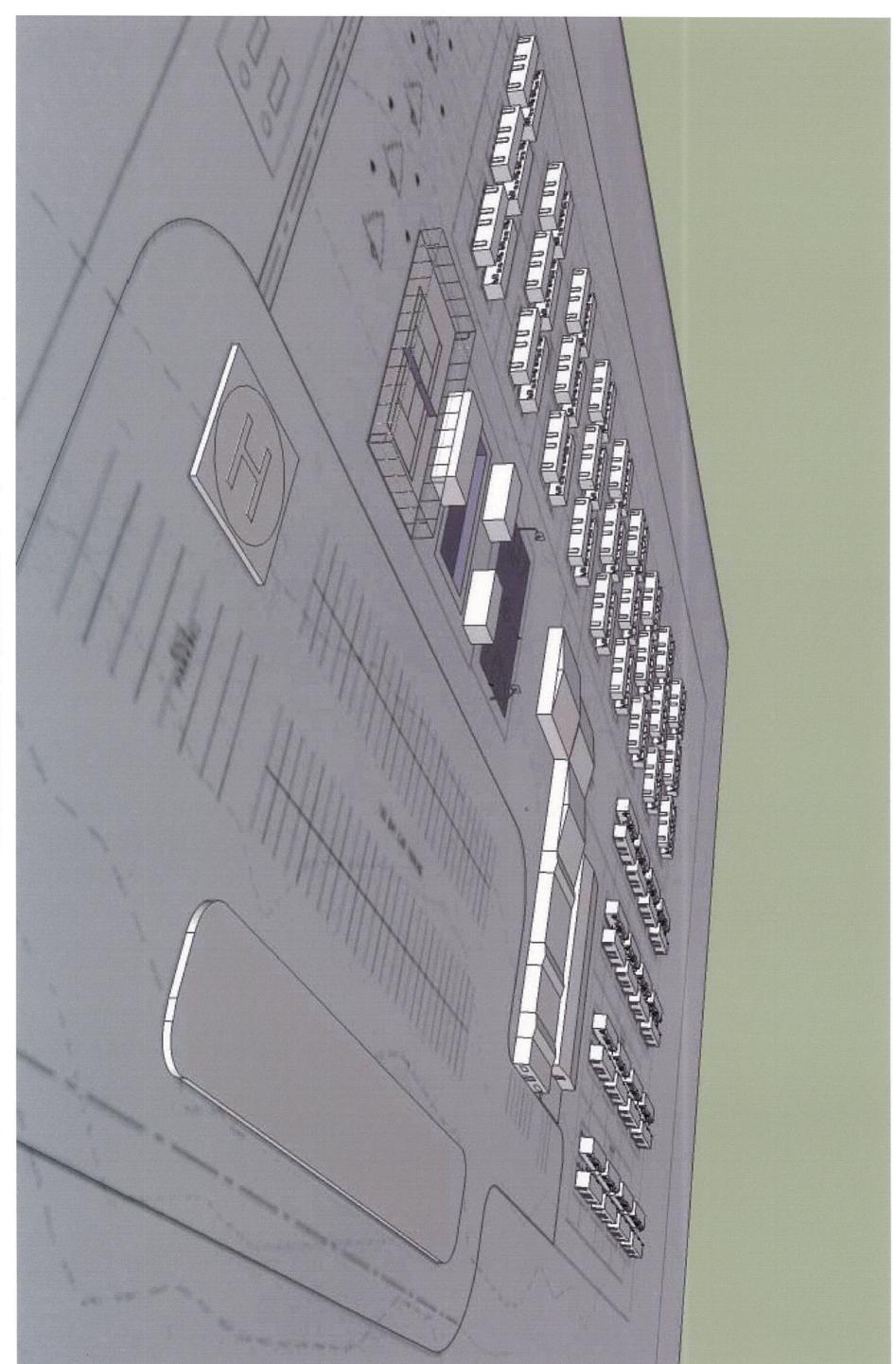
