

MINISTER FOR LANDS AND PLANNING

PARLIAMENT HOUSE STATE SQUARE DARWIN NT 0800 GPO BOX 3146 DARWIN NT 0801 TBLEPHONE: (08) 8901 4132 FACSIMILE: (08) 8901 4134

Mr Blair Murphy
Phillips Petroleum Company Aust P/L
Level 5 - NT House
22 Mitchell Street
DARWIN NT 0801

Dear Mr Blair Murphy

I have reviewed your application under section 38(1) of the *Planning Act 1999* to develop Section 1812, Wickham Point, Hundred of Ayers for the purpose of a 10 million tonne per annum liquefied natural gas plant and I am pleased to grant consent by determination number EDP02/0015.

The Exceptional Development Permit carries conditions of development with which the permit holder must comply at all times.

I have nominated the base period of the permit as seven years from the date of issue. The permit does not lapse if the use has commenced in accordance with the permit, within the base period.

I am satisfied that, through the Public Environment Report process and the development of Environmental Management Programmes in consultation with various Government agencies, your company has addressed the potential impacts on the environment and committed to appropriate avoidance, mitigation, minimisation and auditing measures.

I wish you all the best in your endeavours in the Northern Territory of Australia.

Yours sincerely

KON VATSKALIS

11/11/02.

NORTHERN TERRITORY OF AUSTRALIA

Planning Act 1999

Section 40(3)

EXCEPTIONAL DEVELOPMENT PERMIT

EDP02/0015

DESCRIPTION OF LAND THE SUBJECT OF THE PERMIT

Lot No.:

Section 1812

(proposed sections 1860, 1870, 1871, 1872 & 1873)

Town/Hundred:

Hundred of Ayers

Street Address:

Wickham Point

PURPOSE

Consent is hereby granted, pursuant to section 40(3)(a) of the *Planning Act*, for the purpose of the development of a 10 Million Tonne Per Annum Liquefied Natural Gas plant in two stages subject to the conditions in the Schedule, specified under section 40(5) of the Act.

Dated this

day of November

2002

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This Development Permit is based on the following documents, approvals, and applications:

- Environmental Impact Assessment 1997 3MTPA LNG facility.
- Public Environment Report 2002 10MTPA LNG facility.
- NTG Environmental Assessment Report & Recommendations (#24 and 39).
- Environmental Management Programmes:

Vol I - EMP Overview and Compliance Audit Register

Vol II - Construction Phase EMP

Vol III - Dredge & Spoil Disposal EMP

Vol IV - Operations EMP

The permit holder shall facilitate, as undertaken in the Environmental Management Programme Vol I: the establishment of a Heritage Issues Committee, A Cooperative Agreement under the Greenhouse Challenge Program with the Australian Greenhouse Office and a skills audit of the Darwin Region.

The permit holder has undertaken to develop, in consultation with the relevant NT Government or Federal agency, and provide a copy to the Chief Executive, Department of Infrastructure, Planning and Environment as verification, the following documentation, as undertaken in the Environmental Management Programme Vol I:

- Greenhouse Gas Strategy/Inventory/Action Plan including the procedure for monitoring & reporting on emissions;
- Emergency Management Plan/ Emergency Response Manuals;
- Site Emergency Plan (Supported by Emergency Response Manuals);
- Oil Spill Contingency Plans;
- LNG Accident Response Plan;
- Mangrove Monitoring Program;
- Weed Management Plan;
- Feral Λή\(mal Management Plan;
- Acid Sulfate Soil Management Plan;

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- · Corporate Relations Management Plan;
- Compliance Auditing & Reporting Plan;
- Health, Environment & Safety Policy;
- Operational Waste Management Plan;
- Safety Report (in accordance with the National Code of Practice for Major Hazard Facilities & Worksafe Australia Standards);
- Site Management Plan (Cleaning Equipment, Pest Monitoring & Fire Prevention);
- Noise Management Plan (if required after modelling & before blasting);
- Biting Insects Management Plan;
- Archaeological Sites Register For Wickham Point;
- · Erosion & Sediment Control Plan;
- LNG Plant Environmental Management Plan;
- · Cyclone Contingency Plan.

GENERAL CONDITIONS

- Works carried out under this permit shall be in accordance with the drawings numbered PA02/0596/01 to PA02/0596/05 and endorsed as forming part of this permit.
- The Permit Holder shall ensure full compliance with all conditions of this exceptional development permit. Any non-compliance may constitute a contravention of section 75 of the Planning Act 1999.
- 3. The Permit Holder shall ensure that the Project is designed, constructed, operated and decommissioned in accordance with the undertakings, information and recommendations contained in the 10MTPA Public Environment Report, the NTG Environmental Assessment Report and Recommendations (#39) and volumes I-IV Environmental Management Programmes and the various Management Plans endorsed under these documents.
- 4. The Permit Holder shall ensure that the Project is designed, constructed and operated in accordance with any mitigation measures to be recommended under on-going surveillance and monitoring activities, by any Northern Territory Government statutory authority during all stages of the Project. Recommendations referred to in subsequent documents required by this Permit are implemented as a requirement of this Permit.

