Australian Gas Networks Limited (ACN 078 551 685)

ANNUAL REPORT

PIPELINE LICENCE 6

LICENCE YEAR 2015

1 January 2015 – 31 December 2015

March 2016

CONTENTS

1. INTRODUCTION

Pipeline Licence 6 was granted on 27 January 1994 and was renewed again in early 2015. The licence authorises the construction and operation of the Angaston to Berri and Sedan to Murray Bridge Natural Gas Transmission Pipeline System commonly referred to as the "Riverland Pipeline," located in South Australia. This report has been prepared by APT O&M Services Pty Ltd ("APA Group"), on behalf of Australian Gas Networks ("AGN") and details the work conducted during Licence Year 2015 of the licence (1 January 2015 to 31 December 2015 inclusive) in accordance with Regulation 33 of the *Petroleum and Geothermal Energy Act 2000* (SA) ("**the Act**").

2. REGULATED ACTIVITIES

The following regulated activities were carried out under the licence during Licence Year 2015.

2.1 Patrolling Activities

2.1.1 *Weekly Patrols*

SCOPE:

- Inspection of T1 locations for evidence of construction or impending construction activity on or near the pipeline

2.1.2 Monthly Patrols

SCOPE:

- Site Inspections* comprising of the following items:
  - Visual check of compounds, gate stations and associated equipment
  - Gas leakage check on all connection fittings, flanges, stems and seals
  - Weed management issues
  - Soil management issues
  - Fencing damage/issues
  - Signage condition/adequacy along the pipeline route and on the compound fences
  - Special Crossings for loss of cover

  (*Note: Where items are identified as requiring repair or maintenance, where possible these are completed at the time of inspection.)

2.1.3 Monthly Aerial Patrols

SCOPE:

- Visual aerial inspection of the pipeline corridor, access roads and sighting any evidence of:
  - fallen pipeline marker signage;
  - easement encroachments; and
  - washaways and loss of cover.

2.2 Operational and Maintenance Activities

ROUTINE

2.2.1 Quarterly and Annual Inspections and Maintenance on Mechanical Equipment

SCOPE:

Station Inspections
- gas leakage checks;
- weed management;
- soil management;
- fencing inspection/repair;
- station shed check;
- compound fence signage; and
- fire extinguisher checks.

Meter Inspections
- meter reading checks

Equipment Inspections
- bypass pressure checks;
- regulator lock up checks;
- valve position checks and operation;
- station isolation valve; and
- Pressure Relief Valve testing and servicing.

Residual Current Device
- operational checks

NON-ROUTINE

- Dig ups on the Riverland Pipeline commenced in 2014 and were completed during 2015. These dig ups identified coating damage caused by termites although there was no evidence of corrosion along the pipeline. Damaged coating was repaired in each instance where identified.
- Main Line Valve (MLV) 1 along the Riverland Pipeline was replaced as part of the Angaston Compressor upgrade.
- A cathodic protection system upgrade from sacrificial anodes to impressed current units commenced during 2015. A total of 6 transformer rectifiers will be installed along the Riverland Pipeline, 3 of which were completed during 2015.
- A new compressor at the Angaston Compressor Station was installed to increase the delivery capacity at Mildura from 3 TJ/day to approximately 4.4 TJ/day. The compressor is expected to be fully commissioned by 31 May 2016.
- Some modification work was carried out at the Berri Gate Station and Murray Bridge Gate Station as part of the Riverland Pipeline System pressure upgrade.
- On 19 May 2015, as part of the validation process for AGN/APA's 2013 PL 6 Fitness for Purpose (FFP) Report, DSD requested that the Remaining Life Review (RLR), which is a critical element associated with it, be validated by an independent and competent third party. As such APA

engaged a DSD accepted, independent consultant to carry out this validation and provide the necessary critical review of AGN/APA's RLR and associated documents. The independent review established that AGN/APA had reasonably considered the integrity and remaining life of the operational pipeline in general compliance with AS2885.3 Clause 10.2. The review also provided a number of recommendations for general continuous improvement. These recommendations have been adopted by APA, the majority of which have been closed out. The remaining recommendations are due for completion by the end of 2016. DSD advised AGN/APA on 11 December 2016 that the 2013 PL6 FFP report met the requirements of Regulation 30 of the *Petroleum and Geothermal Energy Act 2000*.