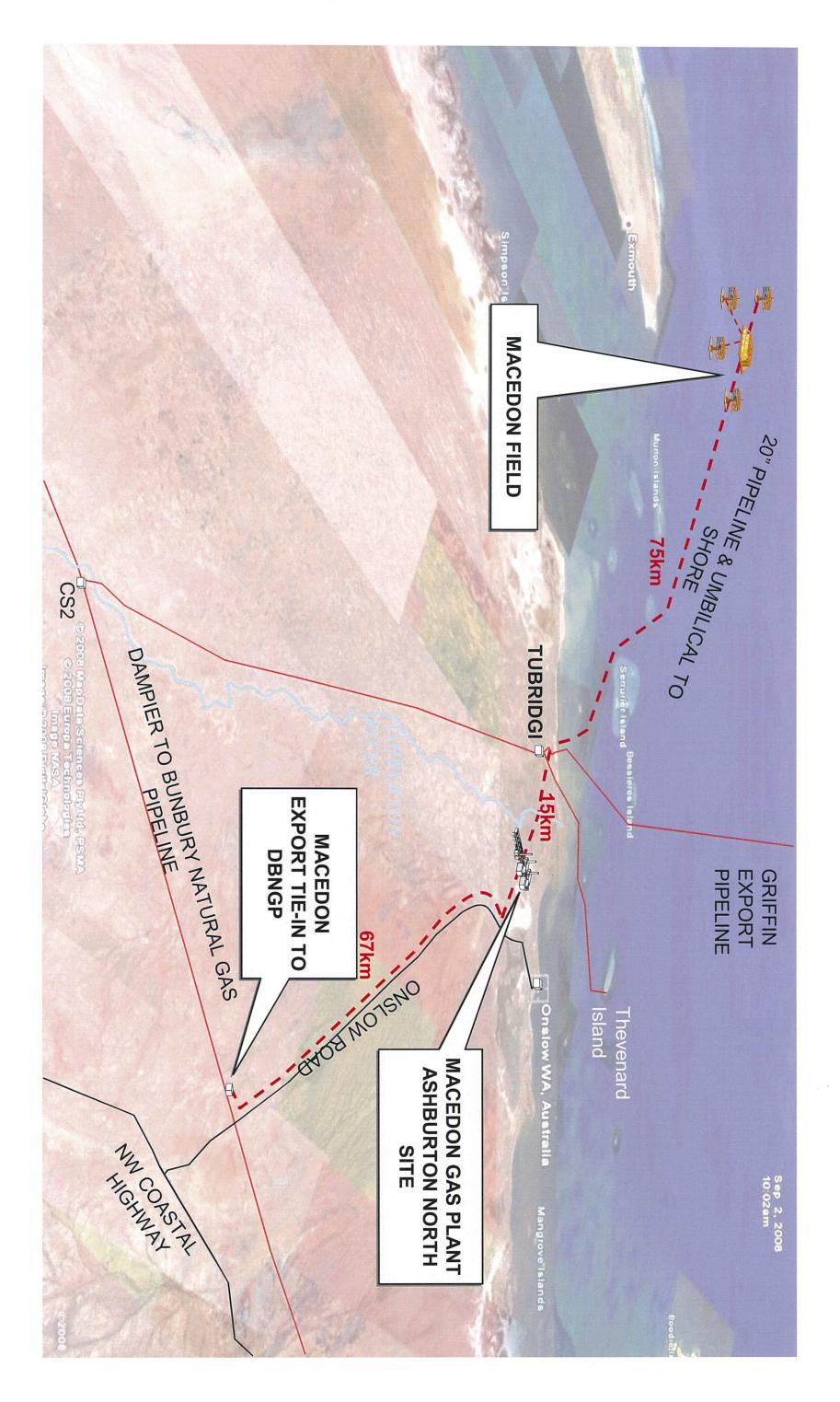
