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APA Ref: 170228_LO_QId State Planning Policy

28th February 2017

Department of Planning and Environment GPO Box 39 Sydney NSW 2001

Dear Sir or Madam,

RE: Submission on planning documents for Arncliffe, Banksia and Cooks Cove

Thank you for the opportunity to review and provide comment on the Bayside West Precincts (Arncliffe, Banksia and Cooks Cove) Land Use and Infrastructure Strategy; and the Arncliffe and Banksia Priority Precincts, Rezoning Proposal.

This submission contains three key parts. Firstly, background information is provided on APA, and our obligations in managing and operating high pressure gas transmission pipelines. This background is important to understand in relation to the submissions we are making. The second part contains specific submissions in relation to the two documents on public consultation. Lastly is a summary of key points.

1. Background to APA and High Pressure Gas Transmission Pipelines

About APA

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 (HPGTPs) across Australia.

The high pressure gas pipeline infrastructure plays an important role in:

- supplying energy needs to residential customers
- supplying power generators
- providing energy needs to business and industry and thereby supporting economic activity in New South Wales.

APA owns and operates the Moomba-Sydney Ethane Pipeline which runs through the subject area. The pipeline is located outside the northern extent of the subject area, but crosses the Princes Highway and then follows the eastern side of the Cooks Cove Precinct before crossing the River near the southern end of Kogarah Golf Club. While the pipeline is outside and along the edge of the study area, the Measurement Length (ML) of the pipeline extends for 590m, well into the study area (but excluding the Banksia Precinct. The ML is explained below under the heading 'Measurement Length (ML) and Safety'.

APA Group comprises two registered investment schemes, Australian Pipeline Trust (ARSN 091 678 778) and APT Investment Trust (ARSN 115 585 441), the securities in which are stapled together. Australian Pipeline Limited (ACN 091 344 704) is the responsible entity of those trusts. The registered office is HSBC building, Level 19, 580 George Street, Sydney NSW 2000.

APA's statutory obligations

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

APA also has a role to play in ensuring development compliance with Clause 55 'Development adjacent to corridor' in Division 9 of SEPP (Infrastructure) 2007, which states the following.

- (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.

In considering a development proposal or rezoning 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. If the location class changes a Safety Management Study is required to assess the additional risk and ensure the risk is reduced to an acceptable level.

Under AS2885, APA is not only responsible for activities or development on its easements, or land which includes an easement in favour of APA. APA has responsibilities for managing the risks associated with land use well outside of the pipeline easements. This includes both increased risk of physical damage to the pipeline from development and ongoing land use activities, as well as the risk to surrounding development from a loss of containment. The two risks are related, with measures to protect the integrity of the pipeline also reducing risk to surrounding people and development. These issues are explained in more detail below under the heading 'Measurement Length (ML) and Safety'.

APA's role

When considering land use and development proximate to HPGTPs and associated infrastructure, APA must consider safety as a key priority. We wish to emphasise it is APA's intent and duty to ensure high pressure gas pipelines and local communities are safely protected.

APA has a number of responsibilities and duties to perform under a complex framework of legislation, standards and controls across Federal, State and Local Government landscapes. In discharging these duties, APA needs to continuously review what is happening around its assets, what land use changes are occurring and what development is taking place, to ensure it remains in a positon to comply with applicable operational and safety standards and legislation whilst meeting its commercial obligations and imperatives.

In order to maintain pipeline safety, it is essential APA is informed of changes in land use in areas potentially affected by a pipeline failure in order that plans to control new threats and consequences can be developed and implemented. These measures can be costly and require substantial forward planning. Therefore, it is in the interests of the plan makers and development proponents to communicate with the pipeline operator as early as possible in the planning process. The earlier that notice of planning proposals affecting APA's pipelines is provided to APA, the better the information available to address public safety and the better equipped planners and APA will be to design efficient and effective outcomes, including ensuring safety near transmission pipelines both during development and after public settlement in the new areas.

