

Queensland Curtis LNG:

Coordinator-General's change report no. 3 Housing conditions

September 2013

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1. Introduction

The *Queensland Curtis Liquefied Natural Gas – Coordinator-General's evaluation report for an environmental impact statement* (Coordinator-General's report) was released in June 2010, pursuant to section 35 of the *State Development and Public Works Organisation Act 1971* (Qld) (SDPWO Act).

The proponent for the Queensland Curtis Liquefied Natural Gas (QCLNG) project is Queensland Gas Company Ltd (QGC), a wholly owned subsidiary of the BG International Group. In August 2013, QGC applied to the Coordinator-General to propose changes to Appendix 1, Part 3, Conditions 9 and 11 of the Coordinator-General's report.

1.1. Prior application for project change

The proponent has previously requested two changes to the conditions for the QCLNG project, as follows:

- project change request 1 – Pipeline transport
- project change request 2 – Local Industry Participation Plan

1.2. Legislative provision for change report

On 9 August 2013, the proponent applied to the Coordinator-General to assess proposed changes to the QCLNG project, under Division 3A, section 35B, of the SDPWO Act. In accordance with section 35C of the SDPWO Act, I have evaluated the environmental effects of the proposed changes and its effect on the project and prepared this Coordinator-General's change report.

In evaluating the proponent's application for project change, I sought comment from the Department of Housing and Public Works, Gladstone Regional Council and Western Downs Regional Council. Additional information was provided by the proponent regarding its commitment to the Western Downs Housing Trust (WDHT) and to the ongoing reporting structure to relevant Regional Community Consultative Committees (RCCC).

2. Public notification

In accordance with section 35G of the SDPWO Act, I must decide whether or not the proponent is required to publicly notify the proposed change application and its effects on the project.

Housing impacts were a critical issue during the QCLNG EIS process and this is reflected in the housing conditions contained in the Coordinator-General's report. Following the release of the report, consultative processes between QGC, Gladstone Regional Council and Western Downs Regional Council were continued and eventually culminated in an Integrated Housing Strategy (IHS) relevant to each impacted local government area. The IHS was approved by the Coordinator-General on 8 August 2011.

The proposed changes relate to housing conditions, but do not materially affect the proponent's obligations under the existing conditions as QGC has already met condition requirements to mitigate project-related housing impacts and its financial commitments in the Gladstone Regional Council Area and substantially met condition requirements to mitigate project-related housing impacts and its financial commitments in the Western Downs Regional Council Area. As such, I decided that the proposed changes did not warrant public consultation and therefore the application for project change was not publicly notified prior to the evaluation of this change application. However, targeted consultation was carried out with the Department of Housing and Public Works, Gladstone Regional Council, and Western Downs Regional Council.

3. The proposed change

The proposed change requests that Appendix 1, Part 3, Conditions 9 and 11 in the Coordinator-General's report, which relate to housing requirements, be amended. The proposed changes are intended to provide QGC with flexibility in regard to the balance of committed funding available to address project-related housing impacts in the Western Downs Regional Council Area and will allow QGC to respond more effectively to current housing market conditions and opportunities.

3.1. Proponent's reasons for change

QGC's change request provides reasons for the proposed change as they relate to each of the effected conditions:

Appendix 1, Part 3, Condition 9 – Integrated Housing Strategy

Delete wording (Paragraph 2):

The Coordinator-General will take into consideration that QGC has made the following financial commitments to the mitigation of project-related housing impacts:

- Worker Housing Gladstone Region – \$18m
- Worker Housing Western Downs – \$26m
- Community and Affordable housing – \$6m

QGC submits that this text be deleted on the basis that the requirement has been substantially met and most available funding already committed as agreed with impacted local government areas. Consistent with an adaptive management approach, QGC now requires the flexibility to commit the balance to areas that will maximise opportunities and address areas of impact, which were not necessarily foreseen at the time the housing conditions were written.

Appendix 1, Part 3, Condition 9 – Integrated Housing Strategy

Delete wording (paragraph 6 – Final Paragraph):

The Integrated Housing Strategy is to report performance to the Western Downs RCCC, Toowoomba Regional Council; and Gladstone RCCC and seek input on a regular basis, not exceeding 6 monthly in the period to end 2020.

QGC submits that deletion is appropriate on the basis of duplication. The six-monthly reporting is already captured under separate reporting conditions in Appendix 1, Part 3, Conditions 10, 11 and 12.

Appendix 1, Part 3, Condition 11 – Housing for Western Downs Region

Delete wording (paragraph 1):

The proponent or its construction contractors shall facilitate provision of new or additional housing stock in the Western Downs region to meet as a guide, 75 per cent or other percentage concluded from the Integrated Housing Strategy and approved by the Coordinator-General with advice from the Department of Communities, of the project's workforce seeking to settle in the Western Downs Regional Council area.