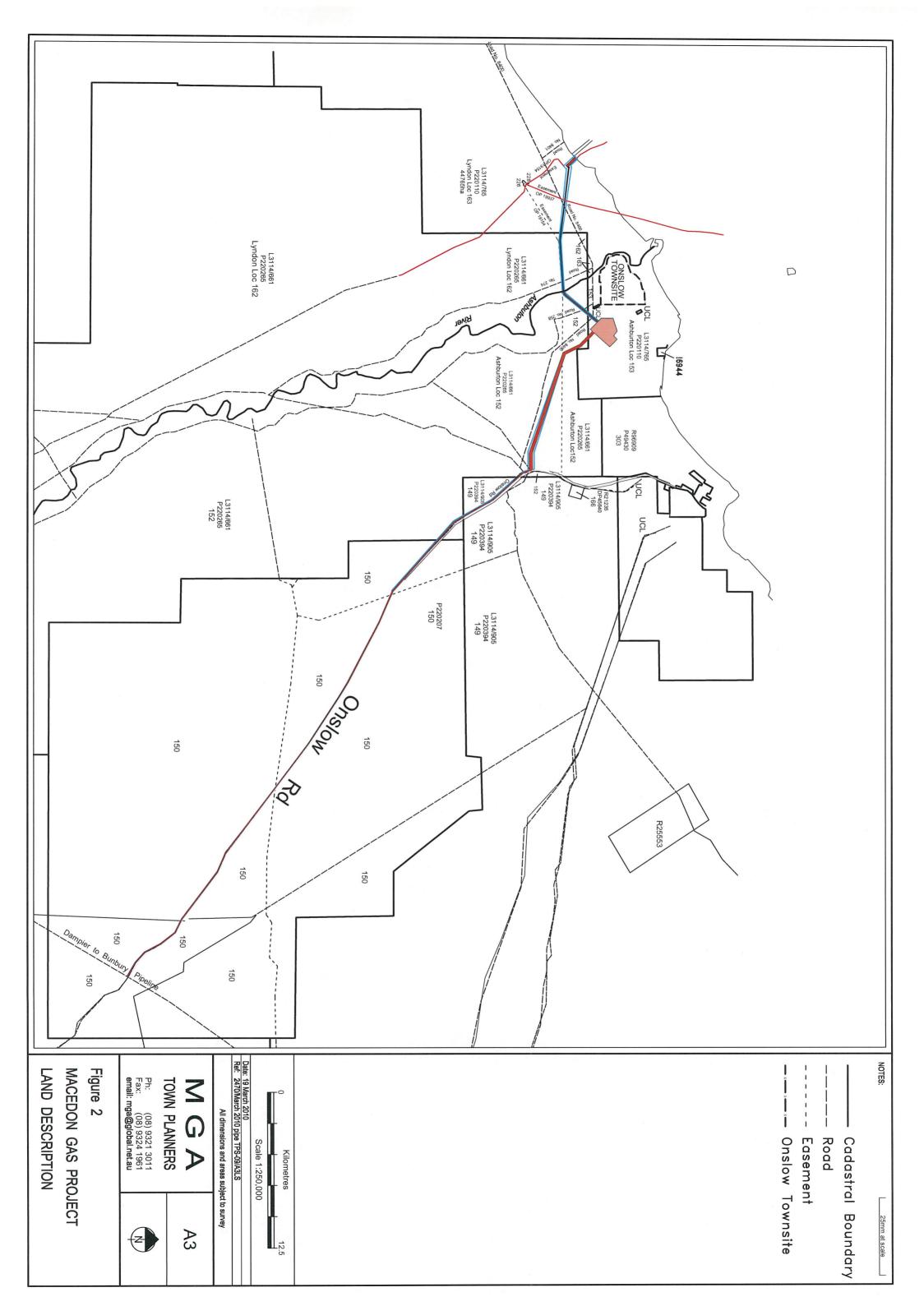