In addition to the macro level perspective outlined above, APA also needs to ensure future land use and development patterns do not inadvertently (or intentionally) erode, reduce or extinguish the current controls and contractual rights commercially obtained by APA though easement agreements within which pipelines and associated infrastructure are located. It is important to avoid such outcomes which threaten the integrity of the pipeline and efficiency of ongoing operations.

Measurement Length (ML) and Safety

In managing HPGTPs and considering land use changes APA must focus on that area geographically defined by the ML. The ML area is essentially the area within which APA is mandated to consider community safety in the event the pipe is impacted in some way and we have a loss of pipeline containment. The ML is the area of safety consequence should a full bore rupture occur. The ML is determined taking account:

- design criteria of the pipe (driven by the environment within which it was designed for at the time of construction), and
- Maximum Allowable Operating Pressure (MAOP) of the pipe.

Due to the factors above the ML can vary significantly, and in the case of the subject area the ML is 590m either side of the pipeline. Therefore, APA must discharge its statutory obligations over a significant area well beyond the extent of any pipeline easements.

AS2885 requires APA to consider community and operational safety aspects in the event of a change in land use or significant increase in population density within the Measurement Length (ML) of the pipeline. This consideration is typically undertaken through a Safety Management Study (SMS). Where required, we strongly recommend Council, the proponent and APA coordinate to undertake this process so future land use and construction within the ML can be undertaken taking account any identified safety considerations and in compliance with AS2885 and its enabling legislation.

The SMS process does not preclude development from occurring, but ensures it occurs in a manner which maintains the pipeline integrity and community safety. Typical recommendations of an SMS are improved physical protection of the pipeline by slabbing installed below ground over the pipeline, and excluding or reducing the risk to sensitive uses within the ML.

State and local government can access pipeline information via the Australian Pipelines and Gas Association which maintain an online mapping database from which data can be exported as an ESRI Shapefile or Google KML file.

This includes the measurement length for all APA transmission pipelines as well as other pipelines. Registration is available at https://maps.landpartners.com.au/apd/APGALogin.aspx.

2. <u>Submission specifics</u>

Arncliffe and Banksia Precinct Proposal

The proposed rezoning for the Arncliffe and Banksia Precincts proposes significantly higher density urban development, when compared with existing development, or development allowed under existing planning controls. APA appreciates the urban planning rationale for higher density development in well serviced areas and does not oppose the principle of the proposed rezoning. However, as a result of the proposed rezoning the increased community risk should be assessed through an SMS. In our experience the outcomes of an SMS may include increased physical protection (slabbing) of the pipeline and appropriate control of additional sensitive uses within the ML. It is important this process be completed now so it can inform land use decisions at an early stage and avoid re-work of detailed planning and design. It should be noted only the Arncliffe Precinct is within the pipeline ML.

The location of the pipeline should be clearly shown on relevant planning constraint mapping to ensure direct impacts on the pipeline are avoided. These includes:

- avoiding roads over the pipeline easement, with crossings only allowed at limited locations at 90 degrees to the pipelines
- avoiding any reconfiguration which segments the easement
- work in the easement or within 50m of the easement requiring prior approval from APA.

The utilisation of the easement as a linear open space reserve with limited embellishment held in single title is the preferred outcome.

The following recommendations relate to the Precinct Proposal.

Recommendation 1 – The Precinct Proposal should explicitly detail the presence of the Moomba-Sydney Ethane Pipeline and the need to address relevant requirements under AS2885 in relation to community safety and pipeline integrity. This should be included in Section 3 - Key Considerations. Gas pipeline and transmission infrastructure should be shown on Figure 15: Opportunities and Constraints. This will assist in giving due consideration to this important economic asset and risk hazard.

Recommendation 2 – Mapping of gas pipeline and transmission infrastructure should accompany the proposed zoning, and other land use control maps in the Rockdale Local Environmental Plan (LEP) and other relevant planning instruments. This will ensure that the gas pipeline is considered as part of development applications.

Recommendation 3 – The Department of Planning and Environment should immediately commission an SMS to ensure risks of change in land use, and increased urban density, are appropriately mitigated.

