

Santos

GLNG Project

09 October 2013

received 14/10

Mr Barry Broe
Coordinator-General
PO Box 15517
City East QLD 4002

Dear Mr Broe

Barry

RE: GLNG Project – application for evaluation of proposed changes

GLNG Operations Pty Ltd, on behalf of Santos GLNG Pty Ltd, PAPL (Downstream) Pty Limited, Total GLNG Australia and KGLNG Liquefaction Pty Ltd request that you consider the enclosed Application for Coordinator General to evaluate proposed changes to the GLNG Project's conditions.

If you have any questions regarding the above, please contact me on 3838 5048.

Yours faithfully



Rod Duke
Chief Executive Officer
GLNG Operations Pty Ltd.

Steve

*please progress this
△ request ASAP*

*Barry
14/10*

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1 Background and Purpose of this Document

1.1 Background to the GLNG Project

The Gladstone LNG (GLNG) Project is a development of coal seam gas (CSG) resources in the Surat and Bowen Basins in the area between Roma and Emerald in Queensland. The CSG fields will supply gas to a liquefied natural gas (LNG) liquefaction and export facility (LNG facility) on Curtis Island, near Gladstone in Queensland. A high pressure gas transmission pipeline (GTP) is being constructed to link the CSG fields to the LNG facility.

Throughout 2008 and 2009 an environmental impact statement (EIS) was prepared for the GLNG Project. The EIS was approved by the Coordinator-General (CG) for release for public and advisory agency comment from 20 June to 17 August 2009. Submissions covered a broad range of environmental, social, accommodation, materials and employee transport, infrastructure location and regulatory approval matters.

Based on submissions received, the CG requested additional information about the EIS and the project in the form of a Supplementary EIS (SEIS) which included GLNG responses to all submissions. The SEIS was delivered to the Department of Infrastructure and Planning (DIP) on 20 November 2009 and subsequently issued to advisory agencies for review, and for information to general public submitters who raised issues on the EIS. Comments were invited during the consultation period from 16 December 2009 to 1 February 2010. A total of 20 submissions were received on the SEIS and GLNG provided DIP with responses to all submissions, which were subsequently considered in the preparation of the CG Evaluation Report. The CG Evaluation Report was issued on 28 May 2010, pursuant to Section 35 of the State Development and Public Works Act 1971 (Qld) (SDPWO Act).

Subsequently the GLNG Project received approval from the Commonwealth Government on 22 October 2010, pursuant to s130(1) and 133 of Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act).

1.2 Purpose of this Document

In accordance with sections 35B and 35C of the SDPWO Act, after the CG's report is finalised, the proponent may submit a written application requesting the CG evaluate the environmental effects of a proposed change to the project or a condition of the project.

This document is an Application for Project Change and has been prepared to apply for a change to Appendix 1, Part 2, Condition 2 of the GLNG Project CG Evaluation Report.

In accordance with the SDPWO Act, this application contains:



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- a description of the proposed change and its effects on the project;
- the reasons for the proposed change; and
- enough information about the proposed change (including environmental effects of the proposed change) and its effects on the project to allow the Coordinator-General to make the evaluation.

This Application for Change has been prepared by GLNG Operations Pty Ltd (GLNG OPL), on behalf of Santos GLNG Pty Limited, PAPL (Upstream) Pty Limited, Total GLNG Australia and KGLNG Liquefaction Pty Ltd.

2 Proposed changes

2.1 Current imposed condition

Appendix 1, Part 2, Condition 2 of the GLNG Project CG Evaluation Report contains the following imposed condition:

"The proponent shall not discharge any pipes at Gladstone (Auckland Point or Port Central) unless the proponent submits a plan to GPC for its approval to limit the impact of noise during the discharge operation and:

- a) the quantity of pipes to be conveyed by road from the port is less than that required for 70 km of the pipeline route; and*
- b) the proponent has in place an agreement with Queensland Rail that all pipe products required for the gas transmission pipeline greater than 70 km from Port Central will be transported by rail to, at least, Moura (or somewhere west of Gladstone to be agreed)."*

2.2 Summary of requested change to the imposed condition

The GLNG Project seeks to increase in quantity of pipes transported from the Gladstone by road from that required for 70km of the pipeline route to that required for 88km of the pipeline route.