Figure 12 ISOMETRIC VIEW OF CONSTRUCTION VILLAGE







## Petroleum

22 July 2010

Mr Keith Pearson Chief Executive Officer Shire of Ashburton PO Box 567 TOM PRICE WA 6751 BHP Billiton Petroleum Pty Ltd ABN 97 006 918 832 Level 42, Central Park 152 – 158 St Georges Terrace Perth WA 6000 Australia PO Box J668 Perth WA 6842 Australia Tel +61 8 9338 4888 Fax +61 893384999 bhpbilliton.com

Dear Mr Pearson,

Re: Applications for Planning Approval – MGA Town Planners on behalf of BHP Billiton Petroleum Pty Ltd – Shire References 20101070 & 20101071

We refer to the agenda circulated for the Ordinary Meeting of the Council of the Shire of Ashburton on 21 July 2010. In particular, we refer to item 13.07.37 in relation to the two Planning Approvals from MGA Town Planners on behalf of BHP Billiton Petroleum Pty Ltd ("BHP Billiton").

## Summary

- 1. BHP Billiton acknowledges that the Council has a general power to impose conditions on planning applications.
- 2. In BHP Billiton's view, the proposed conditions must be reasonable and should impose obligations that are, as far as can be reasonably achieved, certain as to their meaning and implementation.
- 3. BHP Billiton considers that some of the conditions could be modified to make them reasonable. In this regard, we have recommended alternative wording for your consideration.

#### **Clarifying Notes**

To clarify, BHP Billiton notes the following:

- 1. Planning Application 20101070 relates to the construction of a gas treatment and compression plant, transient workforce accommodation and private road; and
- 2. Planning Application 20101071 relates to the construction of the pipelines for the wet gas and sales gas pipelines and umbilicals.

# Planning Application 20101070

#### Condition 1

Condition 1 relates to the road design. Accordingly, BHP Billiton respectfully suggests that the condition is worded as follows:

"Prior to the commencement of any <u>road</u> works, information is to be submitted by the Applicant showing the proposed private road connection from the facility to the Onslow Road to be constructed essentially at grade, with the purpose of limiting any build up of flood waters that may affect the Onslow Road and nearby salt operations, all to the requirements and satisfaction of the Shire of Ashburton. The Shire may permit the construction of an alternative road design subject to specific conditions as provided for in this Planning Approval"

## Condition 2

Condition 2 relates to the road design. To the extent that the condition requires BHP Billiton to develop a strategy that addresses future cumulative impacts that are unknown, the condition requires BHP Billiton to hypothesise about future developments that are outside its knowledge and control. Accordingly, BHP Billiton considers this condition to be unreasonable and respectfully suggests that the condition is worded as follows:

"Prior to the commencement of any <u>road</u> works, information is to be submitted by the Applicant in relation to the preparation of a flood water risk mitigation strategy <u>which</u> takes a strategic approach to flood mitigation and addresses <u>to the extent reasonably practicable</u> how future cumulative impacts from flood water may be managed all to the requirement of the Department of State Development and the satisfaction of the Shire of Ashburton"

# Condition 3

To the extent that the condition requires BHP Billiton to address impacts on future developments that are unknown or unknown, BHP Billiton considers this condition to be unreasonable and respectfully suggests that the condition is worded as follows:

"i the means by which how the road and plant have been designed to minimize will not cause back up effects which will have an impacts on existing infrastructure and to the extent reasonably practicable proposed future development inef the area;

ii the means by which how the proposed Macedon development has been designed not to significantly will not cause redirection of any flow to the adjoining catchment across Onslow Road;

iii the means by whichhow the proposed Macedon development has been designed not to significantly will not cause an extended inundation time for any of the existing roads, including Old Onslow Road;

iv how the road drainage has been designed to take into account to the extent reasonably practicable the ability to upgrade the road if required for future developments the road drainage including the culverts will be sized to cater for the ultimate road design (i.e. the case where the road does not overtop in the 100 year ARI storm as specified by Main Roads Western Australia) to allow for the future construction of the road to utilise the existing formation and culverts;

v <u>how</u> the stormwater outflow from the proposed <u>Macedon</u> development <u>has been designed not to</u> significantly that will not cause adverse downstream impacts including increase in potential for erosion or

