

**Annual Return – EPBC 2008/4405**  
Shipping Activity Associated with the  
Queensland Curtis LNG Project

Rev 0

November 2012

**QUEENSLAND CURTIS LNG**

## DOCUMENT INFORMATION SHEET

**TITLE:** Annual Return – EPBC 2008/4405 – Shipping Activity

### **PURPOSE AND SCOPE:**

The Minister for Sustainability Environment, Water, Population and Communities approved action relating to the Queensland Curtis LNG Project on 22 October 2010. Under EPBC approval 2008/4405 (**the approval**), QGC is required to submit an Annual Return addressing compliance with the conditions of the approval. The Annual Return must to be published on the QGC website within 20 calendar days of the anniversary date of the approval.

This document is QGC's Annual return for referral approval, EPBC 2008/4405 – Shipping Activity for the period from 22 October 2011 to 21 October 2012 (**the Reporting Period**).

Condition 30 of the approval requires that the Annual Return:

- a. address compliance with the conditions;
- b. record any unavoidable adverse impacts on MNES, mitigation measures applied to avoid adverse impacts on MNES; and any rehabilitation work undertaken in connection with any unavoidable adverse impact on MNES;
- c. identify all non-compliances with these conditions; and
- d. identify any amendments needed to plans to achieve compliance with these conditions.

This report complies with these requirements.

## 1.0 BACKGROUND

### 1.1 The QCLNG Project

The Queensland Curtis Liquefied Natural Gas Project, commonly known as the QCLNG Project, is one of Australia's largest capital infrastructure projects, which will turn coal seam gas into liquefied natural gas (LNG) for export. This major, integrated project involves:

- Expanding QGC's existing coal seam gas production in the Surat Basin of southern Queensland;
- Building a 540km buried natural gas pipeline network linking the gas fields to Gladstone; and
- Constructing a natural gas liquefaction plant on Curtis Island, near Gladstone, where the gas will be converted to LNG for export.

### 1.2 Regulatory environment

The QCLNG Project is regulated at both the state and federal government level, with Queensland's Coordinator General granting approval for the project on 26 June 2010 and the Commonwealth Minister for Sustainability, Environment, Water, Population and Communities granting approval for the project on 22 October 2010.

The Queensland Coordinator-General's Report on the environmental impact statement for the QCLNG Project was released pursuant to s.35 of the *State Development and Public Works Organisation Act 1971 (QLD)*. This report imposed conditions on the project that QGC is required to meet during both the construction and operational phases. The report contains over 1000 conditions governing the project relating to:

- the transport of plant, equipment, materials and people;
- social impacts including affordable housing and job creation; and
- gas field, pipeline and LNG construction and operation;

Following receipt of the Co-ordinator-General's decision, the Commonwealth Minister for Environment, the Hon. Tony Burke MP, approved all five referrals made by QGC under the *Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act)*. The QCLNG project now operates under the following five approvals:

- Referral Approval, EPBC 2008/4398 – QCLNG Gas Field Component
- Referral Approval, EPBC 2008/4402 – LNG Plant and Onshore Activities Components
- Referral Approval, EPBC 2008/4399 – Pipeline Network Component
- Referral Approval, EPBC 2008/4405 – Shipping Activities
- Referral Approval, EPBC 2008/4401 – Marine Facilities Components

It is a requirement of each of these approvals, that QGC complete an Annual Return. The Annual Return must report on compliance with the conditions contained in each approval and must be published on the QGC website.

This document is QGC's Annual return for referral approval, EPBC 2008/4405 – Shipping Activity for the period from 22 October 2011 to 21 October 2012 (**the Reporting Period**).

### 1.3 Project Activities During the Reporting Period

The Curtis Island component of the QCLNG project is still in construction phase. Construction works are ongoing on Trains 1 and 2 and LNG Tanks A and B. In relation to the marine facilities, the Construction Dock and Marine Offloading Facility are complete and the LNG Export Jetty is still under construction and is currently scheduled for completion in 2013. The accommodation camp commenced operation in October 2011 with 21 beds available but was officially opened on 24 November 2012 and has a 1700 person capacity

Construction commenced on Curtis Island in November 2010 and shipping activities under this Approval commenced on 24 August 2011. There has been a significant increase in both local and international shipping movements associated with the construction phase of the project. Table 1 details the approximate vessel movements to Curtis Island associated with the project at the beginning and end of the reporting period.

