

## Queensland Curtis LNG project:

# Coordinator-General's Change Report No. 7 Third Train condition

July 2014

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## Background

The *Queensland Curtis LNG (QCLNG) project – 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).

On 13 June 2014, the proponent applied to the Coordinator-General to evaluate proposed changes to the QCLNG project, under Division 3A, section 35C of the SDPWO Act (the Act). In accordance with section 35H of the Act, the Coordinator-General has evaluated the environmental effects of these proposed changes, their effect on the project and any other related matters, and prepared this Coordinator-General's change report under section 35I of the SDPWO Act.

**The project proponent** Queensland Gas Company Ltd (QGC)

**The project** Queensland Curtis LNG (QCLNG) project

**Proposed changes to the project**

The proponent has requested an amendment to Appendix 4, Part 2, Condition 8 of the QCLNG project Coordinator-General's Evaluation Report (CGER).

The condition, as currently drafted, provides the opportunity to extend the currency period of the QCLNG CGER from four years to six years (an extension of two years to the currency period), subject to the proponent substantially commencing the construction of LNG Trains 1 and 2, deciding to proceed with substantial commencement of Train 3 within the two year extension period, and providing satisfactory contemporary social and logistics planning documentation to the Coordinator-General.

The proponent advised of the inability to commit to the construction of a third LNG train at this time, however requested consideration of an amendment to the condition to provide for an extension of the QCLNG CGER currency period, to preserve the ability for the proponent to have assessed, commit to and construct a third LNG train in the future, subject to market conditions.

To provide the proponent with sufficient flexibility to have assessed, consider and commit to the construction of a third LNG train, Appendix 4, Part 2, Condition 8 of the QCLNG CGER is to be amended such that the proponent may apply for an extension of two years to the QCLNG CGER currency period provided the proponent substantially commences construction of LNG Trains 1 and 2 in the existing four year currency period.

Prior to the expiry of the extended QCLNG CGER currency period, should the proponent decide to construct LNG Train 3, the proponent must submit an application for project change to the Coordinator-General for consideration before proceeding.

<b>Decision</b>	Deletion and replacement of Appendix 4, Part 2, Condition 8 of the Coordinator-General's Evaluation Report.	
<b>Date of effect</b>	This report takes effect from the date of signing of the report.	
<b>Decision authorised by</b>	Barry Broe	
<b>Position</b>	Coordinator-General	
<b>Signature</b>		<b>Date of decision</b> 14 July 2014

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

## Appendix 1. Changes to QCLNG project conditions

Coordinator-General evaluation report	Coordinator-General change report
<p><b>Appendix 4, Part 2, Condition 8</b></p> <p>a) Substantial commencement of gas field, pipeline and LNG facility construction must occur within 4 years of the date of this Coordinator-General report, otherwise this report will expire, but may be extended by the proponent in accordance with clause (b).</p> <p>b) If, prior to expiry of the standard 4 year period of currency of the Coordinator-General report, construction of Trains 1 and 2 has substantially commenced, and the proponent has decided to proceed with substantial commencement of Third Train construction within the following 2 year period, the proponent may apply to the Coordinator-General, prior to the expiry of the 4 year period, to extend the Coordinator-General report for the further 2 year period if satisfactory contemporary social and logistics planning documents are provided to the Coordinator-General.</p> <p>c) If a decision is made to construct the Third Train, but the Third Train is not substantially commenced within a 6 year period, from the issue of the Coordinator-General report, the Coordinator-General report lapses and a new declaration and environmental assessment will be required, whether or not the Coordinator-General has extended the currency of the Coordinator-General report.</p>	<p><b>Appendix 4, Part 2, Condition 8</b></p> <p>a) Substantial commencement of gas field, pipeline and LNG facility construction must occur within 4 years of the date of the release of the Coordinator-General's evaluation report for the Queensland Curtis Liquefied Natural Gas - QCLNG project ("the report"), otherwise the report will expire, but may be extended by the proponent in accordance with clause (b).</p> <p>b) If, within 4 years of the date of the Coordinator-General's report, construction of Trains 1 and 2 has substantially commenced, the proponent may apply to the Coordinator-General to extend the currency of the Coordinator-General's report for a further 2 year period ("extension period"), such that it will lapse 6 years from the date of the Coordinator-General report.</p> <p>c) If, prior to the expiry of the extension period, the proponent wishes to proceed with a third train for the LNG facility, the proponent must first submit an application for project change to the Coordinator-General for consideration before proceeding.</p>