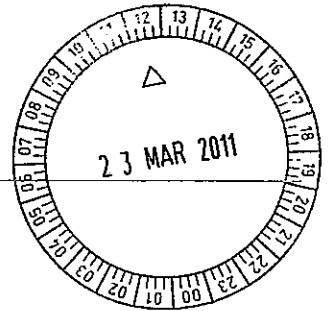


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MINISTER FOR ENVIRONMENT; WATER

Our Ref: 42-05327

Hon Brian Ellis MLC
Chairman
Standing Committee on Environment and Public Affairs
Parliament House
PERTH WA 6000

Dear Mr Ellis

Thank you for your letter dated 16 February 2011 in which you have requested comments regarding Petition No.99 – *Industrial LNG Hub at James Price Point, Broome* which has been referred to the Standing Committee on Environment and Public Affairs.

The proposed Browse Liquefied Natural Gas (LNG) Precinct at James Price Point is currently subject to a joint assessment that meets the requirements of an agreement between the Western Australian (WA) and Australia Governments under the WA *Environmental Protection Act 1986*, and the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*. A copy of the Strategic Assessment Agreement is attached for you reference (Attachment 1).

This agreement provides for a collaborative two-stage strategic assessment of plans for the LNG Precinct. The first stage of this process was completed with the announcement by the Premier, Hon Colin Barnett MLA, on 23 December 2008 that James Price Point had been chosen as the site for an LNG precinct in the Kimberley. This announcement followed public comment on the Northern Development Taskforce (NDT) Site Evaluation Report released in October 2008, and the Environmental Protection Authority's (EPA) review of the NDT site evaluation process and the four short-listed sites. A copy of the EPA report that was released on 19 December 2008 (EPA Report 1306) is attached for your reference (Attachment 2).

The second phase is formal environmental assessment by the EPA of a defined LNG Precinct proposal and its associated activities. The EPA determined in April 2008 the Kimberley LNG precinct proposal is a strategic proposal under the provisions of the *Environmental Protection Act 1986*.

Under the *Environmental Protection Act 1986* a proposal is a 'Strategic Proposal' if and to the extent to which it identifies:

- a) a future proposal that will be significant proposal; or

- b) future proposals likely, if implemented in combination with each other, to have a significant effect on the environment.

The environmental assessment of the strategic proposal will allow subsequent future proposals such as LNG processing plants to be considered as derived proposals under the provisions of the *Environmental Protection Act 1986*. The desired objective of such a strategic assessment is that future derived proposals will not generally be subject to further assessment by the EPA, although any relevant Ministerial conditions attached to the approved strategic proposal would be attached to any derived proposal.

Formal assessment by the EPA requires the proponent to prepare publicly available documentation outlining the environmental issues relevant to the proposal and encourages the public to submit their views for the EPA's consideration prior to any recommendations being made by the EPA on the environmental acceptability of the proposal.

The *Environmental Protection Act 1986* provides for the EPA to determine the form, content, timing and procedure of any formal assessment. I am advised that the assessment of the strategic proposal has followed the requirements of the Environmental Review and Management Programme; the highest level of assessment under the *Environmental Impact Assessment (Part IV Division 1) Administrative Procedures 2002* which were applicable at the time the level of assessment was determined. A copy of the 2002 Administrative Procedures is attached for your review (Attachment 3).

The Minister for State Development is the proponent of the LNG precinct. The Department of State Development, on behalf of the proponent, has prepared a Strategic Assessment Report (SAR). The EPA considered the suitability of the SAR document for public review at its meeting on 25 November 2010.

The EPA determined that the SAR document was suitable for public release and that the Public Review period for the SAR be extended from 8 to 12 weeks in view of the release of the document over the Christmas period. The EPA noted however, that studies in relation to Marine Waste Discharge, Oil Spill Modelling, Marine Benthic Primary Producer Habitat, and Coastal Processes were not available at the time of release. Accordingly the EPA determined that the information and outputs from these studies were to be made publically available as a package during the public comment period. The EPA determined that this information should be made available for 6 weeks public review, and that the SAR shall remain open for public comment until the review period for the supplementary information was complete.

Public Review of the SAR document commenced on 13 December 2010, and Supplementary Information on the marine issues as described above was released on 14 February 2011. As a result the public review period on both the SAR and Supplementary Information will close on 28 March 2011. At the close of the public review period the SAR will have been available for a period of 15 weeks, and the Supplementary Information 6 weeks.

I am advised that in releasing both the SAR and Supplementary Information documents for public review the proponent was required to advertise both their release and the length of the public review period in the West Australian and local newspapers. The proponent will also be required to re-advertise 2 weeks prior to the close of the public

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review period in accordance with standard EPA procedures where a public review period exceeds 4 weeks.

I am advised that letters were also sent by the EPA, along with copies of the documents to relevant Government Agencies, the Shire of Broome and other stakeholders upon the documents release. The SAR document and Supplementary Information are available for download from the consultation portal at <http://public-consult.epa.wa.gov.au/portal> or the proponent's website at <http://www.dsd.wa.gov.au/BrowseLNG>. I am also advised that hard or compact disc copies of the SAR and Supplementary Information are available free of charge from the Department of State Development. Copies are also available for examination at: the Environmental Protection Authority Library; the Broome, Derby -West Kimberley and Battye Public Libraries; Shire of Broome and Shire of Derby -West Kimberley Offices and the Department of Environment and Conservation Broome and Kununurra Offices.

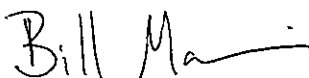
The SAR and Supplementary Information together contain the proponent's analysis of the environmental issues relevant to the proposal, together with its plans to avoid, mitigate or otherwise manage any likely impacts. A copy of the SAR (attachment 4) and Supplementary Information (Attachment 5) is attached for your reference. Interested persons are encouraged to consider the content of the SAR, and the Supplementary Information, and make a public submission to the EPA. Public submission can be made directly to the EPA via the consultation portal: <http://public-consult.epa.wa.gov.au/portal>, by email, post or hand delivery.

Following the close of public submissions, the next critical step in the environmental assessment process is for the proponent to prepare a response to public submissions on the SAR and Supplementary Information. The EPA will then assess the proposal in the light of public submissions and any other relevant information, prior to providing a report to me with its recommendations as to whether or not the proposal may be implemented in an environmentally acceptable manner. The EPA may also recommend conditions of implementation which would be attached to future derived proposals.

The EPA's report will also be publicly available and subject to a two week public appeal period. I will determine any appeals and then decide on whether or not the proposal may be implemented, and if so the conditions that should apply, in consultation with any other decision making authorities.

I trust this information is of assistance.

Yours sincerely



**HON BILL MARMION MLA
MINISTER FOR ENVIRONMENT; WATER**

22 MAR 2011

Att 1 – Strategic Assessment Agreement
Att 2 - EPA Report 1306 Kimberley LNG Precinct (December 2008)
Att 3 – 2002 Administrative Procedures
Att 4 – Strategic Assessment Report
Att 5 – Supplementary Information

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