#### flood hazard:

vi a cross section to clarify the location of the pipeline;

vii the overall height of the access road and the location and size of culverts;

viii detailed flood modelling be undertaken by the proponent and include flooding scenario, drainage scenario and environmental drainage shadow issues, calibrated against the 1997 flood event;

ix a hydrology study of Hooleys Creek and the anticipated impacts on areas that are affected by Hooleys Creek floodwaters; and

x a statement from the Applicant that it has consulted with the Department of State Development to ensure that, to the extent reasonably practicable, the road design aligns with the State's overall concept plan for the proposed ANSIA" written confirmation from the Department of State Development that ensures the plans are in alignment with the State's overall concept plan for the ANSIA;

## Condition 4

BHP Billiton respectfully suggests that the condition is worded as follows:

"Prior to the commencement of any works, the applicant is to prepare a drainage strategy of the total development Macedon development (including road construction) that ensures that the water quality targets specified by the Shire of Ashburton and other relevant State agencies are met for the stormwater outflow from the proposed development in respect of the suspended solids, phosphorous and nitrogen, to preserve health of the receiving waters"

# Conditions 5(i) – (iv)

Conditions 5(i) – (iv) relate to matters associated with the pipeline and are not relevant to the approval of Planning Application 20101070. BHP Billiton respectfully suggests that these conditions be removed from this planning application and incorporated into the conditions in relation to Planning Application 20101071.

## Condition 6

BHP Billiton respectfully suggests that the condition is worded as follows:

Prior to the commencement of any works, a water management strategy shall be prepared in relation to the impacts of the Macedon development that reflects the site constraints and risk to water resources and to include but not limited to:

i site constraints:

ii flood Risks;

iii water management;

iv fit-for-purpose water source planning; and

v design and management objectives;

all to the requirements of the Department of Water and the satisfaction of the Shire of Ashburton.

# Condition 7

Condition 7 relates to the road design.

Condition 7(i) requires that BHP Billiton must provide information that confirms the proposed road will be constructed in a location that fits into the overall concept plan for the multiuser infrastructure corridor currently being established by LandCorp. Until the land is formally vested, it is BHP Billiton's view that the Department of State Development is the responsible department for the ANSIA.

BHP Billiton considers this hypothetical and unnecessarily onerous on BHP Billiton. Accordingly, BHP Billiton respectfully suggests that the condition is worded as follows:

Prior to the commencement of any <u>road</u> works, information is to be submitted by the Applicant in relation to the proposed road as follows:

i <u>a statement from the Applicant that it has consulted with Department of State Development to ensure that, to the extent reasonably practicable,</u> the proposed road <u>is in a location that fits into the overall concept plan for the multiuser infrastructure corridor currently being established by <u>the Department of State DevelopmentLandCorp</u>;</u>

ii the proposed road and the gas sales pipeline alignment planned such that it does not limit the available space within the infrastructure corridor; and

iii cross sections and further detail of the alignments.

# Conditions 8, 9, 10, 11 and 12

Conditions 8, 9, 10, 11 and 12 relate to matters associated with the pipeline and are not relevant to the approval of Planning Application 20101070. BHP Billiton respectfully suggests that these conditions be removed from this planning application and be incorporated into the conditions in relation to Planning Application 20101071.

In this regard, BHP Billiton note that conditions 8, 11 and 12 are identical to conditions 1, 2 and 3 respectively of Planning Application 20101071 and do not need to be incorporated.

# Condition 13

Condition 13 relates to the road design.

Conditions 13(ii) – (iii) require BHP Billiton to provide information in relation to the "peak traffic on the ANSIA access road" and "potential impact on other road user of the SIA".