**Table 1 – Approximate QCLNG Related Vessel Movements for the Reporting Period**

Vessel Movement Type	Approximate Vessel Movements Per Day October 2011	Approximate Vessel Movements Per Day October 2012
Passenger ferry movements	8	24
Aggregate barge movements	2	2
Water barges	1	1
Ro-Ro barges	6	8
International vessels	0 per month	4-5 per month

The increase in personnel ferry movements can be attributed to the increase in the workforce as the construction progresses on the LNG facility.

## 2.0 CONCLUSION

In compiling this annual return, QGC has not identified any instances of non-compliance with the condition of EPBC approval 2008/4405- Shipping Activities. Appendix A to this report provides details of compliance with each of the approval conditions.

**APPENDIX A – SHIPPING ACTIVITY – EPBC 2008/4405**

Condition		Status	Statement of Compliance
<b>Shipping Activity Management Plan</b>			
1.	<p>The proponent must prepare a Shipping Activity Management Plan ('the Plan') which includes:</p> <ul style="list-style-type: none"> <li>(a) for shipping activity within the geographic locations specified in sections 1.2 and 1.3 of the referral - provision for the protection of Dugongs (<i>Ougong dugon</i>); Green Turtles (<i>Chelonia Mydas</i>); Loggerhead Turtles (<i>Caretta caretta</i>); Flatback Turtles (<i>Natator depressus</i>); Water Mouse, (<i>Xeromys myoides</i>) and the seagrass species <i>Halodule uninervis</i>, <i>Halophila ovalis</i>, <i>Halophila decipens</i>, <i>Halophila minor</i>, <i>Halophila spinulosa</i>, and <i>Zostera capricorni</i>;</li> <li>(b) identification of the habitats, activities, and environmental tolerances in relation to the shipping activity associated with this referral for the species specified. in condition 1(a);</li> <li>(c) to minimise environmental disturbance to the species mentioned in condition 1(a):               <ul style="list-style-type: none"> <li>(i) limits on vessel speeds, including speeds for particular vessel types;</li> <li>(ii) limits on vessel movements, including the use of thrusters; and</li> <li>(iii) limits on vessel light and sound.</li> </ul> </li> <li>(d) a comprehensive outline of mitigation measures and controls for each of the types of shipping activities to minimise their impact on the species mentioned in condition 1 (a), including actions to:               <ul style="list-style-type: none"> <li>(i) prevent and respond to the impact of accidental fuel, oil or chemical spills;</li> <li>(ii) minimise the impact of marine discharges, including those associated with vessel cleaning, anti-fouling and waste disposal;</li> <li>(iii) minimise disturbance to the seagrass species mentioned in condition 1(a);</li> <li>(iv) minimise the impact of bow-wash on Water Mouse (<i>Xeromys myoides</i>) nesting sites; and</li> </ul> </li> </ul>	Activated	<p>Compliant – QGC prepared the Shipping Activity Management Plan (SAMP) which details the requirements of this condition. The SAMP was first submitted to SEWPaC for approval on 18 October 2010.</p> <p>Following further consultation, a revised version of the SAMP was submitted on 19 July 2011 and approved by the Minister on 2 August 2011.</p>

Condition		Status	Statement of Compliance
	<ul style="list-style-type: none"> <li>(v) proposed remedial action in the event of any impacts directly attributable to the proponent's shipping activities on the species specified in condition 1(a), and the habitats identified in condition 1(b), including a feasible and beneficial offsets strategy.</li> <li>(e) a comprehensive outline of monitoring arrangements to determine the impact of shipping activity on the species specified in condition 1 (a), which includes:               <ul style="list-style-type: none"> <li>(i) recommendations on the timing and frequency of species surveys;</li> <li>(ii) proposed monitoring arrangements; and</li> <li>(iii) the nature and frequency of proposed reporting arrangements.</li> </ul> </li> </ul>		
<p><b>2.</b></p>	<p>Subject to condition 3 and 4, the plan required under condition 1 must be submitted for the approval of the Minister before commencement. The action must not commence until the plan has been approved. The approved plan must be implemented.</p>	<p>Activated</p>	<p>Compliant – the SAMP relevant to construction activities was first submitted to SEWPaC for approval on 18 October 2010.</p> <p>Following further consultation, a revised version of the SAMP was submitted on 19 July 2011 and approved by the Minister on 2 August 2011.</p> <p>Works commenced** on 24 August 2011.</p> <p><i>Commencement under this approval is defined as “the substantial commencement of the proposed shipping activities (including ferry traffic and other vessel movements associated with the construction of the LNG facility on Curtis Island and infrastructure associated with this facility)”.</i></p>
<p><b>3.</b></p>	<p>The plan required under condition 1 may be provided in two parts, to address:</p> <ul style="list-style-type: none"> <li>(a) shipping associated with the construction of the LNG plant; and</li> <li>(b) LNG tanker operation and LNG tanker activities.</li> </ul>	<p>Activated</p>	<p>Compliant – QGC has elected to provide the SAMP in two parts. The currently approved SAMP relates only to the construction phase of the QCLNG project.</p> <p>A new SAMP will be prepared and submitted for approval prior to the commencement of LNG tanker operations.</p>

