



21 June 2004

Mr Richard McDonough  
 Manager Pipeline Operations  
 Primary Industries & Resources  
 GPO Box 1671  
 ADELAIDE, SA 5001

Dear Richard,

### Annual Report Berri - Mildura Pipeline (PL 11)

Thank you for your letter dated 3 June 2004 identifying the issues requiring further clarification from our annual report submission dated 18 March 2004.

As requested, we have addressed each of the issues for follow up below:

- In relation to the SEO objectives, please refer to the attachment for an assessment of compliance against the SEO objectives.
- In relation to the HPOS and as outlined in our correspondence dated 8 October 2003, OEAM has completed and implemented a SAOP. As such OEAM advises that this action has now been completed.
- With regard to the fracture control plan and as advised in correspondence dated 29 July 2003, OEAM does not require a fracture control plan in accordance with Appendix F, Clause F2.2 "Exclusions" in AS2885.

Appendix F, Clause F2.2 "Exclusions" in AS2885 states:

"There is no experience of propagating failure in small diameter pipelines of less than DN300 or in pipe thinner than 5mm. Fracture control plans are not normally required where the diameter is less than DN300 or the thickness is less than 5mm, but the need for fracture control plan should be reviewed where the pipeline MAOP is 10.5Mpa".

The Berri to Mildura pipeline is DN100 and has a maximum thickness of 4.8mm (in special crossings) and 3.2mm elsewhere and has a design MAOP of 9.52Mpa.

Given the above specification of the Berri to Mildura pipeline, it meets the criteria for exclusion under AS2885 for the need to produce a fracture control plan.

As detailed in written correspondence from PIRSA dated 4 September 2003, PIRSA has agreed with OEAM's assessment that it does not require a fracture control plan.



Page 1 of 7



I trust the above satisfies the outstanding requirements in relation to the Annual Report for PL 11.

In the meantime, should you require further information please don't hesitate to contact me.

Regards

A handwritten signature in black ink, appearing to be "JK" or similar initials, written in a cursive style.

John Kouzaba  
Manager - Technical Regulation & Compliance  
Technical Services Group

Cc: Clive D'Cruz - Manager, National Pipelines

**Berri to Mildura Pipeline (PL11)**  
**Assessment of Declared Environmental Management Objectives 2003**

Berri to Mildura Pipeline Objectives and Assessment Criteria <sup>i</sup>

OBJECTIVE	GOAL(S)	COMPLIANCE CRITERIA	ACHIEVED/ NOT ACHIEVED	COMMENTS
1. Vegetation 1.1 To promote and maintain vegetation in accordance with surroundings.	1.1.2 To 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). 1.1.3 To maintain land use in accordance with pre-existing conditions. 1.1.4 To ensure environmental weeds and pathogens along the right-of-way are management in a manner consistent with adjoining land. 1.1.5 To monitor and manage revegetation areas.	<ul style="list-style-type: none"> <li>Native vegetation regrowth (grasses, shrubs &amp; trees) along easement is typical of adjoining areas.</li> <li>No complaints from landholders in respect to crop losses along the easement.</li> <li>No new weed infestations as a result of pipeline operations.</li> <li>No spread of weeds along the pipeline easement.</li> <li>Easement revegetation (as measured by foregoing criteria) confirmed via photographic records.</li> </ul>	Achieved	
2. Soil 2.1 To conserve the original state of the soil.	2.1.1 To ensure that there is no erosion or subsidence along the right-of-way. 2.1.2 To manage soil rehabilitation areas in an appropriate manner.	<ul style="list-style-type: none"> <li>Soil erosion and/or subsidence is better, or at least consistent with the surrounding area.</li> <li>Rehabilitation areas support regrowth consistent with the surrounding area.</li> </ul>	Achieved	

<sup>i</sup> Assessment criteria have been developed to be "black and white". Professional judgement is required to assess whether non-compliance is minor or major. It is necessary to ensure that adequate information is available to enable this judgement to be made.