To the extent that conditions 13(ii) and (iii) require BHP Billiton to hypothesise about future use of the road by users other than BHP Billiton and potential impacts, BHP Billiton considers the condition to be unreasonable. Accordingly, BHP Billiton respectfully suggests that the condition is worded as follows:

"Prior to the commencement of any <u>road</u> works, information is to be submitted by the Applicant in relation to:

i comprehensive traffic impact assessment, addressing the impacts on regional and local roads, particularly Onslow Road, including anticipated traffic volumes and the timing of peak traffic;

ii peak traffic on the Ashburton North Strategic Industrial Area access road;

iii potential impact on other users of the SIA; and

iv the preparation of a traffic management/consultation plan in relation to the Macedon development road;

all to the requirements of Main Roads WA and the Department of State Development and the satisfaction of the Shire of Ashburton. All road upgrading works identified shall be constructed at the Applicant's expense"

#### Condition 14

Condition 14 relates to the road design and its potential impact. Condition 14 requires BHP Billiton to "contribute to cumulative flood modelling taking into account the staged development of the ANSIA". This model is required to address impacts of the proposed road on flow levels and period of inundation within and outside the ANSIA and identify appropriate mitigation measures.

BHP Billiton repeats its comments in relation to condition 3(i). The condition is also uncertain. Accordingly, BHP Billiton respectfully suggests that the condition is worded as follows:

"Prior to the commencement of any <u>road</u> works, the Applicant shall <u>consult with the Shire concerning the impact of the proposed road on flood levels in the proposed ANSIA area contribute to cumulative flood modelling taking into account the staged development of the SIA. This modelling should assess the impacts of the proposed road on flood levels and period of inundation within and outside the SIA. Aand appropriate mitigation measures <u>should also be identified</u> to the extent reasonably practicable, The consultation should take into account the proposed future development in the area"</u>

# Condition 19

Condition 19 requires BHP Billiton to prepare a social impact assessment. Social impact documentation has been provided with the development application. The Social Impact Assessment that BHP Billition has presented to the Shire was very explicit about the insignificant social implication of the Macedon project to Onslow. If any, the impact is positive and that is how it was received by the Shire and the town of Onslow including regional stakeholders. Any subsequent population growth pertinent to other industries is being considered at by the Department of State Development. BHP Billiton does not believe that any substantial growth and major impact to infrastructure is a likely consequence of the Macedon project.

In addition, the condition is unreasonable insofar as it requires BHP Billiton to develop a method for implementing developer contributions.

Accordingly, BHP Billiton considers that this condition is unreasonable and respectfully suggests that the condition is worded as follows:

"Prior to the commencement of the use of the gas treatment and compression plant or the issue of a building licence (whichever comes first), the the Applicant shall, if required, prepare an addendum to its social impact assessment targeted at identifying pressures on community facilities and services within Onslow as a result of the Applicant's development works and consult with the Shire of Ashburton about ways to mitigate pressures on the community facilities and services., along with the method of to implement funding by developer contributions identified in the Ashburton to the satisfaction of the Shire of Ashburton"

#### Condition 24(ii)

Condition 24(ii) deals with the use of the transient workforce accommodation camp. BHP Billiton advises the Shire that these matters are already dealt with under the terms of the proposed lease with LandCorp and request that this condition be withdrawn.

#### Condition 24(iii)

Condition 24(iii) requires BHP Billiton to establish arrangements to limit access by BHP Billiton personnel and contractors to Old Onslow.

The condition also requires BHP Billiton to contribute to the "conservation of Old Onslow". As drafted this condition is vague and imposes an open ended obligation on BHP Billiton. BHP Billiton considers this to be unreasonable and incapable of enforcement.

Accordingly, BHP Billiton respectfully suggests that the condition is worded as follows:

"The necessary arrangements shall be established by BHP Billiton in association with the Shire and Heritage Council that will limit access to Old Onslow for those persons employed and indirectly employed by BHP Billiton. BHP Billiton shall The Applicant shall consult with the Shire about the impact of its development upon Old Onslow and ways it can support contribute to the conservation of Old Onslow"

# Condition 24(iv) and (v)

Condition 24(iv) provides that BHP Billiton shall develop arrangements to limit the number of its employees and contractors in Onslow at any one time.