Replace with:

The proponent must provide an annual report to the Coordinator-General for a period of five years from the commencement of construction, describing actions, outcomes and adaptive management strategies to avoid, manage or mitigate project-related impacts on local and regional housing markets.

The annual report should also report on actions and management strategies addressing direct impacts arising from operational activities undertaken during the five year reporting period.

QGC seeks to align current SIMP annual reporting requirements to the new reporting requirements contained in the Social Impact Assessment guideline released in July 2013. QGC submits that the current condition text is prescriptive and inconsistent with new Social Impact Assessment guideline.

4. Evaluation of the change request

In evaluating this application for project change, I have considered the following:

- the proponent's application for project change, dated 9 August 2013
- advisory agency submissions, as part of a targeted consultation process
- additional information from QGC regarding its commitment to the Western Downs Housing Trust, provided on 28 August 2013
- additional information from QGC regarding its commitment to reporting to Regional Community Consultation Committees (RCCCs), provided on 2 September 2013.

Housing strategies and commitments detailed in the QCLNG Social Impact Management Plan (approved by the Coordinator-General on 11 April 2012), applicable to Gladstone Regional Council and Western Downs Regional Council areas, have either been implemented, or are in the process of being delivered through:

- the provision of housing stock
- housing support programs, or
- funding commitments that have been put in place.

I have considered the positive actions and housing outcomes already delivered or put in place by QGC to mitigate project-related housing impacts (as contained in its approved SIMP). I support an adaptive management approach and the need to provide greater flexibility for QGC to be able to respond effectively to the current housing market, impacts and opportunities.

5. Conclusion

Pursuant to section 35I of the SDPWO Act, the evaluation of the QGC application for project change, dated 9 August 2013, concludes the following:

- the project changes requested by QGC will not effect the implementation of the QCLNG project
- Appendix 1, Part 3, conditions 9 and 11 from the Coordinator-General's evaluation report for the QCLNG project be amended.

Pursuant to section 35L of the SDPWO Act, the evaluation of the QGC application for project change, dated 9 August 2013, lapses on the same date as the Coordinator-General's report (under section 35A).

5.1. Revised conditions

Conditions made in this report are made pursuant to section 35I(2) of the SDPWO Act. Revised conditions are in Appendix 1 of this change report.

5.2. Distribution of change report

Pursuant to section 35J of the SDPWO Act, a copy of this report will be given to the proponent, and will be made available at: www.dsdip.qld.gov.au/assessments-and-approvals/qclng-project-changes.html

As per section 35K of the SDPWO Act, the Coordinator-General's report on the EIS for the project, and the Coordinator-General's change reports, both have effect for the project. However, if the reports conflict, the Coordinator-General's change report prevails to the extent of any inconsistency.



Barry Broe
Coordinator-General
6 September 2013

Appendix 1. Amended conditions

Former condition	New condition
<p>Appendix 1, Part 3, Condition 9</p>	<p>Appendix 1, Part 3, Condition 9</p> <p>The proponent (QGC) or its construction contractor must develop an Integrated Housing Strategy for the project in consultation with councils and the Department of Communities, within 90 calendar days of the project receiving a final investment decision to proceed, and submit the strategy to the Coordinator-General for agreement.</p> <p>QGC will participate in consultation with other major proponents as directed by the Coordinator-General and government agencies to identify cooperative strategies, and participate in regional strategies to resolve project-related cumulative housing impacts, with the objectives of achieving joint mitigation strategies and delivering housing solutions.</p> <p>The strategy shall have provision to:</p> <ol style="list-style-type: none"> 1. Provide housing for QGC's imported workforce that is not housed by the project specific temporary worker accommodation by a range of means including (but not limited to) direct supply of housing/units and facilitating joint ventures for construction of dwellings. 2. Provide investment in community housing for households who may be significantly adversely affected by increased housing costs particularly for indigenous people and low income households. 3. Implement strategies to advise workers and families wishing to settle in project areas of their accommodation options under this strategy. 4. Monitor the effect of the provision of affordable housing particularly for Indigenous people and low income households, and invest in that housing where shown to be required. 5. Review performance of workforce housing supply. <p>Development of the Integrated Housing Strategy is to include consultation with the Western Downs RCCC, Toowoomba Regional Council; and Gladstone RCCC and evidence that consultation findings have been considered in developing the housing strategy.</p>
<p>Appendix 1, Part 3, Condition 11</p>	<p>Appendix 1, Part 3, Condition 11</p> <p>The proponent must provide an annual report to the Coordinator-General for a period of five years from the commencement of construction, describing actions, outcomes and adaptive management strategies to avoid, manage or mitigate project-related impacts on local and regional housing markets.</p> <p>The annual report should also report on actions and management strategies addressing direct impacts arising from operational activities undertaken during the five-year reporting period.</p> <p>It is required that the proponent provide six monthly housing reports to the Western Downs RCCC.</p>

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