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- 5. The Permit Holder shall ensure full compliance with all legislation from time to time in force including, but not limited to, the Water Act, the Waste Management and Pollution Control Act, the Soil Conservation and Land Utilisation Act, the Weeds Management Act, the Bushfires Act, the Dangerous Goods Act, the Fire and Emergency Act, the Petroleum Act, the Energy Pipelines Act, the Ozone Protection Act, the Heritage Conservation Act, the Marine Act, the Territory Parks and Wildlife Conservation Act, the Public Health Act, the Work Health Act and the Building Act. This Permit does not of itself constitute any ground of defence against any proceedings instituted under any legislation. Any non-compliance may constitute a contravention of that legislation, and may become the subject of legal action to be taken under that legislation.
- 6. The Permit Holder shall make a copy of this Permit together with all documents referred to in this Permit readily available at all times to the person(s) in charge of the site(s) and ensure that such person(s) fully understand(s) all conditions and all requirements incorporated by the Permit.
- 7. The Permit Holder shall make available to the public on a dedicated company Internet website a copy of this permit, the 10MTPA Public Environment Report and the Environmental Management Programmes Volumes I-IV and all reporting required under this permit. The Permit Holder shall notify the Director, Office of Environment and Heritage in writing within six weeks after the commencement of works of the Internet address for the aforementioned documents.
- 8. An Environmental Safety and Health Manager shall be appointed before the commencement of construction of the Project(s). The Environmental Safety and Health Manager shall have relevant competence in environmental monitoring and auditing or environmental management. The Environmental Safety and Health Manager shall be responsible for certifying the environmental acceptability of permanent and temporary works, relevant design plans and submissions in accordance with the undertakings in the Environmental Management Programmes Volumes I-IV
- All submissions to the Director, Office of Environment and Heritage required under this Permit shall be delivered either in person or by registered mail to the Director, Office of Environment and Heritage, GPO Box 1680 DARWIN NT 0801.

10. All environmental monitoring and audit data submitted under this Permit shall be true, valid and correct.

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- 11. The permit holder shall not prevent reasonable public access, having due regard to public safety, to the Wickham Point area generally bounded by proposed section 1861 for landing and recreational fishing, to the satisfaction of the Chief Executive, Department of Infrastructure, Planning and Environment.
- 12. The permit holder shall liaise with the Director, Office of Environment and Heritage to ensure that all required baseline monitoring is expedited such that reliable ambient environmental parameters are established for comparison to future environmental reporting. In particular, the collection and monitoring of adequate baseline data in relation to environmental indicators such as air quality (including Sulphur Dioxide), marine sediment profiles (including base metal concentrations), indicator species of marine flora and fauna (eg. benthos biota) and threatened taxa (ie. dugongs).
- 13. At any time, the Director, Office of Environment and Heritage may seek, and receive in an appropriate time and manner, a report from the permit holder on any incident or impact that may have implications under any of the environmental management programmes.

CONSTRUCTION STAGE

- 14. The permit holder shall at all times undertake the construction of the project in accordance with the Environmental Management Programme Volume I Environmental Compliance and Audit Register and Environmental Management Programme Volume II Construction Phase.
- 15. A copy of this permit, the 10MTPA Public Environment Report, and the Environmental Management Programmes Volumes I & II shall be available in the Project Manager and Environmental Safety and Health Manager offices at all times.
- 16. All submissions for approval and deposition under the Construction Phase EMP shall be certified by the Environmental Safety and Health Manager as conforming to the information and recommendations contained in the 10MTPA LNG Facility Public Environment Report and the Environmental Management Programme Volume II before submission to the Director, Office of Environment and Heritage.
- 17. Prior to the commencement of works, the permit holder shall obtain an 'Authority Certificate' from the Aboriginal Areas Protection Authority.