Condition		Status	Statement of Compliance
4.	If the plan required under condition 1 is provided in two parts, each part must be provided before the commencement of the activity to which that part relates.	Activated	Compliant – SAMP associated with shipping during construction of LNG facility prepared and approved (refer to condition 2). Condition has not been triggered for tanker operations.
	<i>Note: The requirements under condition 1 may be included in a plan which the proponent provides to the State, including in a Marine Traffic Management Plan or a Shipping Transport Management Plan. If these State plans are provided for this purpose, that plan should explicitly state that it is also provided for the purposes of this condition, and clearly reference matters addressing the requirements above. It is acknowledged that, before approval of the first part of the Plan, minor vessel movements may be undertaken to facilitate early site access including for the initial construction of the Construction Dock.</i>		
<b>Publication of Plans</b>			
5.	All plans approved by the Minister under these conditions must be published on the proponent's website within 30 business days of approval by the Minister.	Activated	Compliant - SAMP for construction phase was published on 22 July 2011 based on conditional approval received on 9 June 2011.
Permit	Condition	Status	Statement of Compliance
6.	The Department may request the proponent to publish on the internet a plan in a specified location or format and with specified accompanying text. The proponent must comply with any such request.	Activated	Approved plans are published on QGC's website.
<b>Notification of commencement</b>			
7.	Within 20 business days of commencement, the proponent must advise the Department in writing of the actual date of commencement.	Activated	Compliant - Letter sent to the Department on 12 September 2011 advising that works commenced on 24 August 2011.  <i>Commencement under this approval is defined as "the substantial commencement of the proposed shipping activities (including ferry traffic and other vessel movements associated with the construction of the LNG facility on Curtis Island and infrastructure associated with this facility)".</i>
8.	If, at any time after five years from the date of this approval, the Minister notifies the proponent in writing that the Minister is not satisfied that there has been commencement of the action, the action must not commence without the written agreement of the Minister.	Completed	Compliant – the action has commenced within 5 years of the approved date.

Condition		Status	Statement of Compliance
<b>Request for variation of plans by proponent</b>			
9.	If the proponent wants to act other than in accordance with a plan approved by the Minister under these conditions, the proponent must submit a revised plan for the Minister's approval.	Activated	Compliant – Works are undertaken in accordance with the approved SAMP.
10.	If the Minister approves the revised plan, then that plan must be implemented instead of the plan originally approved.	Not activated	No revised plan has been submitted for Minister's approval. Works are undertaken in accordance with the approved SAMP
11.	Until the Minister has approved the revised plan, the proponent must continue to implement the original plan.	Not activated	No revised plan has been submitted for Minister's approval. Works are undertaken in accordance with the approved SAMP.
<b>Revisions to plans by the Minister</b>			
12.	If the Minister believes that it is necessary or desirable for the better protection of a relevant controlling provision for the action, the Minister may request the proponent to make, within a period specified by the Minister; revisions to a plan approved under these conditions.	Not activated	No revisions to a plan approved under these conditions have been requested by the Minister
13.	If the Minister makes a request for revision to a plan, the proponent must:	Not activated	No revisions to a plan approved under these conditions have been requested by the Minister
	(a) comply with that request; and	Not activated	No revisions to a plan approved under these conditions have been requested by the Minister.
	(b) submit the revised plan to the Minister for approval within the period specified in the request.	Not activated	No revisions to a plan approved under these conditions have been requested by the Minister.
14.	The proponent must implement the revised plan on approval of the Minister.	Not activated	No revisions to a plan approved under these conditions have been requested by the Minister.
15.	Until the Minister has approved the revised plan, the proponent must continue to implement the original plan.	Not activated	No revisions to a plan approved under these conditions have been requested by the Minister.