2.3 Surveys

2.3.1 Annual Leakage Survey

The annual leakage survey on all T1 locations was completed in June 2015 and no leaks were identified.

2.3.2 Cathodic Protection Surveys

Two Cathodic Potential (CP) surveys were scheduled to be carried out during 2015 to assess CP integrity in opposing climatic conditions. The first survey was carried out during February 2015. Results indicated that the pipeline appears to be generally protected in accordance with the original design specification and applicable standards. Ten recommendations were made to improve the integrity of CP along the Riverland Pipeline system and will be addressed during 2016 as part of the CP upgrade. The second survey was scheduled for November 2015, however, due to severe heat it was determined that the survey would pose a fire risk and so was postponed to May 2016. APA also proposes to measure the 'off potentials' in the May 2016 CP survey.

2.3.3 Special Crossing Surveys

A monthly survey is carried out at particular points on the pipeline which are designated as "Special Crossings," the purpose of which is to inspect nominated road, river and other crossings of the pipeline for loss of cover or other changes which may pose a potential threat to the integrity of the pipeline. These special crossings are inspected as part of the monthly patrols along the Riverland Pipeline.

2.4 Pipeline Location and Referral Services

During the licence year 2015 there were 178 Dial Before You Dig ("DBYD") enquiries received from the national referral service in relation to the Riverland Pipeline.

2.5 Permit to Work System

All third party activity within the pipeline easement and all works carried out on the pipeline easement were conducted under a "Permit to Work" System. The works were supervised to ensure the safety and integrity of the pipeline system and personnel.

2.6 Emergency Response Exercises

An 'emergency response exercise', simulating a realistic emergency scenario, was carried out on 30 October 2015. The exercise incident was classified as a level 1 major downstream emergency. As part of the exercise, a debrief session with all key members of the Emergency Response Team was held on the 16th of November. The emergency response exercise proceeded relatively well with a total number of 6 moderate rated recommendations made to improve emergency response. These actions are scheduled for completion during 2016.

3. COMPLIANCE ISSUES

3.1 Licence and Regulatory Compliance

AGN complied with the terms and conditions under Pipeline Licence 6, the legislative requirements in the *Petroleum and Geothermal Energy Act 2000* (SA) and *Petroleum and Geothermal Energy Regulations 2013* (SA) and its Statement of Environmental Objectives during Licence Year 2015.

3.2 Compliance with Statement of Environmental Objectives

Refer to **Appendix 1** for AGN's Annual Assessment of Compliance against its SEO Objectives.

3.3 Rectification of Non-Compliances

AGN has no outstanding actions to rectify non-compliances with obligations imposed by the *Petroleum and Geothermal Energy Act 2013* (SA) and *Petroleum and Geothermal Energy Regulations 2013* (SA) or Pipeline Licence 6.

3.4 Management Systems Audit

There were a number of audits of Management Systems completed during Licence Year 2015. Details as follows:

- An internal audit was carried out during June 2015 to assess APA's Corrosion Management System against Australian Standard AS 2885.1 Section 8, Mitigation of Corrosion. Field validation assessments were carried out as part of this audit and demonstrated compliance with work instructions and safe working principals, with no non-conformances observed. Overall it was evident that the Corrosion Management Plan is comprehensive and has been implemented to accord with the requirements of Australian Standards. Four (low rated) opportunities for improvement were identified and these are being considered for implementation as part of the Engineering Departments continual improvement processes.

- Landholder consultation analysis was carried out on 22 December 2015 to determine consultation frequency between APA Group and each of the Landholders. An assessment of the entire route of the pipeline was carried out, whereby location classifications, along with a range of threats, were considered to determine the frequency of engagement for each individual landholder. The threats considered included actual land use and activity, previous encroachments, native fauna and weed issues. Overall it was decided that landholder consultation would occur either 'bi-annually' or 'annually' dependant on the above mentioned outcomes. All frequencies have been incorporated into APA Group's planning and scheduling systems.

