Environmental Protection Order

This environmental protection order is issued by the administering authority pursuant to section 358 of the Environmental Protection Act 1994.

Stuart Petroleum Cooper Basin Gas Pty Ltd (ACN 130 588 055)
Level 30, 180 Ann Street
BRISBANE QLD 4000

Your reference: EPPG00651513

Our reference: C-CPLPO-100106984 - 101/0024928-001(E)

9/11/2022

Dear Directors,

Take notice: that under the *Environmental Protection Act 1994* (EP Act) this environmental protection order (EPO) is issued to Stuart Petroleum Cooper Basin Gas Pty Ltd - ACN 130 588 055 (you) by the administering authority. The administering authority is the Chief Executive of the Department of Environment and Science (the department).
The EPO is issued with respect to the activities of a petroleum activity on land described as PL1022, PL1023, PL1024, ATP767 and ATP889 situated at Western Surat Gas Project (the premises).

A. Grounds

This EPO is issued on the following grounds:

1. The department requires you to take reasonable measures to secure compliance with condition F9 of Environmental Authority EPPG00651513 dated 17 December 2021, which states: ***Significant residual impacts*** *to* ***prescribed environmental matters****, other than if the impacts were authorised by an existing authority before the 12 May 2015, are not authorised under this environmental authority unless the impact is specified in Protecting biodiversity values, Table 2 – Significant residual impacts to prescribed environmental matters.*
2. The department requires you to take reasonable measures to secure compliance with condition F13 of Environmental Authority EPPG00651513 dated 17 December 2021, which states: *Prior to the commencement of each stage, a report completed by an appropriately qualified person, that includes an analysis of the following must be provided to the administering authority: (a) for the forthcoming stage—the estimated significant residual impacts to each prescribed environmental matter; (b) for the previous stage, if applicable—the actual significant residual impacts to each prescribed environmental matter, to date.*
3. The department requires you to take reasonable measures to secure compliance with the General Environmental Duty. The General Environmental Duty is detailed in s319 of *the Act* which states the following: *'A person must not carry out any activity that causes, or is likely to cause, environmental harm unless the person takes all reasonable and practical actions to prevent or minimise the harm (the* ***general environmental duty****)*.

The facts and circumstances forming the basis for these grounds are:

1. You are the holder of environmental authority EPPG00651513 (the EA) issued 17 December 2021, which authorises the environmentally relevant activity: a petroleum activity.

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2. The department is satisfied that you are the person operating petroleum activities and is responsible for the compliance with the conditions under the EA.
3. On 13 August 2021, the department issued you correspondence requesting a copy of records demonstrating unauthorised impacts to a prescribed environmental matters had not occurred, as required by condition F10.
4. On 27 August 2021, you submitted a response which detailed how Senex implements its 'Environmental Protocol for Field Development and Constraints Analysis' for field development activities. *Environmental Protocol for Field Development and Constraints Analysis states: The disturbance data in the report is used to update the land disturbance GIS layer that manages aspects for total disturbed area and environmental offsets required for external environmental annual reporting.*
5. Included in the response submitted on 27 August 2021, Senex provided information on how significant impacts to PEM's are tracked and ground-truthed.
6. Senex has an Agreed Delivery Arrangement and has established an offset site to provide 168 ha of direct habitat offset for significant residual impacts to PEM. The offset site was selected as the preferred offset site for Stage 1, as it supports all the necessary offset requirements for the project.
7. The response submitted by Senex on 27 August 2021 did not provide enough information to assess compliance with conditions F9 and F10.
8. On 11 October 2021, the department issued you with further correspondence requesting
    - *Records demonstrating that each impact to a prescribed environmental matter not listed in the environmental authority did not, or is not likely to, result in a significant residual impact to that matter, as required by condition F10. In particular, please provide spatial data sufficient to demonstrate compliance with condition F9, including identification of impacts authorised by an existing authority in effect before 12 May 2015*.
9. On 19 October 2021, you submitted additional information and spatial data to allow for further assessment of compliance with conditions F9 and F10.
10. A review of the maps provided on 19 October 2021 (Attachment F) identifies 1.25 Ha of impact on regional ecosystem intersecting a watercourse; however, the maps did not identify where this disturbance is located; how the impact was calculated; the watercourse stream orders or regional ecosystem classifications sufficient to assess the SRI.
11. The response submitted by Senex on 19 October 2021 did not provide enough information to assess compliance with conditions F9 and F10.
12. On 3 November 2021, the department issued correspondence requesting:
    - *Further clarification on how the extent of the significant residual impact was calculated for regulated vegetation and confirm the specific location of impacts/watercourse crossings*.
    - *A copy of the spatial data (shapefile format) used to generate the maps 'MAW-654-1 Stage 1 Area - Pre-existing Disturbance' and 'MAW-654-5 Stage 1 Area - Senex Disturbance'.*
    - *Confirmation that Senex Phase 1-2 Disturbance Footprint and Senex Phase 3 + Disturbance Footprint forms part of the Stage 1 Offset.*
13. On 16 November 2021, you submitted correspondence detailing how Senex calculates impacts of regional ecosystems that intersect a watercourse using a buffer of 25 metres. The response stated that Senex Phase 1-2 disturbance was under the Offset thresholds so did not form part of the disturbance calculations for Stage 1 Offsets. Senex stated that water courses which were restricted to no more than 10m wide clearing for a distance of 25m from the banks were also considered under the threshold and not included in the offset calculations**.**
14. On 25 November 2021, the department issued you with a potential non-compliance letter outlining concerns regarding compliance impacts to prescribed environmental matters.
15. On 17 December 2021, you provided a written response;
    - Stating Senex did not understand the basis for the department's allegation;
    - Seeking clarification from the department regarding the method of mapping Matters of State Environmental Significance and how they apply to its current EA;
    - Stating that Senex:
        - *Are authorised to have 1.98 ha of authorised impacts which was assessed by the department;*
        - *Has an Agreed Delivery Arrangement and has established an offset site to provide 168 ha of direct habitat offset for significant residual impacts to the prescribed environmental matter.*
        - *Disagrees with the department's allegation that calculation of total impacts have been underestimated in relation to prescribed environmental matters which relate to the regional ecosystems within the defined distance from the defining banks of a relevant watercourse on the vegetation management watercourse map vegetation along a watercourse.*

