



17th August 2017

Council Ref: DA 73/2017

APA Ref: 170810_LO_438515_Freight Transport Facility

Ms Tegan Bruce
Leeton Shire Council
23-25 Chelmsford Place
Leeton NSW 2705

EMAIL OUT: teganb@leeton.nsw.gov.au

Dear Ms Bruce,

RE: Lot 4 DP1234806, WRIFT Irrigation Way Murrami – DA 73-2017 (Proposal for Freight Transport Facility)

Thank you for your notification of the above Development Application for a Freight Transport Facility, as part of the WRIFT precinct, Irrigation Way, Murrami.

APA Group (APA) is Australia's largest natural gas infrastructure business and has direct management and operational control over its assets and investments. APA's gas transmission pipelines span across Australia, delivering approximately half of the nation's gas usage. APA owns and operates over 15,000 km's of high pressure gas transmission pipelines across Australia.

APA has one pipeline located through the subject site being the Junee-Griffith Lateral Pipeline (see Table 1 for details):

Table 1: Transmission gas pipelines in the area of consideration

Pipeline	Pipeline Licence	Diameter (mm)	Measurement Length (m)
Junee-Griffith Lateral	20	150	470
Note: measurement length is applied to either side of the pipeline.			

APA statutory obligations

Clause 55 'Development adjacent to corridor' in Division 9 of SEPP (Infrastructure) 2007 states that risks associated with development adjacent to a gas pipeline corridor needs to be assessed and those risks included in considerations prior to determining an application for development.

As a licence holder for high pressure gas transmission pipelines (HPGTPs) APA has statutory obligations under the *Pipelines Act 1967 (the Act)*. The *Pipelines Regulation 2013*, states that a licensee must ensure that the design, construction, operation and maintenance is in accordance with Australian Standards 2885 (AS2885).

In considering a development proposal APA is obligated to ensure its pipelines are not damaged, nor subject to development which may increase the future risk of damage. Furthermore, APA must ensure the pipeline is designed to "reflect the threats to pipeline integrity, and risks to people, property and the environment" (AS2885, s4.3.1). Location classes are used to determine the appropriate pipeline design and management for the circumstances. The location class considers the land use and activities within the Measurement Length (ML), which is the area of consequence in the case of full bore pipeline

rupture. The subject pipeline has a ML of 470m each side of the pipeline. If the location classification within the Measurement Length changes a Safety Management Study is required to assess the additional risk and ensure the risk is reduced to an acceptable level. We have previously made clear to Council that an SMS is required as soon as possible, (and prior to further development applications) to address land use change and development within the WRIFT precinct.

Development proposal

The comments in this letter are based on the development proposal as outlined in the Planningmatters Report dated March 2017 (reference 2012.59P) and Miestudio drawing da 01, (project number 112017, and dated 13/02/2017). The proposed development is located on Lots 4 and 5 DP1201358, off Irrigation Way. The proposed development is for a railway freight terminal. The development will include two crossings of the gas pipeline. One in the north west corner of Lot 5 on DP 1201358, and one in the northern part of Lot 4 on DP1201358. These crossing are integral to the development.

The proposal also includes a hardstand loading and storage area, transportable office building, and internal driveways and manoeuvring.

APA response

We acknowledge that Grain Link have entered into an agreement with Council whereby they will not lodge any new applications for the WRIFT until an SMS is complete. A Deed (dated 27 March 2017) was signed by Grain Link (and Council) undertaking to complete a SMS by 30 June 2017. The Statement of Environmental Effects (SEE) states that *"Council would like the current landowner to liaise with the gas pipeline's operator/owner regarding the preparation of a Safety Management Study (SMS) before any new DA's for further development (excluding this DA) are determined"* (s2.8). We are not aware of the details of negotiation between the applicant and Council, however in relation to this statement in the SEE we offer the following comments:

- In its role under the SEPP (Infrastructure) APA agreed to release of the 7 lot subdivision for the WRIFT, provided the current owner commit in writing to undertaking an SMS for the ML for the entire WRIFT precinct prior to the lodgement of any further planning applications. APA never agreed to exclusion of an application for the railway freight terminal.
- This application proposes two crossings of the gas pipeline, and therefore it is probably the most critical application requiring the SMS to be completed (prior to an application being made, or at the worst prior to determination).
- Council required Grain Link to enter into a legal Deed whereby Grain Link agreed to complete an SMS by 30 June 2017. This is a much stronger and binding requirement than detailed in the SEE.
- Grain Link has failed to meet the obligation in the Deed, and as far as dealing with APA in this matter, did not make reasonable attempts to do so (see below for details).
- If an SMS had been completed by 30 June 2017 as Grain Link initially agreed, we would be in a position to support the application subject to reasonable and relevant conditions.