3.5 Report and Data Submissions

The following reports and data relevant to the operation of the Act were generated during Licence Year 2015:

Description of Report/Data	Date Due	Date Submitted	Compliant Non-Compliant
Annual Report for PL6 for Licence Year 2014	31 March 2015	18 May 2015	Non-Compliant
- Resubmission following DSD review	21 July 2015	21 July 2015	Compliant
Quarterly Incident Reports	30 April 2015 31 July 2015 31 October 2015 31 January 2016	1 April 2015 3 July 2015 13 October 2015 N/A[1]	Compliant
Quarterly Assessments against the Statement of Environmental Objectives	30 April 2015 31 July 2015 31 October 2015 31 January 2016	1 April 2015 3 July 2015 13 October 2015 N/A[2]	Compliant
Pipeline Integrity Management Plan	N/A	15 January 2015	N/A
Safety Management Study	N/A	30 January 2015	N/A
Activity Notification for Commissioning of a Compressor Station at Angaston	N/A	11 June 2015	Compliant
Construction Reports for Angaston Compressor Station Upgrade - Fortnight ending 16 January 2015 - Fortnight ending 30 January 2015 - Fortnight ending 13 February 2015 - Fortnight ending 27 February 2015 - Fortnight ending 13 March 2015 - Fortnight ending 27 March 2015 - Fortnight ending 10 April 2015 - Fortnight ending 24 April 2015 - Fortnight ending 8 May 2015 - Fortnight ending 22 May 2015 - Fortnight ending 5 June 2015	 21 January 2015 4 February 2015 18 February 2015 4 March 2015 18 March 2015 21 April 2015 15 April 2015 29 April 2015 13 May 2015 27 May 2015 10 June 2015	 19 January 2015 2 February 2015 16 February 2015 2 March 2015 16 March 2015 31 March 2015 14 April 2015 27 April 2015 11 May 2015 25 May 2015 9 June 2015	Compliant

[1] As agreed between DSD & AGN/APA, Quarterly Reports will no longer be submitted except where required under legislation.
[2] Ibid

Remaining Life Review	(prior to commissioning of Angaston)	25 May 2015	Compliant
Pipeline Management System	N/A	1 June 2015	N/A
Riverland Pipeline Independent Validation Report	N/A	14 July 2015	Compliant
Emergency Response Exercise Report	25 December 2015	22 December 2015[3]	Compliant
Statement of Environmental Objectives 5 -Yearly Review Report	28 October 2015	28 August 2015	Compliant
Isolation Plan	N/A	23 January 2015	Compliant
South Australia Emergency Response Plan	N/A	27 October 2015	N/A

3.6 Incidents

No serious or reportable incidents occurred during Licence Year 2015 as affirmed each quarter to the Department of State Development ("**DSD**") when AGN submitted its Quarterly Assessments against the Statement of Environmental Objectives.

3.7 Threat Prevention

AGN confirms that at the current time there are no reasonably foreseeable threats which AGN believes reasonably present, or may present, a hazard to facilities or activities under the licence.

AGN continues however to manage external interferences to the pipeline including third party, contractor and pipeline operator threats, by monitoring the mitigation controls in place and implementing new controls as necessary.

Some of the controls currently in place include conducting monthly aerial patrols of the pipeline together with weekly and monthly ground inspections; managing pipeline markers and erecting new signage where required; registering and maintaining information about the pipeline's assets with the DBYD service; monitoring land-ownership and land use changes; participating in land development proposals and communicating with relevant stakeholders.

3.8 Future Work Program

The operational activities proposed for the Riverland Pipeline during Licence Year 2016 include:

- Completing all scheduled routine maintenance activities and corrective maintenance as identified.
- Partial Pipeline Pigging to remove liquids and contaminants from the pipeline (Angaston to Maggea and Sedan to Murray Bridge). This is scheduled to occur in the first half of 2016.
- Completion of the Cathodic Protection System upgrade from sacrificial anodes to impressed current units commenced during 2015. The remaining 3 transformer rectifiers will be installed during 2016.
- The installation of a temperature sensor unit to monitor pipeline temperature on the Riverland Pipeline.
- Completion of the upgrade for the 'regulator control pilots' on the standby stream in Berri Gate Station.
- Installation of concrete slabs in T1 areas as recommended in the Safety Management Study.

[3] Actual emergency exercise conducted on 30 October 2015

3.9 Additional Information

The approximate volume of natural gas transported through the Riverland Pipeline during Licence Year 2015 was 982 TJ.