Condition		Status	Statement of Compliance
<b>Minimum timeframes for consideration of plans</b>			
16.	For any plan required to be approved by the Minister under these conditions, the proponent must ensure the Minister is provided at least 20 business days for review and consideration of the plan, unless otherwise agreed in writing between the proponent and the Minister.	Not activated	No revised plan has been submitted for Minister's approval. Works are undertaken in accordance with the approved SAMP.
Condition		Status	Statement of Compliance
<b>Compliance with State environmental and other authorities</b>			
17.	The proponent must comply with all environmental authorisations issued by the State, including conditions of an environmental authority issued under the EP Act.	Not activated	No Environmental Authority issued by the State relates to shipping activity.
<b>Provision of State plans</b>			
18.	If a condition of a State approval requires the proponent to provide a plan then the proponent must also provide the plan to the Department or Minister on request, within the period specified in the request.	Not activated	No requests have been received from the Department to provide a State plan.
<b>Timeframes</b>			
19.	If these conditions require the proponent to provide something by a specified time, a longer period may be specified in writing by the Minister.	Activated	Noted.
<b>Auditing</b>			
20.	On the request of and within a period specified by the Department, the proponent must ensure that: (a) independent audit of compliance with these conditions is conducted; and (b) an audit report, which addresses the audit criteria to the satisfaction of the Department, is published on the Internet and submitted to the Department.	Not activated	QGC has not received a request for an independent audit of compliance with approval conditions.
21.	Before the audit begins, the following must be approved by the Department: (a) the independent auditor; and (b) the audit criteria.	Not activated	QGC has not received a request for an independent audit of compliance with approval conditions.

Condition		Status	Statement of Compliance
22.	<p>The audit report must include:</p> <ul style="list-style-type: none"> <li>(a) the components of the project being audited;</li> <li>(b) the conditions that were activated during the period covered by the audit;</li> <li>(c) a compliance/non-compliance table;</li> <li>(d) a description of the evidence to support audit findings of compliance or non-compliance</li> <li>(e) recommendations on any non-compliance or other matter to improve compliance</li> <li>(f) a response by the proponent to the recommendations in the report (or, if the proponent does not respond within 20 business days of a request to do so by the auditor, a statement by the auditor to that effect); and</li> <li>(g) certification by the independent auditor of the findings of the audit report.</li> </ul>		QGC has not received a request for an independent audit of compliance with approval conditions.
23.	The financial cost of the audit will be borne by the proponent.	Not activated	QGC has not received a request for an independent audit of compliance with approval conditions.
24.	<p>The proponent must:</p> <ul style="list-style-type: none"> <li>(a) implement any recommendations in the audit report, as directed in writing by the Department;</li> <li>(b) investigate any non-compliance identified in the audit report; and</li> <li>(c) if non-compliance is identified in the audit report - take action as soon as practicable to ensure compliance with these conditions.</li> </ul>		QGC has not received a request for an independent audit of compliance with approval conditions.
25.	<p>If the audit report identifies any non-compliance with the conditions, within 20 business days after the audit report is submitted to the Department, the proponent must provide written advice to the Minister setting out the:</p> <ul style="list-style-type: none"> <li>(a) actions taken by the proponent to ensure compliance with these conditions; and</li> <li>(b) actions taken to prevent a recurrence of any non-compliance, or implement any other recommendation to improve compliance, identified in the audit report.</li> </ul>		QGC has not received a request for an independent audit of compliance with approval conditions.

Condition		Status	Statement of Compliance
	<i>Note: To avoid doubt, independent third party auditing may include audit of the proponent's performance against the requirements of any plan required under these conditions.</i>		
<b>Reporting non-compliance</b>			
<b>26.</b>	<p>The proponent must, when first becoming aware of a non-compliance with these conditions, or with a plan required to be approved by the Minister under these conditions:</p> <ul style="list-style-type: none"> <li>(a) report the non-compliance and remedial action to the Department within five business days;</li> <li>(b) bring the matter into compliance within a reasonable time frame specified in writing by the Department.</li> </ul>		Compliant – no issues of non-compliance have been identified during the Reporting Period.
Condition		Status	Statement of Compliance
<b>Record-keeping</b>			
<b>27.</b>	<p>The proponent must:</p> <ul style="list-style-type: none"> <li>(a) maintain accurate records substantiating all activities associated with or relevant to these conditions of approval, including measures taken to implement a plan approved under these conditions; and</li> <li>(b) make those records available on request to the Department. Such records may be subject to audit by the Department or an independent auditor in accordance with section 458 of the EPBC Act, or used to verify compliance with these conditions.</li> </ul> <p><i>Note: Audits or summaries of audits carried out under these conditions, or under section 458 of the EPBC Act, may be posted on the Department's website. The results of such audits may also be publicised through the general media.</i></p>		Compliant – records are maintained substantiating all activities relevant to these conditions.