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- 18. The permit holder shall liaise with the relevant council authority to determine acceptable volumes and the appropriateness of depositing any hazardous and non-hazardous wastes at the respective waste disposal site.
- 19. The permit holder shall ensure that all solid and semi-solid wastes are disposed of in accordance with the relevant Australian Standards and in accordance with the undertakings within the Waste Management Plan and in accordance with the Waste Management and Pollution Control Act.
- 20. Any small on-site septic installation shall be installed in accordance with the Code of Practice for Small On-Site Sewage and Sullage Treatment Systems and The Disposal or Reuse of Sewage Effluent and certified as such by a licensed plumber, to the satisfaction of Building Advisory Services, Department of Infrastructure, Planning and Environment.
- 21. The permit holder shall consult with Litchfield Shire Council in regard to maintenance of local gravel roads used beyond normal capacity for access during project construction and operation, and formalise a road maintenance or upgrade contribution plan in accordance with reasonable technical requirements of Litchfield Shire Council to the satisfaction of the Chief Executive, Department of Infrastructure, Planning and Environment.
- 22. The permit holder shall liaise with the Chief Executive, Department of Infrastructure, Planning and Environment to determine the most practical and effective measures to minimise the adverse visual impact of the development. Such measures should include the maintenance of Peak Hill in a vegetated condition, and could include additional vegetated screening and alternative finishes to the most visible structural components of the LNG plant.

DREDGING AND SPOIL DISPOSAL STAGE

23. At least three months before the commencement of dredging and spoil disposal, the Permit Holder shall submit Environmental Management Programme Volume III – Dredge and Spoil Disposal to the Director, Office of Environment and Heritage for approval. This Programme shall be in accordance with recommendation 9 of the NTG Environmental Assessment Report (#39) and no dredging shall commence until the Director has approved the Environmental Management Programme.

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- 24. The permit holder shall ensure that at all times the project is undertaken in accordance with the Environmental Management Programme Volume I Environmental Compliance and Audit Register and the Environmental Management Programme Volume III Dredge and Spoil Disposal.
- 25. The Permit Holder shall make a copy of this Permit together with all documents referred to in this Permit readily available at all times to the person(s) in charge of the dredging and spoil disposal operation(s) and ensure that such person(s) fully understand(s) all conditions and all requirements incorporated by the Permit.
- 26. All submissions for approval and deposition under the Dredging and Spoil Disposal EMP shall be certified by the Environmental Safety and Health Manager as conforming to the information and recommendations contained in the Environmental Management Programme Volume III. thefore submission to the Director, Office of Environment and Heritage.

OPERATIONAL PHASE CONDITIONS

- 27. At least three months before the commissioning of the LNG plant the Permit Holder shall submit Environmental Management Programme Volume IV Operations, to the Director, Office of Environment and Heritage for approval. The EMP Volume IV Operations, shall include, but not be limited to, an operational Safety and Emergency Plan, a Waste Management Plan, an ongoing Environmental Monitoring and Auditing Plan, including greenhouse gas reporting in accordance with the recommendations of the NTG Environmental Assessment Report (#39). The LNG plant shall not commence operations until the Director has approved the Environmental Management Programme.
- 28. The permit holder shall ensure that at all times the project is operated in accordance with the Environmental Management Programme Volume I Environmental Compliance and Audit Register and the Environmental Management Programme Volume IV Operations.
- 29. The Permit Holder shall make a copy of this Permit together with all documents referred to in this Permit readily available at all times to the person(s) responsible for all operational aspects of the LNG plant operation(s) and ensure that such person(s) fully understand(s) all conditions and all requirements incorporated by the Permit.

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- 30. All submissions for approval and deposition under the Operational EMP shall be certified by the Environmental Safety and Health Manager as conforming to the information and recommendations contained in the Environmental Management Programme Volume IV, before submission to the Director, Office of Environment and Heritage.
- 31. At least three months before commissioning of the first LNG processing train, the Permit Holder shall deposit with the Director, Office of Environment and Heritage, a Greenhouse Gas (GHG) Management Plan which shall include the Life Cycle Management of carbon dioxide (CO₂), methane CH₄, nitrous oxide (N₂O), hydrofluorocarbon gases HFCs, perfluorocarbons PFCs and sulphur hexafluoride (SF₆) and provisions for regular greenhouse gas audits, a process for continuous review of new technologies to identify opportunities to reduce emissions, and benchmarking against other LNG facilities, with a view to achieving international best practice in terms of greenhouse gas emissions per unit of production. Opportunities for offsetting greenhouse gas emissions, including support for relevant research, shall also be addressed. In developing the GHG Management Plan, the permit holder shall consult with the Greenhouse Unit of the NT Office of Environment and Heritage.
- 32. After commissioning of the first LNG processing train, the Permit Holder shall undertake annual revisions and update of its GHG emissions inventory covering all existing facilities. The inventory shall be reported on an annual basis, including actual figures and targets for the previous and current year, as well as the next year's forecast. Discrepancies for actual versus target figures and actions for improvement or enhancement shall be explained. An annual report of GHG emissions inventory shall be deposited with the Director, Office of Environment and Heritage within three months after the end of the reporting period.
- 33. At least one month before the commissioning of the LNG plant, the Permit Holder shall, inform the Chief Executive, Department of Infrastructure, Planning and Environment in writing of the management organisation of the company and/or any form of joint ventures associated with the Project. The submitted information shall include at least the organisation chart, names of responsible persons and their contact details.
- 34. The Permit Holder shall notify the Chief Executive, Department of Infrastructure, Planning and Environment in writing of the Commissioning Schedule and the Commissioning Date of the Project no later than one month before the commissioning of the first LNG Processing Train. The Permit Holder shall notify the Chief Executive, Department of Infrastructure, Planning and Environment in writing/immediately if there is any change of the commissioning date of the Project.