4. EXPENDITURE STATEMENT

In accordance with Regulation 33(4) a statement of expenditure on regulated activities conducted under Pipeline Licence 6 for Licence Year 2015 accompanies this Annual Report at **Appendix 2;** however per Regulation 33(9) public disclosure of this statement is not required. As such the statement is "Commercial in Confidence" and is provided under separate cover.

APPENDIX 1 - Annual Assessment of Compliance against SEO Objectives

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
Construction				
1. To avoid or minimise adverse impacts on soils and terrain.	1.1 To minimise soil erosion and sedimentation as a result of construction activities. 1.2 To prevent soil inversion. 1.3 To mitigate soil compaction if necessary by remedial action. 1.4 To identify and avoid acid sulphate soils and to have in place strategies for managing exposure. 1.5 To identify and manage pre-existing site contamination. 1.6 To reinstate soil and/or terrain as near as practicable to pre-construction contours, profiles or conditions.	• Administrative controls as detailed in CSEMP in relation to soil management (e.g. – prevention of mass soil movement, protection of soils from contamination, avoidance of significant geological features) • Engineering controls (e.g. - temporary silt fencing, filtration and sediment control measures) implemented and monitored in susceptible areas. • Administrative control of construction workforce (i.e. – induction and training in relation to SEO and CSEMP requirements). • Minimising ground disturbance & vegetation clearing to the absolute minimum necessary for safe construction. • Elimination by restricting all vehicles and equipment movements to designated access tracks and roads. • Administrative control through identification prior to construction of areas which feature a potential for acid sulphate soils. • Adherence to excavation procedures and CSEMP in relation to acid sulphate soil management. • Administrative controls to manage identified site contamination.	Achieved	• No evidence of subsidence, potential or active soil erosion identified. • Land contour reinstated to pre-construction conditions. • No evidence of likely acid sulphate soil exposure (e.g. odour, discolouration, vegetation death). • No OHSE incidents in relation to pre-existing site contamination.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
2. To minimise and manage impacts to water resources.	2.1 To minimise short term, and prevent long term interruption or modification to surface drainage patterns. 2.2 To restrict sediment discharge which enters surface water features. 2.3 To minimise disruption to third party use of surface waters.	• Administrative compliance in accordance with CSEMP and SEO conditions, inclusive of landholder consultation. • Induction of construction workforce in relation to SEO and CSEMP compliance expectations. • Administrative (procedural & consultation with stakeholders) and engineering controls to manage: o potential disruptions; o damage avoidance to groundwater infrastructure; o construction constrains imposed by shallow groundwater; and o protection of groundwater from acid sulfate soils.	Achieved	• No evidence of altered watercourse flows during or following construction. • No evidence of project related erosion of watercourses adjacent to construction site. • Surface drainage profiles restored to pre-construction conditions or better. • Compliance with SA-EPA *Environment Protection (Water Quality) Policy 2003*. • No complaints received from stakeholders in relation to surface water impacts. • No evidence of project related groundwater impacts arising from construction activities.
3. To avoid land or water contamination.	3.1 To prevent the occurrence of spills and to have in place a spill management strategy. 3.2 To ensure that construction rubbish and waste material are disposed of in an appropriate manner. 3.3 To prevent adverse impacts as a result of hydrostatic test water, trench water and waste water (e.g. - washdown water). 3.4 To ensure the safe and appropriate disposal of camp waste water (e.g. – grey water and sewage).	• Administrative and engineering controls to manage spills. • Administrative controls in place for management of critical and general construction waste. • Administrative controls applied via waste disposal and listed waste tracking records and chemical manifests. • Administrative controls applied in relation to wastewater (e.g. sewage)	Achieved	• No spills or leaks in other than areas intended to contain spills. • No evidence of waste or occurrence of spills/contamination as a result of construction activities. • Compliance with: *Environment Protection Act 1993* (SA) & AS 1940-1993 The storage and handling of flammable and combustible liquids. • SA EPA licensed contractors used for all waste removal & disposal, including wastewater from on-site portable toilet. • No wastewater disposed to adjacent lands. • No camps were used during construction activities.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