Condition		Status	Statement of Compliance
<b>Financial assurance</b>			
<b>28.</b>	The proponent must: (a) provide the Minister with a financial assurance in the amount and form required from time to time by the Minister for activities to which these conditions apply; and (b) review and maintain the amount of financial assurance based on proponent reporting on compliance with these conditions, and any auditing of the activities.	Not activated	QGC has not received a request from the Minister to provide financial assurance during the Reporting Period.
Condition		Status	Statement of Compliance
<b>29.</b>	The financial assurance is to remain in force until the Minister is satisfied that no claim is likely to be made on the assurance. <i>Note: The financial assurance may be used for rehabilitation of habitat and other purposes not addressed adequately by the proponent during the life of the project.</i>	Not activated	QGC has not received a request from the Minister to provide financial assurance during the reporting period
<b>Annual Environmental Return</b>			
<b>30.</b>	The proponent must produce an Annual Environmental Return which: (a) addresses compliance with these conditions; (b) records any unavoidable adverse impacts on MNES, mitigation measures applied to avoid adverse impacts on MNES; and any rehabilitation work undertaken in connection with any unavoidable adverse impacts on MNES; (c) identifies all non-compliances with these conditions; and (d) identifies any amendments needed to plans to achieve compliance with these conditions.	Activated	Compliant – this Annual Environmental Return demonstrates compliance with this condition.  QGC has not identified any unavoidable adverse impacts on MNES during the Reporting Period and has continued to implement the measures detailed in the CEMP to avoid any such impacts.

Condition		Status	Statement of Compliance
31.	The proponent must publish the Annual Environmental Return on the Internet within 20 business days of each anniversary date of this approval. In complying with this publication requirement, the 'proponent must ensure that it has obtained relevant rights in relation to the confidentiality and intellectual property rights of third parties.	Activated	Compliant – QGC requested an extension to the publication date of this annual return until 7 December 2012. This request was approved by SEWPaC and this annual return will be published on the QGC website by that date.  The previous Annual Environmental Return was published on QGC's website within 20 calendar days of the anniversary date of the EPBC Approval.
<b>Dictionary</b>			
32.	<p>In these conditions, unless otherwise indicated:</p> <p><b>Conditions</b> means these conditions attached to the approval of the action;</p> <p><b>Commencement</b> means the substantial commencement of the proposed shipping activities (including ferry traffic and other vessel movements associated with the construction of the LNG facility on Curtis Island, and infrastructure associated with this facility) described in the referral EPBC 2008/4405, received under the. EPBC Act on 18 August 2008;</p> <p><b>Department</b> means the Australian Government department responsible for administering Part 4 of the EPBC Act;</p> <p><b>EP Act</b> means the Environmental Protection Act 1994 (Old);</p> <p><b>EPBC Act</b> means the Commonwealth Environment Protection and Biodiversity Conservation Act 1999;</p> <p><b>Minister</b> means the Minister responsible for Part 4 of the EPBC Act, and includes a delegate of the Minister under s.133 of the EPBC Act;</p> <p><b>MNES</b> means matters of national environmental significance, being the relevant matters protected under Part 3 of the EPBC Act;</p> <p><b>Plan</b> includes a report, study, or strategy (however described);</p> <p><b>Proponent</b> means the holder of the approval to which these conditions relate, and includes any person acting on behalf of the proponent.</p>	Noted	

Condition		Status	Statement of Compliance
33.	Unless otherwise indicated, words in these conditions have the same meaning as in (in the following order of priority): (a) the EPBC Act; and (b) the EP Act.	Noted	
34.	Unless the contrary is indicated, in these conditions: (a) words in the singular number include the plural and words in the plural number include the singular; and (b) condition headings are inserted for convenient reference only and have no effect in limiting or extending the language of condition to which they refer.	Noted	