Condition 24(v) is unreasonable insofar as it requires BHP Billiton to implement "appropriate contributions". BHP Billiton also notes that the condition is internally inconsistent as it refers to "contributions as defined in Condition 18" when condition 18 makes no reference to contributions.

BHP Billiton respectfully suggests that conditions 24(iv) and (v) are replaced with the following:

(iv) The necessary arrangements shall be established by BHP Billiton for the limitation of those persons employed and indirectly employed by BHP Billiton to be permitted in Onslow at any one time;

(v) The preparation and implementation of a <u>Ww</u>orkforce <u>Mm</u>anagement <u>Pplan</u> that addresses the impact of the <u>Applicant's overall</u> development on Onslow <u>to be developed in consultation with the Shire of Ashburton.</u> (in particular on services and accommodation) an implements appropriate contributions as defined in Condition 18.

# Condition 25(ii)

Condition 25(ii) provides that BHP Billiton must construct underground access points. In BHP Billiton's view this is excessive and highly impractical. In addition, BHP Billiton refers to its previous response, sent under cover of letter dated 15 June 2010, in relation to the agreement reached with the underlying pastoral lessee.

In this regard, BHP Billiton notes that the principal issue raised, namely the crossing of livestock and vehicles, has already been dealt with by BHP Billiton in an agreement with the underlying pastoral lessee. Accordingly, in BHP Billiton's view it is not appropriate for conditions to be placed on the planning application which may be contrary to the agreement reached with the underlying pastoral lessee. BHP Billiton respectfully suggests that this condition be withdrawn.

Despite the above, should the Council be minded to impose such a condition, BHP Billiton respectfully suggests that the condition is worded as follows:

"the design of the road should include underground access points reasonable number of crossing points, so that livestock and vehicles can freely cross from one side to the other"

# Condition 25(iii)

Condition 25(iii) provides that BHP Billiton must fence the road in the form of stock proof fencing constructed in the same style as (presumably) the existing boundary pastoral station boundary fence. In BHP Billiton's view this is excessive in view of the limited BHP Billiton traffic anticipated. BHP Billiton is also not aware of any private roads in the area which have been subjected to this kind of development condition and consider this a matter between itself and the underlying pastoral lessee. In this regard, BHP Billiton refers to its previous response, sent under cover of letter dated 15 June 2010, in relation to agreement reached with the underlying pastoral lessee. The BHP – Minderoo Agreement does not require fencing of the road. While BHP Billiton is nevertheless willing to consult with the underlying lessee further concerning the need for fencing, the underlying lessee has no right to demand fencing and a condition to that effect should not be imposed by Council.

Further, BHP Billiton notes that the road may be widened by future users of the ANSIA and fencing may prohibit such an extension.

BHP Billiton respectfully suggests that this condition be withdrawn.

# Condition 32

Condition 32 contains a typographical error in referencing a 'terminal building'. BHP Billiton understands that this reference is for the transient workforce accommodation camp.

BHP Billiton respectfully suggests that this condition is worded as follows:

"Landscaping and reticulation to be established in accordance with the approved plan(s) prior to occupation of the <u>transient workforce accommodation</u> <u>terminal building</u> and thereafter maintained to the satisfaction of the Shire of Ashburton"

#### Condition 33

Condition 33 requires vegetation removed to be chipped/mulched and re-used on site. BHP Billiton believes that chipping/mulching is not an appropriate construction method for the vegetation removal though have committed in the Environmental Protection Statement to reuse vegetation and topsoil in the rehabilitation of disturbed areas. BHP Billiton respectfully suggests that the condition is worded as follows:

"Removal of Yvegetation and subsequent rehabilitation shall be in accordance with the methods approved in the Macedon Gas Project Environmental Protection Statementto be removed to be chipped/mulched and reused on-site to the satisfaction of the Shire of Ashburton. Details to be submitted with the building licence application"

## Note (ii)

BHP Billiton notes that note (ii) is identical to condition 14 and respectfully suggests it be withdrawn.