4. To minimise adverse impacts to vegetation and fauna.	4.1 To minimise clearing of remnant vegetation. 4.2 To minimise disturbance to and potential for, fauna and livestock entrapment along ROW. 4.3 To appropriately rehabilitate the easement to as near as reasonably practicable to pre-construction conditions. 4.4 To achieve a Significant Environmental Benefit (SEB) or Net Gain for native vegetation clearance.	• Elimination, by utilising where practicable previously disturbed areas, to avoid remnant or significant vegetation. • Trimming of vegetation by qualified operators in lieu of removal where practicable. • Disturbance along the ROW to be restricted to approved access and work areas. • Administrative control of vegetation clearance activities, ensuring that applicable permits or clearance consents are obtained as required prior to commencement. • Identification and flagging of significant fauna habitats that require management or avoidance during construction. • Exclusion of livestock from operational areas along the ROW. • Daily inspection of open trenches and excavations for trapped fauna and livestock. • Post construction restoration of pasture and broad acre areas along the ROW in consultation with landholders.	Achieved	• No remnant or significant vegetation was cleared for any works associated with the construction activities.
5. To avoid the introduction or dispersal of weeds and pathogens.	5.1 To avoid the introduction or spread of environmental or proclaimed weeds, animal/plant pathogens, by undertaking appropriate site specific control measures where required.	• Administrative controls to minimise spread of weeds and pathogens along ROW, through pre-identification and implementation of management strategies prior to and during construction. • Administrative control of vehicle and plant to minimise weed and pathogen spread through inspection and washdown prior to entry into/departure from affected areas.	Achieved	• No outbreaks or spread of weeds or pathogens were identified during construction. • No complaints received from landholders in relation to outbreaks or spread of weeds or pathogens.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
6. To minimise and manage impacts to heritage or culturally sensitive sites and values during construction.	6.1 To minimise disturbance of identified heritage (archeological and built), and culturally sensitive and vegetation sites.	• Identification of know heritage sites along the ROW. • Administrative control via pre-construction site surveys and cultural heritage monitoring during clear and grade operations within sensitive areas. • Administrative controls in relation to acquisition of all necessary approvals, permits and authorisations prior to construction and an operational awareness of notification protocols in the event of accidental or unavoidable site disturbance. • Engineering and administrative controls applied in consultation with stakeholders during ROW restoration in sensitive areas.	Achieved	• There are no identified heritage sites at the Angaston Compressor Station.
7. To minimise construction noise.	7.1 To minimise noise impacts associated with the movement and operation of construction vehicles and equipment. 7.2 To minimise noise impacts associated with pipeline or facility commissioning activities.	• Administrative control of construction noise near residences (must comply with SAEPA noise abatement guidelines). • Consultation with local residents/landholders/land users when unavoidable out-of-hours or short duration excessive noise will be generated. • Engineering controls to be applied to vehicles, plant and equipment in order to comply with noise abatement requirements. • Commissioning activities near residences or sensitive land use areas to comply with EPA (SA) noise abatement guidelines.	Achieved	• Construction activities complied with *Environment Protection (Noise) Policy 2007* (SA) • No complaints received in relation to construction noise emissions.
8. To minimise atmospheric emissions.	8.1 To minimise the generation of dust. 8.2 To minimise impacts of gas venting activities.	• Administrative and engineering controls applied to manage site specific dust impacts (e.g. - fugitive dust and use of water trucks and sprayers). • Construction workforce inducted/trained regarding SEO and CSEMP requirements. • Administrative control of gas venting activities to include consultation with stakeholders and emissions tracking for greenhouse	Achieved	• No complaints received in relation to dust management issues. • No reasonable complaints received in relation to gas venting activities.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
9. To minimise disturbance to third party infrastructure, landholders and land use.	9.1 To minimise disturbance or damage to infrastructure or land use and to remediate where disturbance cannot be avoided. 9.2 To minimise disturbance to landholders or land users. 9.3 To appropriately reinstate and rehabilitate the easement to as near as practicable, pre-construction conditions, to allow continuation of current land use activities post-construction.	• Administrative controls (procedural and CSEMP) to restrict disturbance along the ROW to approved access and work areas. • Eliminate of risk (pre-construction identification and location of third party infrastructure) likely with inadvertent asset disturbance, in consultation with Dial Before You Dig 1100 asset referral service; and consultation with stakeholders for asset location on private property. • Administrative control of ROW utilising a permit system to both manage hazards and by restricting disturbance to approved access and work areas. • Administrative control of site access in accordance with stakeholder consultation prior to and during construction/commissioning activities. • Administrative control of site specific rehabilitation in consultation with stakeholders. • ROW to be rehabilitated with appropriate pasture, cover crops or plantings in consultation with stakeholders. • Induction of construction workforce in relation to SEO and CSEMP compliance expectations.	