



**APPENDIX A QGC MIDSTREAM | ENVIRONMENTAL ANNUAL RETURN**

**EPBC 2008/4405 – SHIPPING ACTIVITIES**

**SCOPE AND APPLICATION**

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 business 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 2016 to 21 October 2017 (the Reporting Period).

Condition 30 of the approval requires that the Annual Return:

- Addresses compliance with the conditions;
- 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 impact on MNES;
- Identifies all non-compliances with these conditions; and
- Identifies any amendments needed to plans to achieve compliance with these conditions.

This report complies with these requirements.

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## 1.0 BACKGROUND

### 1.1 The Queensland Curtis LNG Project

The Queensland Curtis Liquefied Natural Gas Project, referred to as QGC's LNG Project, extracts coal seam gas from Southern Queensland, transports it via pipeline to Curtis Island, where it is processed into Liquefied Natural Gas (LNG) for export.

### 1.2 Regulatory Environment

QGC's LNG Project is regulated at the state and federal government level. Queensland's Coordinator General granted approval for the project on 26 June 2010 and the then Commonwealth Minister for Sustainability, Environment, Water, Population and Communities (the Minister) granted 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 construction and operation. 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 Minister approved all five referrals made by QGC under the *Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act)*. QGC's LNG project operates under the following five approvals:

- Approval, EPBC 2008/4398 – QCLNG Gas Field Component
- Approval, EPBC 2008/4402 – LNG Plant & Onshore Activities Components
- Approval, EPBC 2008/4399 – Pipeline Network Component
- Approval, EPBC 2008/4405 – Shipping Activities
- 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.

### 1.3 Scope

This document is QGC's Annual return for referral approval EPBC 2008/4405 – Shipping Activities for the period from 22 October 2017 to 21 October 2018 inclusive (the Reporting Period). Compliance with Approvals EPBC 2008/4398, EPBC 2008/4402, EPBC 2008/4399 and EPBC 2008/4401 are addressed in separate reports. The purpose of this Report is to report on the status of compliance with each condition of referral approval EPBC 2008/4405.

## 2.0 REVIEW OF PROJECT ACTIVITIES DURING THE REPORTING PERIOD

QGC is now operating both LNG trains at the Facility. Shipping activities under this approval commenced on 24th August 2011. Table 1 details the approximate vessel movements to Curtis Island associated with the LNG Operations for the Reporting Period.

**Table 1: Vessel movements over the Reporting Period (October 2017 – October 2018)**

<b>VESSEL MOVEMENT TYPE</b>	<b>APPROXIMATE VESSEL MOVEMENTS REPORTING PERIOD</b>
Passenger ferry movements	3463
Ro-Ro barges	425
International vessels	114

In compiling this Annual Return, QGC has not identified any new instances of non-compliances with the conditions of its approval.

Compliance with the conditions of EPBC Approval 2008/4405 and any updates are set out in Appendix A.



## APPENDIX A ASSESSMENT OF COMPLIANCE WITH CONDITIONS

CONDITION NO.	CONDITION	STATEMENT OF COMPLIANCE	STATUS
<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>Dugong 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):</li> <li>d. limits on vessel speeds, including speeds for particular vessel types;</li> <li>e. limits on vessel movements, including the use of thrusters; and</li> <li>f. limits on vessel light and sound.</li> <li>g. 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:</li> <li>h. prevent and respond to the impact of accidental fuel, oil or chemical spills;</li> <li>i. minimise the impact of marine discharges, including those associated with vessel cleaning, anti-fouling and waste disposal;</li> <li>j. minimise disturbance to the seagrass species mentioned in condition 1(a);</li> <li>k. minimise the impact of bow-wash on Water Mouse (<i>Xeromys myoides</i>) nesting sites; and</li> <li>l. 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>m. a comprehensive outline of monitoring arrangements to determine</li> </ul>	<p>QGC prepared the Shipping Activity Management Plan (SAMP) in two parts in accordance with Condition 3.</p> <p>Part 1 of the SAMP was first submitted the Minister for approval on 18 October 2010. Following further consultation, a revised version of the SAMP was submitted on 19 July 2011 and approved by the Minister on 2 August 2011. This SAMP relates only to the construction phase of the QCLNG project.</p> <p>A letter was sent to the Department on 12 September 2011 advising that works commenced on 24 August 2011.</p> <p>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)”.</p> <p>Part 2 of the SAMP was submitted to the Department on 18 June 2014 and approved by a delegate of the minister on 4 July 2014. This SAMP relates to LNG tanker operations and associated activities.</p> <p>A revised SAMP was submitted to the Department in September 2017 for review and approval. It was subsequently approved on 18 October 2017.</p>	Ongoing