Recommendation 4 – The recommendations of the SMS should be implemented by the agent of change at their cost. This should be considered as part of the Special Infrastructure Contribution proposed in Section 5.6 - Funding.

Recommendation 5 – The SMS must consider the risk to any sensitive uses proposed within the ML (which extends into the Arncliffe precinct). While not seeking to pre-empt the outcomes of the SMS, given the pressure of the pipeline and wall thickness in this location, there may be some sensitive uses permitted within parts of the ML. Where a sensitive use is found to be at risk, it is APA's preferred approach to relocate the use to eliminate the risk. This relates to the mixed use zoning to the north east of the Arncliffe Station, between the railway line and Princes Highway and east of Princes Highway (see Figure 17: Land Use Plan). This appears to be the only non-residential zoning areas within the ML. Sensitive uses for the purpose of the SMS include:

- child care centre
- entertainment facility
- correctional centre
- educational establishment
- hospital
- place of public worship
- residential care facility
- retail premises
- seniors housing
- service station.

Recommendation 6 – As part of the rezoning to occur through an amendment to the Rockdale LEP, it should be a clearly requirement that the following development be referred to the pipeline license holder in order to meet the requirements of Division 9 of SEPP (Infrastructure) 2009. Referral should be made for the following:

- subdivision of any lots which contain a HPGTP or easement
- a change in land use to a sensitive use as listed in Recommendation 5, and where located within the ML
- development involving any works within the easement and within 50m of the easement.

The benefit of completing an SMS at the current stage of proposed land use change is that the major issues associated with the pipeline will be addressed, in a holistic and coordinated manner, and the potential impact on subsequent development applications will be significantly reduced.

Bayside West Precincts (Arncliffe, Banksia and Cooks Cove) Draft Land Use and Infrastructure Strategy

The Bayside West Precincts (Arncliffe, Banksia and Cooks Cove) Draft Land Use and Infrastructure Strategy (the Strategy) is a high level strategy document which supports the proposed land use change in the area. It does this through key actions including rezoning, special infrastructure contribution, community projects, social housing, infrastructure improvements and planning proposal for Cooks Cove. As explained above in relation to the Precinct Proposal APA is concerned that the presence of the Moomba-Sydney Ethane Pipeline is considered, to ensure additional risks are mitigated, and development does not directly impact on the pipeline and easement.

The following recommendations relate to the Strategy.

Recommendation 7 – The Strategy should explicitly detail the presence of the Moomba-Sydney Ethane Pipeline (and associated infrastructure) and the need to address relevant requirements under AS2885 in relation to community safety and pipeline integrity. This should be included in Section 5 - Key Considerations. Gas pipeline and transmission infrastructure should be shown on Figure 8: Opportunities and Constraints. This will assist in giving due consideration to this important economic asset and risk hazard.

Recommendation 8 – The Department of Planning and Environment should immediately commission an SMS for the entire Strategy area to ensure risks of change in land use and increased urban density are appropriately mitigated. Completing an SMS for the entire Strategy area ensures all development proponents are aware of risk mitigation and development requirements, and can work with the licence holder to advance planning and design. This will also streamline the assessment process for subsequent development applications.

Recommendation 9 – The recommendations of the SMS should be implemented by the agent of change at their cost. This should be considered as part of the Special Infrastructure Contributions under Action 2 of the Strategy.

Recommendation 10 – The SMS must consider the risk to any proposed sensitive uses within the ML (which includes the majority of the Cooks Cove Precinct). While not seeking to pre-empt the outcomes of the SMS, given the pressure of the pipeline and wall thickness in this location, there may be some sensitive uses permitted within parts of the ML. Where a sensitive use is found to be at risk, it is APA's preferred approach to relocate the use to eliminate the risk.

A proposed sensitive uses within Cooks Cove is a new school as noted in Section 6.6 (Strategic Intent) and Section 7.5 (Schools); and shown on Figure 19: Infrastructure Map.