- *Clearly articulated the methodology and process that Senex used during the assessment of significant residual impact to prescribed environmental matters*.

16. On 17 February 2022, the department held a meeting with you and advised that: *The calculation of offsets for the watercourse buffer – the proposed document was to provide guidance on the correct method for calculating the level of impact to vegetation within a defined distance of a watercourse, this was recommended as it provides clear steps for assessing the watercourse distance. As for the requirement, the defined distances from the defining bank of a watercourse are provided in Appendix 3 of the Environmental Offsets Policy (Version 1.4). These are referred to in Schedule 2 of the Environmental Offsets Regulation 2014.The offset calculation must be undertaken from the defined banks and not the centre line that is provided in the VM Act watercourses.*
17. On 28 February 2022, the department issued you with notice requiring relevant information in relation to WSGP offsets.
18. On 14 March 2022, you submitted written correspondence, which acknowledged an error in calculating the centreline of the watercourses that was subsequently rectified.
19. Correspondence stated that ***Senex's actual impacts for stage 1 are: a) for regulated vegetation within the defined distance of the banks of a relevant watercourse: i. Non-SRI – 0.53 hectares; and ii. SRI – 1.74 hectares.***
20. On 6 June 2022, the department sent correspondence to you outlining that Section 1.3 of the Significant Residual Impact Guideline states: *The significant impact criteria provide a trigger for consideration of offsets. Once this trigger has been met or exceeded, then the total of the impact is included for consideration—not just the component of impact exceeding the criteria…… As the impact for 'regulated vegetation within the defined distance of the banks of a relevant watercourse' triggered a significant residual impact, all impacts for the project to regulated vegetation within the defined distance require an environmental offset under the EO Act, i.e. 2.27 ha of reg veg within the defined distance is required to be offset for Stage 1.*
21. On 24 June 2022, you provided written correspondence stating that: *Senex provided a Significant Residual Impact (**SRI**) report to DES which was approved by the Department in 2018. The report outlined that using the Department's SRI Guideline (December 2014), development activities would result in a SRI to regulated vegetation within the defined distance from a watercourse while some proposed watercourse crossings would be under the SRI thresholds. The Offsets delivery plan commenced 2017 and was established based on advice received at the time.*
22. A review of department records indicates that on 8 August 2017, the department issued you with an information request stating: *'H(ii)(b): Regulated vegetation – As mentioned in the pre-lodgement advice provided by the administering authority to Senex on 23 June 2017, section1.3 of the Significant Residual Impact Guideline 2014 state that the SRI criteria provide a trigger, and once the SRI trigger has been met or exceeded, the total impact is included for consideration, not just the impact exceeding the criteria. Therefore, as proposed amendment will trigger a SRI on vegetation within a defined distance of a watercourse, all disturbance within the defined distance of a watercourse on the Vegetation Management Watercourse map in the project area is required to be included in the area of SRI. The defined distance is determined by the stream order triggers as listed in the Environmental Offsets Policy v1.4 2014 (EO Policy). As such, please: Ensure the SRI criteria is used as a trigger for determining inf an impact is significant and all disturbance to vegetation within the defined distance of a watercourse is included in the area of SRI to be authorised in the EA; and If required, please provide an updated amount of SRI sought to be authorised in Table 6.2, Section 6.2.4 of the supporting information.'*
23. The department has formed a reasonable belief that you have miscalculated significant residual impact on a prescribed environmental matter (specifically by not including impacts 'below the trigger').
24. Due to the miscalculation the department has formed a reasonable belief that you have caused a significant residual impact on a prescribed environmental matter greater than the maximum extent permitted under condition F9 of the EA and have failed to submit a report in accordance with F13 of the EA.