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## Condition 2

Condition 2 requires information is to be submitted by the Applicant in relation to the "sharing of share infrastructure... along with information showing the location where a provision for future connection(s) to the BHP Billiton sales gas pipeline".

To the extent that the condition requires BHP Billiton to hypothesise about future developments that are outside its knowledge and control, BHP Billiton considers this condition to be unreasonable. Accordingly, BHP Billiton respectfully suggests that the condition is worded as follows:

"Prior to the commencement of any works, information to the extent reasonably practicable is to be submitted by the Applicant in relation to the sharing of share infrastructure, such as the pipeline, along with information showing the location where a provision for future connection(s) to the BHP Billiton sales gas pipeline will be made, all to the requirement of the Department of State Development and the satisfaction of the Shire of Ashburton"

# Condition 3(iii)

Condition 3(iii) requires BHP Billiton to provide information in relation to the means by which "disruption to future industries within the ANSIA or impact on road traffic, or this party pipeline user (sic users) would be minimised".

To the extent that the condition requires BHP Billiton to address impacts on future developments that are unknown, BHP Billiton consider this condition to be unreasonable and respectfully suggests that the condition is worded as follows:

"means by which disruption to future industries within the Ashburton North Strategic Industrial Area or how the sales gas pipeline has been designed, to the extent reasonably practicable, to minimise impacts on road users and future industries and use of the area traffic, or third party pipeline user would be minimised"

# Condition 7

Condition 7 requires that the plans submitted shall show finished ground levels to the satisfaction of the Shire of Ashburton. In BHP Billiton's view this condition is unnecessary given the planning application relates to the construction of the pipelines for the wet gas and sales gas pipelines.

BHP Billiton notes that the grade levels of the pipeline will be restored to their original levels. BHP Billiton respectfully suggests that this condition be withdrawn.

## Conditions 9(ii) – (iv)

In BHP Billiton's view conditions 9(ii) - (iv) are unnecessary given the planning application relates to the construction of the pipelines for the wet gas and sales gas pipelines.

BHP Billiton respectfully suggests that these conditions are withdrawn.

Despite the above, should the Council be minded to impose such a condition, BHP Billiton draws the Council's attention to the comments made in relation to planning application 20102070 conditions 24(ii) – (iv) above.

### Condition 10

In BHP Billiton's view condition 10 is unnecessary given the planning application relates to the construction of the pipelines for the wet gas and sales gas pipelines.

BHP Billiton respectfully suggests that this condition is withdrawn.

## Condition 11

Condition 11 requires vegetation removed to be chipped/mulched and re-used on site. BHP Billiton believes that chipping/mulching is not an appropriate construction method for the vegetation removal though have committed in the Environmental Protection Statement to reuse vegetation and topsoil in

the rehabilitation of disturbed areas. BHP Billiton respectfully suggests that the condition is worded as follows:

"Removal of Vvegetation and subsequent rehabilitation shall be in accordance with the methods approved in the Macedon Gas Project Environmental Protection Statement be removed to be chipped/mulched and reused on-site to the satisfaction of the Shire of Ashburton. Details to be submitted with the building licence application"

# Note (i)

In BHP Billiton's view note (i) is unnecessary given the planning application relates to the construction of the pipelines for the wet gas and sales gas pipelines.

BHP Billiton respectfully suggests that this note is withdrawn.

#### Conclusion

Please do not hesitate to contact Fadi Dorkhom (phone 9338 4189) or Emily Rechner (phone 9338 4226) should you wish to discuss this further.

Yours sincerely,

**Garry Walker** 

Macedon Project Director

CC: Rob Paull – Shire of Ashburton, Town Planning Consultant

CC: Peter Goff - MGA Town Planners