**Berri to Mildura Pipeline (PL11)**  
**Assessment of Declared Environmental Management Objectives 2003**

OBJECTIVE	GOAL(S)	COMPLIANCE CRITERIA	ACHIEVED/ NOT ACHIEVED	COMMENTS
3. Fauna 3.1 To preserve existing habitats.	3.1.1 To ensure that pipeline operations do not impinge upon existing native fauna habitats. 3.1.2 To maintain stockpiled vegetation. 3.1.3 To ensure that operations do not impose restrictions to fauna crossing the right-of-way.	<ul style="list-style-type: none"> <li>• No alterations to existing remnant vegetation areas.</li> <li>• No alteration to existing stockpiled vegetation.</li> <li>• No obstructions to fauna installed along easement.</li> <li>• Pest animals such as foxes and feral cats reported to appropriate authorities.</li> </ul>	Achieved	Rabbit burrows were observed along old railway easement (KP5) and was reported to the Riverland Animal and Plant Control Board for management
4. Water Resources 4.1 To prevent pollution of watercourses. 4.2 To promote and maintain water drainage patterns	4.1.1 To ensure that operation and maintenance activities do not give rise to pollution of watercourses. 4.1.2 To ensure that there is no evidence of altered drainage patterns.	<ul style="list-style-type: none"> <li>• Solid &amp; liquid wastes have not polluted rivers, streams, watercourses, dams or lakes.</li> <li>• Bank stability maintained, especially following high rainfall events.</li> <li>• Likely alteration to drainage patterns not evidenced by soil erosion or subsidence.</li> </ul>	Achieved	Scouring due to water erosion was noted at the Berri dump site and Lyrup flats. Erosion rills were installed to minimise the effects from any excessive water flows following rainfall events.
5. Air Quality 5.1 To minimise the potential for emissions that heighten public concern.	5.1.1 To ensure that uncontrolled gas emissions are reported and actioned in a timely manner. 5.1.2 To minimise dust generation by management of vehicle operations along the right-of-way.	<ul style="list-style-type: none"> <li>• No unintentional gas emissions reported.</li> <li>• No complaints from third parties in respect of air quality.</li> <li>• Compliance with Legislative requirements of <i>Environment Protection Act 1993</i> in respect of gaseous and dust emissions.</li> </ul>	Achieved	

**Berri to Mildura Pipeline (PL11)**  
**Assessment of Declared Environmental Management Objectives 2003**

OBJECTIVE	GOAL(S)	COMPLIANCE CRITERIA	ACHIEVED/ NOT ACHIEVED	COMMENTS
<p>6. Land Use</p> <p>6.1 To avoid significant disturbance to land use or damage to infrastructure.</p>	<p>6.1.1 To minimise disturbance to land use and damage to infrastructure.</p> <p>6.1.2 To inform landholders of likely land use disturbance as a direct result of operations.</p> <p>6.1.3 To develop site-specific land management strategies in consultation with landholders, for likely impacts arising from temporary land use disturbance.</p>	<ul style="list-style-type: none"> <li>• No complaints from landholders in relation to land use modification or infrastructure damage.</li> <li>• Records show that landholders are appropriately consulted regarding pipeline activities, which may affect their particular property.</li> </ul>	<p>Achieved</p>	
<p>7. Public Safety</p> <p>7.1 To minimise risks to public and third party health and safety.</p>	<p>7.1.1 To ensure that adequate measures are in place to protect public and third party safety during operations and maintenance activities.</p> <p>7.1.2 To ensure that adequate measures are in place to protect public and third party safety during emergency operations.</p> <p>7.1.3 To minimise the risk of fire during routine operations.</p>	<ul style="list-style-type: none"> <li>• No occupational health, safety and welfare incident or accidents involving third parties.</li> <li>• No unauthorised activity on the pipeline easement</li> <li>• Documented evidence of public safety management and pipeline awareness, in the course of pipeline operations.</li> <li>• Adherence to AS2885 demonstrated via annual reports, emergency response reports and fitness for purpose reports (refer to <i>Petroleum Act 2000</i>).</li> <li>• No fire outbreaks arising from pipeline operations.</li> </ul>	<p>Achieved</p>	<p>Fletchers Freight development proceeded to plan in accordance with the agreement to preserve pipeline integrity</p>