CONDITION NO.	CONDITION	STATEMENT OF COMPLIANCE	STATUS
	<p>the impact of shipping activity on the species specified in condition 1 (a), which includes:</p> <ul style="list-style-type: none"> <li>n. recommendations on the timing and frequency of species surveys;</li> <li>o. proposed monitoring arrangements; and</li> <li>p. the nature and frequency of proposed reporting arrangements.</li> </ul>		
2.	<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>		
3.	<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>		
4.	<p>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.</p> <p><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></p>	<p>As detailed above, Part 1 of the SAMP was prepared and approved before the commencement of construction works and Part 2 of the SAMP was prepared and approved before the commencement of LNG tanker operations and associated activities.</p>	Fulfilled

CONDITION NO.	CONDITION	STATEMENT OF COMPLIANCE	STATUS
<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.	Part 1 and Part 2 of the SAMP were published on the QGC website within the required timeframe. Current approved plans are published on the Environment page of the Shell Australia website located as follows: <a href="https://www.shell.com.au/about-us/projects-and-locations/qgc/environment/environment-management/management-plans.html">https://www.shell.com.au/about-us/projects-and-locations/qgc/environment/environment-management/management-plans.html</a>	Fulfilled
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.	Noted.	Not triggered
<b>NOTIFICATION OF ASSESSMENT</b>			
7.	Within 20 business days of commencement, the proponent must advise the Department in writing of the actual date of commencement.	<p>A letter was sent to the Department on 12 September 2011 advising that works commenced on 24 August 2011.</p> <p>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)”.</p>	Fulfilled
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.	The action commenced within 5 years of the approval date.	Fulfilled
<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.	<p>Works are undertaken in accordance with the approved SAMP.</p> <p>QGC submitted a revised SAMP to the Department in September 2017.</p>	Ongoing
10.	If the Minister approves the revised plan, then that plan must be implemented instead of the plan originally approved.	The Department approved QGC's revised SAMP on 18 October 2017. QGC has now implemented this	



CONDITION NO.	CONDITION	STATEMENT OF COMPLIANCE	STATUS
		approved revised SAMP.	
11.	Until the Minister has approved the revised plan, the proponent must continue to implement the original plan.	QGC implemented the approved SAMP until the revised SAMP was approved by the Minister.	Fulfilled
<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.	No revisions to a plan approved under these conditions have been requested by the Minister.	Not triggered
13.	If the Minister makes a request for revision to a plan, the proponent must: <ul style="list-style-type: none"> <li>a. comply with that request; and</li> <li>b. submit the revised plan to the Minister for approval within the period specified in the request.</li> </ul>	No revisions to a plan approved under these conditions have been requested by the Minister during the Reporting Period.	Not triggered
14.	The proponent must implement the revised plan on approval of the Minister.	No revisions to a plan approved under these conditions have been requested by the Minister during the Reporting Period.	Not triggered
15.	Until the Minister has approved the revised plan, the proponent must continue to implement the original plan.	No revisions to a plan approved under these conditions have been requested by the Minister during the Reporting Period.	Not triggered
<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.	QGC has complied with the timeframe requirements of this condition.	Fulfilled
<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.	No environmental authorisation issued by the State under the EP Act relates to shipping activities.	Ongoing
<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.	No requests have been received from the Department to provide a State plan during the Reporting period.	Not triggered



CONDITION NO.	CONDITION	STATEMENT OF COMPLIANCE	STATUS
<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.	This condition was not triggered during the Reporting Period.	Not triggered
<b>AUDITING</b>			
20.	On the request of and within a period specified by the Department, the proponent must ensure that: <ul style="list-style-type: none"> <li>a. an independent audit of compliance with these conditions is conducted; and</li> <li>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.</li> </ul>	This condition was not triggered during the Reporting Period.	Not triggered
21.	Before the audit begins, the following must be approved by the Department: <ul style="list-style-type: none"> <li>a. the independent auditor; and</li> <li>b. the audit criteria.</li> </ul>	This condition was not triggered during the Reporting Period.	Not triggered
22.	The audit report must include: <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>	This condition was not triggered during the Reporting Period.	Not triggered
23.	The financial cost of the audit will be borne by the proponent.	This condition was not triggered during the Reporting Period.	Not triggered
24.	The proponent must: <ul style="list-style-type: none"> <li>a. implement any recommendations in the audit report, as directed in</li> </ul>	This condition was not triggered during the Reporting Period.	Not triggered