B. Requirements

In accordance with this EPO, you are required to do the following:

1. On and from 9 November 2022, the EA holder must not cause significant residual impacts to prescribed environmental matters unless a notice of election and agreed delivery arrangement has been approved by the administering authority for the significant residual impacts.

2. On or before 9 February 2023, provide a report to the administering authority, using correct methods of calculation as detailed in section 1.3 of the Significant Residual Impact Guideline 2014, in accordance with condition F13 of EA EPPG00651513 dated 17 December 2021.

3. The report must be submitted to:

   Department of Environment and Science
   203 Tor Street
   TOOWOOMBA QLD 4350
   Via email to southwest.es@des.qld.gov.au & energyandextractive@des.qld.gov.au

Definitions
Appropriately qualified person means a person who has professional qualifications, training or skills or experience relevant to the nominated subject matters and can give authoritative assessment, advice and analysis about performance relevant to the subject matters using relevant protocols, standards, methods or literature.

C. Obligations

If you propose to dispose of the place or business to which the EPO relates, you **must** advise the buyer of the existence of this EPO.

If you cease to carry out the activity to which this EPO relates, you **must** give written notice of ceasing to carry out the activity to the department within 10 days of ceasing the activity.

Take notice:

- the requirements of this order take effect immediately upon service of the order;
- failure to comply with this order is an offence under the EP Act;
- this order remains in force until further notice from the administering authority.

D. Penalty

Failure to comply with an EPO is an offence.

1. The maximum penalty for an individual for wilfully contravening an EPO is 6250 penalty units, totalling $ 898,437 or five years imprisonment.
2. The maximum penalty for a corporation for wilfully contravening an EPO is 31,250 penalty units, totalling $ 4,492,187.
3. The maximum penalty for an individual for contravening an EPO is 4500 penalty units, totalling $ 646,875.
4. The maximum penalty for a corporation for contravening an EPO is 22,500 penalty units, totalling $ 3,234,375.

Failure to provide written notice to the buyer is an offence.

- The maximum penalty for an individual is 50 penalty units, totalling $ 7,187.
- The maximum penalty for a corporation is 250 penalty units, totalling $ 35,937.

Failure to provide written notice within 10 business days of ceasing the activity to the department is an offence.

- The maximum penalty for an individual is 50 penalty units, totalling $ 7,187.
- The maximum penalty for a corporation is 250 penalty units, totalling $ 35,937.

Section 3 of the *Penalties and Sentences Regulation 2015* prescribes the monetary value of a penalty unit.

E. Reviews and appeals

The provisions regarding reviews of decisions and appeals are found in sections 519 to 539 of the EP Act.

A person who is dissatisfied with an original decision made by the Department of Environment and Science (the department) may apply to have that decision internally reviewed.

Information about initiating an appeal in relation to this notice is contained within the Internal Reviews and Appeals Information Sheet (available at www.qld.gov.au using the publication number ESR /2015/1742 as a search term)

A request for review or appeal is to be made using the approved form 'Application for review of original decision' (available at www.qld.gov.au using the publication number ESR/2015/1573 as a search term.

Applications for reviews are to be sent to Permit and Licence Management, Department of Environment and Science: via email at palm@des.qld.gov.au , or by mail to the following address: GPO. Box 2454, Brisbane, QLD, 4001.

Where an application has been made for a decision to be reviewed, the applicant may also apply to the relevant court for a stay of the decision to secure the effectiveness of the review.

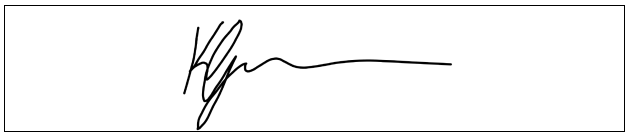
Once the original decision has been reviewed, a person who is dissatisfied with the review decision may be able to appeal against that decision to the relevant court within 22 business days after receiving notice of the review decision.

A person whose interests are or would be adversely affected by a decision of the department may be able to request a statement of reasons for a decision or a statutory order review under the *Judicial Review Act 1991*.

You may have other legal rights or obligations and should seek your own legal advice.

Pursuant to section 540 of the Act, the department is required to maintain a register of certain documents and information authorised under the Act. A copy of this document will be kept on the public register. The register is available for inspection by members of the public who are able take extracts, or copies of the documents from the register. Documents that are required to be kept on the register are published in their entirety, unless alteration is required by the Act. There is no general discretion allowing the department to withhold documents or information required to be kept on the public register. For more information on the department's public register, search 'public register' at www.qld.gov.au. For queries about privacy matters please email privacy@des.qld.gov.au or telephone 13 74 68.

Should you have any queries in relation to the notice, please contact Lindsay Webber on 07 4529 8316 telephone number.



Signature

9/11/2022

Date

Kate Grayson

Manager Compliance

Delegate of the Chief Executive

Department of Environment and Science

Environmental Protection Act 1994

Enquiries: Lindsay Webber

COMPLIANCE CENTRE: Toowoomba
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