**Berri to Mildura Pipeline (PL11)  
Assessment of Declared Environmental Management Objectives 2003**

OBJECTIVE	GOAL(S)	COMPLIANCE CRITERIA	ACHIEVED/ NOT ACHIEVED	COMMENTS
8. Noise 8.1 To minimise noise due to operations.	8.1.1 To ensure that operations comply with noise standards.	<ul style="list-style-type: none"> <li>No noise related complaints from landholders or third parties.</li> <li>Compliance with Legislative requirements of <i>Environment Protection Act 1993</i> in respect of noise emissions.</li> </ul>	Achieved	
9. Waste 9.1 To manage all operational wastes in an appropriate manner.	<p>9.1.1 To ensure that all wastes are removed from the site and, in order, reused, recycled or appropriately disposed.</p> <p>9.1.2 To conduct all activities in a manner that reduces the production of waste.</p>	<ul style="list-style-type: none"> <li>No wastes evident on or off the easement arising from pipeline operations.</li> <li>Documented waste disposal records to confirm appropriate disposal.</li> </ul>	Achieved	Wastes generated from normal pipeline operations from gate and main line valve stations are collected and returned to OEAM depot for safe disposal
10. Right of Way Clearance 10.1 To enable unobstructed access for right-of-way inspection; routine operation, maintenance and emergency access.	<p>10.1.1 To manage vegetation regrowth along the right-of-way, so as not to restrict access or to incur damage to the pipeline infrastructure.</p> <p>10.1.2 To deter regrowth of native trees along the right-of-way (minimum separation of 3m from pipeline centreline).</p>	<ul style="list-style-type: none"> <li>Disturbance of native vegetation restricted to right-of-way.</li> <li>Avoid disturbance to areas of remnant vegetation.</li> <li>No new weed infestations as a result of pipeline operations.</li> </ul>	Achieved	

**Berri to Mildura Pipeline (PL11)**  
**Assessment of Declared Environmental Management Objectives 2003**

OBJECTIVE	GOAL(S)	COMPLIANCE CRITERIA	ACHIEVED/ NOT ACHIEVED	COMMENTS
<p>11. Heritage Management</p> <p>11.1 To ensure that identified heritage sites are undisturbed and appropriately managed during pipeline operations and maintenance activities.</p>	<p>11.1.1 To manage identified Aboriginal and European heritage sites in accordance with prescribed procedures.</p> <p>11.1.2 To appropriately manage any newly identified heritage sites in accordance with prescribed procedures.</p>	<ul style="list-style-type: none"> <li>• Management of identified heritage sites in consultation with traditional custodians.</li> <li>• Compliance with work instructions in relation to heritage site management.</li> <li>• Compliance with Legislative requirements of <i>Aboriginal Heritage Act 1988</i> and <i>Heritage Act 1993</i> in respect of previously identified and potentially 'new' sites along the pipeline easement.</li> </ul>	<p>Achieved</p>	<p>No new heritage or Aboriginal sites identified. No complaints from 3<sup>rd</sup> parties, relevant stakeholders or local authorities identified.</p>
<p>12. Security of supply</p> <p>12.1 To ensure that security of natural gas supplies are maintained to gas consumers.</p>	<p>12.1.1 To minimise the potential for significant disruption of gas supply to customers in line with contractual agreements.</p>	<ul style="list-style-type: none"> <li>• No interruption to supply.</li> </ul>	<p>Achieved</p>	<p>No interruptions to supply have resulted over the previous 12 months</p>
<p>13. Easement restoration and infrastructure state</p> <p>13.1 To appropriately decommission the pipeline in accordance with regulatory requirements and accepted best practice environmental management criteria</p>	<p>13.1.1 To decommission pipeline and associated infrastructure in a safe and timely manner, in accordance with appropriate regulatory requirements</p> <p>13.1.2 To minimise environmental disturbance to remnant vegetation; landholders and third party stakeholders</p> <p>13.1.3 To restore the natural environment and promote biodiversity (if applicable)</p>	<ul style="list-style-type: none"> <li>• Compliance with relevant occupational health, safety and welfare regulatory requirements</li> <li>• Compliance with relevant environmental regulatory requirements</li> <li>• No complaints from landholders and third party stakeholders</li> <li>• Initiation of revegetation or similar restoration works and monitoring programmes as required (if applicable)</li> </ul>	<p>Not Applicable in 2003</p>	