

Australia Pacific Liquefied Natural Gas project:

Coordinator-General's change report No. 4 General Audit and LNG Facility Operational Environmental Management Plan

October 2014

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Background

The *Australia Pacific Liquefied Natural Gas project – Coordinator-General's evaluation report for an environmental impact statement* (Coordinator-General's report) was released in November 2010, pursuant to section 35 of the *State Development and Public Works Organisation Act 1971* (Qld) (SDPWO Act).

On 2 October 2014, the proponent applied to the Coordinator-General to evaluate a proposed change to the Australia Pacific Liquefied Natural Gas (APLNG) project, under Division 3A, section 35C of the SDPWO Act (the Act).

In accordance with section 35H of the Act, the Coordinator-General has evaluated the environmental effects of the proposed change, its effect on the project and any other related matters, and prepared this Coordinator-General's change report under section 35I of the SDPWO Act.

The project proponent	Australia Pacific LNG (joint venture between Origin, ConocoPhillips and Sinopec)
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The project	Australia Pacific Liquefied Natural Gas (APLNG) project
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Proposed changes to the project	<p>APLNG applied to the Coordinator-General seeking changes to Appendix 1, Part 1, Condition 1 (Compliance Auditing) and Appendix 4, Part 3, Condition 2 (Operations Environmental Management Plan (OEMP)) of the Coordinator-Generals report.</p> <p>APLNG is seeking amendments to remove auditing duplication between the Coordinator-General and other Queensland regulatory agencies, to assist in the efficient delivery of APLNG's compliance obligations, and to reflect current regulatory requirements by removing the Coordinator-General's obligation to provide an LNG Facility OEMP, to be consistent with the removal of this requirement from legislation administered by the Department of Environment and Heritage Protection.</p>
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Decision	Changes approved as outlined in Appendix 1
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Date of effect	Pursuant to section 35J of the SDPWO Act, approved changes take effect from the date of the decision.
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Decision authorised by	Barry Broe
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Position	Coordinator-General
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Signature		Date of decision 28 October 2014
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Pursuant to section 35K of the SDPWO Act, the Coordinator-General's report on the EIS for the project, and the Coordinator-General's change report, both have effect for the project. However, if the reports conflict, the Coordinator-General's change report prevails to the extent of any perceived inconsistency.

Appendix 1. Changes to APLNG project conditions

Current Imposed Condition Coordinator-General Evaluation Report	Proposed Imposed Condition Coordinator-General Change Report
<p>Appendix 1, Part 1, Condition 1</p> <p>Compliance Auditing</p> <p>The following third party auditing requirements must be applied for the whole project:</p> <ol style="list-style-type: none"> 1. Compliance with the conditions of this Coordinator-General report, environmental authority(s) and development approvals must be audited by an appropriately qualified third party auditor, nominated by the holder of environmental authority(s) and accepted by the Coordinator-General and administering authority, within one year of the commencement of these petroleum activities, and three yearly thereafter. 2. Upon receipt of the third party audit report, the holder of the environmental authority(s) must submit a copy of the report to the Coordinator-General and to the administering authority. 3. The third party auditor must certify the findings of the audit in the report as being an accurate and independent assessment of compliance with the conditions of this Coordinator-General's report, environmental authority(s) and development approvals. 4. The financial cost of the third party audit must be borne by the proponent. 5. The holder of the environmental authority(s) must, within a reasonable timeframe, agreed to in writing by the administering authorities, act upon any recommendations arising from the audit report. 6. Not more than three (3) months following the submission of the report, the holder of the environmental authority(s) and development approvals must provide written report to the Coordinator-General and administering authority on the: <ol style="list-style-type: none"> (a) actions taken by the holder to ensure compliance with conditions of the Coordinator-General's report and environmental authority(s) and development approvals (b) actions taken to prevent a recurrence of any non-compliance issues identified by the report of the third party auditor. 	<p>Delete/Insert:</p> <p>Appendix 1, Part 1, Condition 1</p> <p>In order to verify the proponent's compliance with all conditions imposed by the Coordinator-General, the following third party auditing requirements must be applied for the whole of the project:</p> <ol style="list-style-type: none"> 1. The audit period will: <ol style="list-style-type: none"> (a) commence once construction of petroleum activities start; and (b) end once all imposed conditions have been satisfied 2. An initial audit must be undertaken within one (1) year of the Audit Period and then three (3) yearly thereafter during the project construction phase (Construction Audit). 3. Audits must be undertaken throughout the Audit Period every three (3) years during the project operations phase (Operation Audit). 4. Audits must be undertaken generally in accordance with <i>AS/NZS ISO 19011:2014 Guidelines for auditing management systems</i>, by an appropriately qualified person engaged by and at the expense of the proponent. 5. The proponent must provide the Audit Report to the Coordinator-General within 30 business days of receipt of the relevant Construction Audit or Operations Audit from the third party. 6. The Coordinator-General may determine that an imposed condition is no longer required to be audited where: <ol style="list-style-type: none"> (a) the condition (or its intent) <ol style="list-style-type: none"> i. has subsequently become a requirement of or has been addressed through new or amended legislation or another regulatory approval; and ii. it is no longer appropriate that the matter be addressed by the Coordinator-General, as it is managed pursuant to other regulatory requirements; or (b) the Coordinator-General is satisfied that the condition (or its intent) has been completed.

Appendix 4, Part 3, Condition 2

Operations Environmental Management Plan (OEMP)

Prior to the commissioning of Train 1, the proponent must provide an operations environmental management plan (OEMP) that provides detailed information about the activities to be carried out under the environmental authority related to the commissioning and operation of the LNG Facility. The OEMP must address, but not be limited to:

1. Identification of all environmentally relevant activities conducted in the petroleum tenure and other approvals required for this component of the project to proceed
2. Identification and characterisation of all wastes and emissions produced by the facility and its associated support infrastructure including its source, handling, treatment, disposal or release to the environment.
3. Sewage treatment plant and desalination plant information for the operational life of the LNG facility, including:
 - (a) a proposal for treated sewage to be discharged to land which includes wet weather storage;
 - (b) design and operational performance information for sewage treatment and desalination;
 - (c) design and operational performance information for any outfalls and diffusers for emissions to Port Curtis including detailed analysis of existing water quality, effluent contaminants, acute and chronic toxic effects of contaminants on fauna and flora and any long-term ecological effects.

A detailed assessment of impacts from the discharge of treated sewage and brine should be provided. Source water quality data and characteristics of additives should be provided along with the proposed operational performance of the plant and the treatment and disposal methods to be used. The information should be used to determine the site specific mitigation measures including monitoring and reporting.

Delete Appendix 4, Part 3, Condition 2

Current Imposed Condition Coordinator-General Evaluation Report	Proposed Imposed Condition Coordinator-General Change Report
<p>Appendix 4, Part 3, Condition 2 <i>(cont.)</i></p> <p>(a) A risk assessment approach to eco-toxicity of effluent at point of release, mixing zone and cumulative impacts of contaminants in the marine ecosystem over time.</p> <p>Adequacy of modelling to predict dimensions and duration of mixing zone.</p>	