CONDITION NO.	CONDITION	STATEMENT OF COMPLIANCE	STATUS
	<p>writing by the Department;</p> <p>b. investigate any non-compliance identified in the audit report; and</p> <p>c. if non-compliance is identified in the audit report - take action as soon as practicable to ensure compliance with these conditions.</p>		
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> <p>a. actions taken by the proponent to ensure compliance with these conditions; and</p> <p>b. actions taken to prevent a recurrence of any non-compliance, or implement any other recommendation to improve compliance, identified in the audit report.</p> <p>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.</p>	This condition was not triggered during the Reporting Period.	Not triggered
<b>REPORTING NON-COMPLIANCE</b>			
26.	<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> <p>(a) report the non-compliance and remedial action to the Department within five business days;</p> <p>(b) bring the matter into compliance within a reasonable time frame specified in writing by the Department.</p>	QGC has not become aware of any non-compliance with these conditions or with a plan during the Reporting Period.	Ongoing
<b>RECORD KEEPING</b>			
27.	<p>The proponent must:</p> <p>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</p> <p>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.</p> <p>c. Note: Audits or summaries of audits carried out under these</p>	Records are maintained substantiating all activities relevant to these conditions. There have been no requests during the Reporting Period to provide records to the Department.	Ongoing

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	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.		
<b>FINANCIAL ASSURANCE</b>			
28.	<p>The proponent must:</p> <ul style="list-style-type: none"> <li>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</li> <li>b. review and maintain the amount of financial assurance based on proponent reporting on compliance with these conditions, and any auditing of the activities.</li> </ul>	QGC has not received a request from the Minister to provide financial assurance for this approval.	Not triggered
29.	<p>The financial assurance is to remain in force until the Minister is satisfied that no claim is likely to be made on the assurance.</p> <p><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></p>	The Minister has not requested financial assurance under this approval.	Not triggered
<b>ANNUAL ENVIRONMENTAL RETURN</b>			
30.	<p>The proponent must produce an Annual Environmental Return which:</p> <ul style="list-style-type: none"> <li>a. addresses compliance with these conditions;</li> <li>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;</li> <li>c. identifies all non-compliances with these conditions; and</li> <li>d. identifies any amendments needed to plans to achieve compliance with these conditions.</li> </ul>	<p>This Annual Return satisfies compliance with this condition.</p> <p>During the Reporting Period:</p> <ul style="list-style-type: none"> <li>▪ QGC has not identified any unavoidable adverse impacts on MNES and has continued to implement the measures detailed in the relevant management plans to avoid any such impacts;</li> <li>▪ Mitigation measures applied to avoid adverse impacts on MNES are detailed in the relevant Management Plans;</li> <li>▪ No non-compliances with conditions in this approval were identified;</li> <li>▪ No amendment requirements to management plans were identified; and</li> <li>▪ No rehabilitation works in connection with any unavoidable adverse impacts on MNES have been undertaken.</li> </ul>	Ongoing



CONDITION NO.	CONDITION	STATEMENT OF COMPLIANCE	STATUS
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.	This annual return will be published on the Shell Australia website within the required timeframe.	Ongoing
<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.	Ongoing
33.	<p>Unless otherwise indicated, words in these conditions have the same meaning as in (in the following order of priority):</p> <ol style="list-style-type: none"> <li>a. the EPBC Act; and</li> <li>b. the EP Act.</li> </ol>	Noted.	Ongoing
34.	<p>Unless the contrary is indicated, in these conditions:</p> <ol style="list-style-type: none"> <li>a. words in the singular number include the plural and words in the plural number include the singular; and</li> <li>b. condition headings are inserted for convenient reference only and</li> </ol>	Noted.	Ongoing



CONDITION NO.	CONDITION	STATEMENT OF COMPLIANCE	STATUS
	have no effect in limiting or extending the language of condition to which they refer.		