We had not received any contact regarding the SMS until 20 June 2017, when we initiated contact with Grain Link's consultant, Planningmatters Development Services. This was prompted by APA receiving an application for modification of the approval for the UWE hay processing facility that forms part of the WRIFT. At that time we were told that the proponent was willing to commence the SMS as soon as practicable. Since that time we have been in the process of negotiating a date suitable to both parties. Regrettably, this has been delayed in part by APA currently undergoing an internal restructure of our engineering teams which has made it more difficult to commit engineering resources to the SMS. However, when a date for the SMS was first discussed with APA, in late June, it was acknowledged by Planningmatters that it would not be possible to complete by 30 June 2017 and an extension to the Deed would be required. APA is currently awaiting confirmation from Planningmatters, of a suitable date between 26 and 28 September 2017.

Our preference was to have a SMS prepared by 30 June 2017, and definitely before this current application was lodged (given the high level of risk that it poses to the pipeline). Since this has not occurred, we require the SMS to be completed prior to determination of this application, so that any requirements resulting from the SMS can be clearly addressed in any approval. This is very important because:

- the SMS may suggest layout changes to reduce the level of risk
- the applicant and Council must be clear regarding the requirements of the SMS and the implications for the applicant
- appropriate conditions are required in the approval to ensure the requirements of the SMS are enforced.

The SMS should be informed by details of the proposed crossing of the gas pipeline by the rail siding, so that the potential impacts can be properly assessed.

It is noted that the SEE states "*arrangements have been made to commence preparation of the SMS prior to determination of this DA*" (s2.1). It is considered reasonable to not only commence, but to finalise the SMS prior to determination of this application, because:

- the typical process and timing required to prepare and finalise an SMS is not restrictive
- the applicant has had adequate prior opportunity to complete the SMS
- the scheduling of the SMS has progressed.

Completing a SMS as soon as possible is also important to ensure that risks associated with approvals already granted by Council for the WRIFT are addressed. Development already approved in the WRIFT includes:

- grain handling and storage facility
- hay storage and processing facility
- cotton module storage facility
- mainline loading and silo facility
- roadways
- detention basins.

We note that we were notified of development proposal with exhibition of the development application. Apart from this notice, APA requires referral to ensure compliance with the State Environmental Planning Policy (Infrastructure) 2007 (SEPP). Clause 55 'Development adjacent to corridor' in Division 9 of SEPP (Infrastructure) 2007 states:

(1) Before determining an application (or any application for modification of a consent) for development adjacent to a gas pipeline corridor, the consent authority must:

- (a) be satisfied that the potential safety risks or risks to the integrity of the pipeline that are associated with the development or modification to which the application relates have been identified, and*
- (b) take those risks into consideration.*

APA has a number of comments to make in relation to the SEPP.

- As a licence holder for high pressure gas transmission pipelines APA has statutory obligations under the *Pipelines Act 1967 (the Act)* and the *Pipelines Regulation 2013* which require compliance with AS2885. Under AS2885 an SMS is required due to the change in land use class.
- Unless APA is referred applications under the SEPP it is very difficult for us to discharge our statutory obligation.
- Referral to us at an earlier stage of assessment (prior to exhibition) would have allowed us more time to pursue completion of the SMS.
- The application has not addressed Clause 55 of the SEPP in the SEE, even though it includes mention of the SEPP in relation to fronting a classified road (SEE, s3.5.2.1).

- We do not consider that the requirements of the SEPP (i.e. identifying risks and taking them into consideration) can be addressed without an SMS having been completed. The requirements of the SEPP must be met prior to the determination of the application. Therefore an SMS must be completed prior to determination of the application.

The currently proposed development and its impact on APA's pipeline presents an unacceptable risk to the pipeline integrity (under the SEPP). The only way to properly assess and address the risks is through an SMS, which therefore must be completed prior to determination of the application. Any subsequent approval must reference the SMS, and require the applicant to implement its recommendations (at the applicants cost). Following the SMS, and identification of adequate risk controls, APA can provide conditions to be attached to an approval.

APA seeks to work collaboratively with the applicant to finalise a date for the SMS and complete the SMS as soon as practicable prior to determination of the application. We do not believe that this need delay the assessment of the application by any significant period. This will provide assurance and certainty to all parties.

Regional Planning Panel

It is understood that the application is classed as 'regional development' and as such will be determined by the Western Joint Regional Planning Panel. The Panel reference for the application is 2017WES007. The currently proposed development and its impact on APA's pipeline easement presents an unacceptable risk to the pipeline integrity (under the SEPP), and as such should not be approved until the risks are assessed and managed through an SMS. As mentioned previously APA is willing to work with the development proponent and Council to complete the SMS as soon as practical. APA requests to be kept informed of the application process and any further opportunities to comment on the application. This specifically includes the public panel meeting, which forms an important part of the determination process.

Conclusion

APA does not seek to unnecessarily inhibit future development proximate to our assets and is happy to work with Council and development proponents to achieve mutually acceptable and compliant outcomes that maintain the safety of development within the pipeline ML. Any interested parties are strongly encouraged to contact APA early to discuss the process of integrating APA assets into future urban developments.

Please contact me on 0459 899 076 or planningnsw@apa.com.au should you wish to discuss the contents of this correspondence.

Yours faithfully,



Ross Larsen
Senior Urban Planner
Infrastructure Planning and Protection

CC: Martin Ruggeri
Planningmatters