Achieved	• Where disturbance is unavoidable or accidental, infrastructure or land use is restored to as near as practicable to the satisfaction of the stakeholder. • There was no disturbance outside the ROW or approved access and work areas. • The duration of any disturbance did not exceed agreed timeframe, without prior consultation with stakeholders. • No complaints received in relation to asset disturbance or reinstatement or site disturbance. • Pre-existing land use not restricted or impeded as a result of construction or commissioning activities unless by prior arrangement.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
10. To minimise the risk to public health and safety.	10.1 To adequately protect public safety during construction and commissioning activities by adequately managing hazards. 10.2 To mitigate risk of fire during construction activities.	• Administrative and engineering control of construction hazards via Job Safety Analysis & Permit to Work system. • Consultation with affected stakeholders prior to and during construction and commissioning activities. • Administrative and engineering controls to be applied (e.g. – traffic control, signage, isolations, detours) along to isolate construction workforce and public from hazardous areas. • Induction of construction workforce and site visitors in relation to SEO and CSEMP compliance expectations, as well as emergency management procedures. • Elimination of 'Hot Work' during declared fire bans. • Administrative and engineering control of construction hazards associated with fire dangers, via Job Safety Analysis & Permit to Work system. • Engineering controls and personal protective equipment applied during construction and commissioning activities.	Achieved	• No injuries or incidents involving the public occurred during construction and commissioning. • No construction or commissioning related fire occurred during construction and commissioning.
Operation				
1. To maintain soil stability and integrity on the easement.	1.1 To minimise the potential for soil erosion or subsidence along the pipeline easement. 1.2 To manage soil rehabilitation areas in an appropriate manner.	• Inspections undertaken as part of regular patrols. • Preventative measures implemented and monitored in susceptible areas.	Achieved	• Monthly patrol inspections have been carried out in accordance with the maintenance schedule during the licence year. • No evidence of subsidence, potential or active soil erosion identified.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
2. To minimise and manage impacts to water resources.	2.1 To ensure that operation and maintenance activities do not give rise to pollution of watercourses. 2.2 To maintain current surface drainage patterns	• Regular patrols undertaken to look for evidence of erosion, windrow development or any changes to the easement that could alter surface hydrology conditions. • To promote and maintain water drainage patterns	Achieved	• No pollution of solid or liquid wastes into rivers, streams, watercourses, dams or lakes whilst carrying out pipeline activities during the licence year. • Bank stability unchanged and no alteration to drainage patterns.
3. To avoid land or water contamination.	3.1 To prevent spills and if they occur minimise their impact. 3.2 To ensure that rubbish and waste material are disposed of in an appropriate manner. 3.3 To prevent the spread of contamination where the easement intersects known contaminated sites.	• To ensure that all wastes are removed from the site and appropriately disposed. • To conduct all activities associated with pipeline operation in a manner that reduces the production of waste. • Spills/contamination remediated in consultation with regulatory bodies and agencies. • Ensure appropriate spill response equipment is available and personnel are trained in spill Response Procedures.	Achieved	• No evidence of waste or occurrence of spills/contamination as a result of pipeline activities during the licence year.
4. To promote and maintain native vegetation cover on the right-of-way.	4.1 To promote and maintain regrowth on the easement to be consistent with surrounding areas. 4.2 To minimise additional clearing of native vegetation as part of operational activities. 4.3 To manage vegetation on the easement so that it does not interfere with the integrity of the pipeline. 4.4 To ensure maintenance activities are planned and carried-out in a manner that minimises impacts to native fauna.	• Encourage regrowth of native grasses and shrubs along the right-of-way, within 3m of the pipeline centreline, where appropriate (i.e. – not in farmland used for cropping or pasture). • Prompt reinstatement of easement. • Maintain vegetation in accordance with pre-existing conditions and ensure environmental weeds and pathogens along the right-of-way are managed in a manner consistent with adjoining land. • To deter regrowth of native trees along the right-of-way (minimum separation of 3m from pipeline centreline).	Achieved	• Environmental weeds along the right-of-way, in particular the various gate stations and main line valves, were identified and managed appropriately during the year. • General vegetation including native and non-native trees and shrubs found growing within some sections of the right-of-way and in some instances restricting the line of sight between pipeline marker signs were identified and cleared during the year. • Previously noted wombat activity observed during the biennial Environmental Audit, this continues to be checked and monitored to ensure pipeline integrity.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