2.3 Requested amendment to the condition

The GLNG project requests the following amendment to Appendix 1, Part 2, Condition 2 of the GLNG Project CG Evaluation Report:

"The proponent shall not discharge any pipes at Gladstone (Auckland Point or Port Central) unless the proponent submits a plan to GPC for its approval to limit the impact of noise during the discharge operation and:

- a) *the quantity of pipes to be conveyed by road from the port is less than that required for 70 88 km of the pipeline route; and*
- b) *the proponent has in place an agreement with Queensland Rail that all pipe products required for the gas transmission pipeline greater than 70 88 km from Port Central will be transported by rail to, at least, Moura (or somewhere west of Gladstone to be agreed)."*

3 Reasons for the requested change to the condition

The ocean going vessel the "Thor Enterprise", bearing a cargo of pipes shipped from India bound into Port Alma, was found to be contaminated on commencement of the discharge operation at Port Alma. Discharge of pipes from the vessel ceased immediately upon the discovery of the contamination, and the vessel was rerouted to Gladstone Port. The pipes were unloaded and the cargo cleansed under strict conditions and quarantine supervision.

The effect of this diversion and the quarantine exercise was that an additional 18km of pipe was required to be offloaded into the Gladstone Port, exceeding the 70km of pipe previously estimated.

Subsequent efforts by the GLNG Project to organise movement of the pipe by rail have proven unsuccessful for multiple reasons including the existing rail capacity and the limits of the rail network. In addition, movement of the pipe by rail would require double handling from truck to rail and, following rail transport, a further offloading operation to truck for transport by road to the final destination, further South on the pipeline than the Moura rail end point permits. The additional handling and the process involved presents additional and avoidable dangers to the GLNG Project workforce.

The proposed change will allow the GLNG Project to fully utilise all of the pipe it was required to offload at the Gladstone Port, and will avoid the difficulties and potential risks associated with rail transport of the pipe.

4 Environmental effects of proposed change and its effects on the project

The calculation underlying the "70km" figure in Appendix 1, Part 2, Condition 2 of the GLNG Project CG Evaluation Report was based on a 3 pipe configuration per truck. This is outlined in section 6.1.1 (A) of the GLNG Project CG Evaluation Report.

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The original configuration of pipes per truck would have resulted in 1945 truckloads of activity to transport the 70km of pipes. The Contractor for the GLNG Project changed the load configuration from 3 pipes to 4 pipes per load. This has effectively reduced the total truck movements to 1834 for the requested 88km of pipes. The reconfiguration also means that the number of truck movements for 88km of pipes is less than the original estimated number of truck movements for 70km of pipe.

The overall number of truck movements for the transportation of pipe from the Gladstone Port, will reduce from what was originally proposed in the project EIS. The change in volume of pipe transported from Gladstone port would not change the description in the EIS or SEIS of the potential impacts to the following:

- Visual Amenity.
- Climate.
- Land.
- Groundwater.
- Surface Water
- Associated Water Management.
- Nature Conservation
- Noise and Vibration.
- Land use Infrastructure.
- Cultural Heritage.
- Rehabilitation.
- Economics

In relation to Social and community the load impact to roads as a result of transporting one extra length of pipe (per truck) is considered negligible. The weight of 1 extra pipe (approx.. 4 tonnes) will still meet the legal load limit for travelling on Public or State Roads. The impact to the roads by the

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additional load is minimal as the load is evenly distributed by the axle load of the vehicle. The slight increase in load per axle is considered to be more than offset by the associated decrease in overall vehicle movement.

In relation Air Quality and Greenhouse Gases as there is a decrease in overall vehicle movements of 5% due to the additional pipe per truck, it is expected there will be a corresponding decrease in greenhouse gas emissions as a result. While this will not be a direct correlation, it is expected the decrease in GHG will be reasonably linear as the slight increase in weight per load will only have a marginal impact on truck emissions.

5 Summary of proposed changes

The following table provides a summary of the proposed changes.

Project Area	CG Report Condition	Proposed Change	Justification for Proposed Change
Whole of project - Transport	Appendix 1 Part 2 Condition 2	<p>Replace Appendix 1 Part 2 Condition 2 with:</p> <p>"The proponent shall not discharge any pipes at Gladstone (Auckland Point or Port Central) unless the proponent submits a plan to GPC for its approval to limit the impact of noise during the discharge operation and:</p> <ul style="list-style-type: none"> a) the quantity of pipes to be conveyed by road from the port is less than that required for 88km of the pipeline route; and b) the proponent has in place an agreement with Queensland Rail that all pipe products required for the gas transmission pipeline greater than 88km from Port Central will be transported by rail to, at least, Moura (or somewhere West of Gladstone to be agreed)." 	<p>The proposed change will allow the GLNG Project to fully utilise all of the pipe it was required to offload at the Gladstone Port, and will avoid the difficulties and potential risks associated with rail transport of the pipe.</p> <p>There will be no change in the environmental impacts of the activities from those described in the original EIS and SEIS.</p>