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- 35. The permit holder shall obtain approval to conduct a controlled activity from the Secretary (Department of Transport and Regional Services) Darwin International Airport Pty Ltd. The Secretary's approval for the activity shall be conditional on the implementation of the following measures:
 - A restricted area shall be established to enclose any planned flare, 340 metres in radius by 490 metres in height.
 - A danger area shall be established suitable to enclose any estimated secondary plume, 170 metres in radius by 245 metes in height.
 - Pilots shall be informed of the location of the LNG plant's flaring system by the depiction of the necessary restricted and danger areas on appropriate navigation charts.
 - Pilots shall be cautioned about the possibility of unexpected turbulence in the location by the publication of the necessary restricted and danger areas in the Aeronautical Information Publication Enroute Supplement.
- 36. The permit holder shall provide air traffic control Darwin International Airport with not less than one hour's notice of any planned flaring, to the satisfaction of the Civil Aviation Safety Authority.
- 37. The Permit Holder shall obtain a Waste Discharge Licence. The licence will require analysis of operational water discharge and any hydrotest formulation to be used (to assess the potential toxicity to marine biota) and monitoring of the receiving water to ensure adequate dilution and dispersion to reduce toxicity to an acceptable level. Where there is a credible risk of toxicity in the discharge, the permit holder shall provide adequate notice to nearby aquaculturists to allow them to implement desired precautionary measures.
- 38. The permit holder shall submit plans and written details of any proposed grey water disposal systems to the Environmental Health Darwin Urban section of the Department of Health and Community Services for approval.

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- 39. The permit holder shall obtain approval from the Environmental Health Darwin Urban section of the Department of Health and Community Services prior to the installation of any large non-standard aerated wastewater treatment system (AWTS). Treatment and disposal (by irrigation) of wastewater will need to comply with the Guidelines for Sewerage Systems Use of Reclaimed Water (ANZECC/ARMCANZ 2000) and Site Specific Type.
- 40. The Permit Holder shall conduct a detailed assessment of areas proposed for treatment and disposal of wastewater using the Department of Health and Community Services report template and evaluate site constraints to choose the most suitable system. The report shall be submitted to the Department of Health and Community Services for the site specific type approval.
- 41. The Permit Holder shall, in consultation with relevant authorities such as the Darwin Port Corporation and the Australian Maritime Safety Authority, develop an Emergency Management Plan addressing LNG carrier operations at sea, in Darwin Harbour and at the loading jetty to ensure compliance with national and international safety and security regimes. The report shall include, but not be limited to, reporting procedures and organisational responsibilities in the event of incidents, contingency measures to minimise risks to human safety and the environment, specification of adequate resources to be held on ship and at berth to deal with credible contingencies and a communication strategy to ensure effective and efficient liaison among shore-based and ship based emergency response teams.

DECOMMISSIONING PHASE

42. At least six months before the decommissioning of the LNG plant the Permit Holder shall submit Environmental Management Programme – 'Decommissioning', to the Director, Office of Environment and Heritage for approval. The EMP – Decommissioning, shall ensure that decommissioning is carried out to the best environmental standards available at the time.

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Notes

The Permit Holder may apply under Section 40 of the Planning Act 1999 to the Minister for Lands and Planning for a variation of the conditions of this Exceptional Development Permit.

Under Section 66 of the Planning Act 1999, the Minister for Lands and Planning may revoke or modify this Exceptional Development Permit.

It is an offence under Section 75 of the Planning Act 1999 to use or develop land in contravention of the development provisions in relation to the land, except in accordance with a permit issued under this Act in relation to the land.

Penalty:

In the case of a corporation - 1000 penalty units and 20 penalty units default.

Base Period of Permit

As provided for under section 3 of the Act and subject to the provisions of sections 58 and 59, this permit will lapse seven years from the date of issue.

KONSTANTINE VATSKALIS
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REASONS FOR DECISION

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- 1. It is preferable to issue an exceptional development permit in relation to the proposed LNG facility, than to amend the NT Planning Scheme.
- 2. The proposed LNG facility is in accordance with the Litchfield Planning Concepts and Land Use Objectives.
- 3. Providing that all environmental requirements, management programmes and conditions of this permit are properly complied with, the proposed LNG facility can be implemented without unacceptable environmental impacts.

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Minister for Lands and Planning
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