5. To adequately protect heritage sites and values.	5.1 To ensure that identified heritage sites are undisturbed and appropriately managed during pipeline operations and maintenance activities.	• To implement an effective communication strategy with relevant heritage groups. • To manage identified Aboriginal and European heritage sites in accordance with prescribed procedures. • To appropriately manage any newly identified heritage sites in accordance with prescribed procedures.	Achieved	• Heritage sites were undisturbed and appropriately managed during the licence year and all relevant work instructions complied with.
6. To minimise noise due to operations.	6.1 To ensure operations comply with noise standards	• To ensure that operations comply with noise standards and where possible ensure that landowners are not disturbed. • Monitoring results and incident reports. • Design any facilities to meet the noise requirements under the *Environment Protection Act 1993.*	Achieved	• Noise standards were complied with during the licence year and there were no corresponding complaints from landowners, occupiers or third parties.
7. To minimise atmospheric emissions	7.1 To minimise controlled and uncontrolled atmospheric emissions. 7.2 To minimise the generation of dust.	• To ensure that uncontrolled atmospheric emissions that affect an area, not designed to contain such an escape, are managed to accord with the requirements of the Petroleum and Geothermal Energy Act 2000. • To minimise dust generation by management of vehicle operations along the easement.	Achieved	• No atmospheric emissions for the licence year and the generation of dust along the pipeline was minimised.
8. To avoid unnecessary disturbance to third party infrastructure, landholders or land use.	8.1 To minimise disturbance or damage to infrastructure/land use and remediate where disturbance cannot be avoided. 8.2 To maintain appropriate consultation with all relevant landowners.	• To minimise disturbance to land use and damage to infrastructure. • To develop site-specific land management strategies in consultation with landholders, for likely impacts arising from temporary land use disturbance. • To inform landholders of likely land use disturbance as a direct result of operations. • Measures undertaken to minimise third party use of right-of-way.	Achieved	• Disturbance to infrastructure and land was minimised and appropriate consultation with landowners maintained. • No complaints from landowners in relation to land use or infrastructure damage. • No disturbances to third party infrastructure, landholders or land users for the period.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
9. To minimise the risks to public and third party health and safety.	9.1 To ensure that adequate measures are in place to protect public and third party safety during operations. 9.2 To minimise the risk of fire during routine operations. 9.3 To prevent unauthorised activity on the easement that may adversely impact on the integrity of the pipeline.	• To prevent unauthorised activities along the pipeline which have the potential to result in a risk to the safety of the public and third parties. • Job Safety Analysis (JSAs) carried out to identify potential hazards and implement controls. Inspection/patrol reports and records. • Clear identification of the pipeline to accord with AS2885. • Reports of unauthorised activity on the ROW prepared to adhere with the *guidelines for Reportable and Serious Incidents.*	Achieved	• No incidents or accidents involving the public or a third party when undertaking pipeline activities during the licence year. • Adherence to AS 2885. • No fire outbreaks arising from pipeline activities. • Pipeline marker signs at various sites are damaged or faded. These will be replaced when carrying out patrols, inspections and routine maintenance as part of an overall replacement program for marker signs along the pipeline route.
10. To ensure that security of natural gas supplies are maintained to gas consumers.	10.1 To minimise the potential for significant disruption of gas supply to customers in line with contractual agreements.	• Emergency Response Exercises carried out to determine prompt and effective response. • In the event of an emergency where gas supplies are disrupted, ensure that the pipeline system is returned efficiently to a safe, operational state with minimum customer and environmental impact. • Mapped processes of responding to breakdown and emergencies.	Achieved	• Security of supply maintained to gas consumers during the licence year with no interruptions. • An Emergency Response Exercise was carried out on 30 October 2015.

APPENDIX 2 - Expenditure Statement

"COMMERCIAL IN CONFIDENCE"