Recommendation 11 – Proposed new infrastructure near the pipeline includes improved cycle and pedestrian connections (missing regional link) and a bridge across Cooks River (Figure 19: Infrastructure Map). These should be designed in close consultation with APA (as the pipeline licence holder) to avoid impacts on the pipeline, maintain the pipeline easement, and explore opportunities for placement of cycle/pedestrian paths to further protect the pipeline. Such infrastructure should be within public open

space which preserves the pipeline easement and provides ongoing protection. Design of open space incorporating the pipeline easement must be subject to consultation with APA to ensure the easement is appropriately managed. Open space associated with the riverfront and cycle/pedestrian links should be mentioned in Section 7.3 (Open Space), and Section 7.4 (Pedestrian and Cycling Connections).

Recommendation 12 – Table 3: Local Infrastructure Upgrades includes a section on Community infrastructure, however, item C6 (new district level branch library and community centre) cannot be located to determine the appropriateness of its location in relation to the ML. The location should be provided and considered as part of the SMS.

Recommendation 13 – The land use plan for Cooks Cove (Section 6.1-3) should note a majority of the site is within the ML of the Moomba-Sydney Ethane Pipeline, and constrained by the pipeline and easement. Development of this area must to subject to consultation with APA to ensure development meets the requirements of AS2885 and SEPP (Infrastructure). As per Recommendation 8 this development proposal should be subject to an SMS.

We note the development proponent for Cooks Cove has held preliminary discussions with APA regarding the site, and we look forward to continuing these discussions.

3. Key Points

- 1. Licence holders of HPGTPs (licence holders) have statutory obligations under the *Pipelines Act* 1967 and the *Pipelines Regulation 2013 (P&G Reg)*. The *P&G Reg* states a licensee must ensure the design, construction, operation and maintenance of a pipeline is in accordance with Australian Standards 2885 (AS2885).
- 2. Under AS2885 licence holders must consider the implications of land use change in the vicinity of pipelines. It is important the Department of Planning and Environment gives appropriate consideration to APA addressing its obligations under NSW regulations.
- 3. While development must appropriately consider the impact of development on or near a pipeline and associated easement, regulations require consideration be given to land use change within the ML, which is 590m for the subject pipeline.
- 4. The above obligations are critical to managing the safety of people and development while maintaining economically important infrastructure.
- 5. The integrity of pipeline operations is critical to the efficient supply of gas.
- 6. An SMS should be immediately commenced for the subject areas to ensure issues are identified and addressed early in an effective and coordinated manner. Consideration of licence holder issues early in planning processes will make requirements clear for all parties, addressing major issues at an early stage, and resulting in streamlined development approval processes.
- 7. Recommendations of the SMS must be implemented, with any costs being borne by the agents of change. Such costs should be considered as part of a Special Infrastructure Contribution.
- 8. The location and constraints associated with the pipeline should be included in the subject documents and the Rockdale LEP along with any amendments resulting from the proposed rezoning.
- 9. The Rockdale LEP should include the requirement to refer relevant development applications to the licence holder for comment and consideration of SEPP (Infrastructure). Subject to an SMS

being completed and recommendations implemented this would streamline the development assessment process.

- 10. The SMS must consider the risk to any sensitive uses proposed within the ML. Where a sensitive use is found to be at risk, it is APA's preferred approach to relocate the use to eliminate the risk.
- 11. Cycle and pedestrian infrastructure improvements, along the eastern side of Cooks Cove must be designed in close consultation with APA and should incorporate open space including APA's pipeline and easement.

APA thanks the Department of Planning and Environment for the opportunity to comment on the Bayside West Precincts (Arncliffe, Banksia and Cooks Cove) Land Use and Infrastructure Strategy; and the Arncliffe and Banksia Priority Precincts, Rezoning Proposal. APA appreciates the time and effort spent by the Department on these documents. APA would welcome the opportunity to discuss the contents of this submission in a meeting with the Department.

Please contact Ross Larsen on 07 3223 3328 or email <u>planningnsw@apa.com.au</u> to further discuss the contents of this correspondence.

Yours faithfully,

Ross Larsen Senior Urban Planner Infrastructure Planning and Protection