



18 June 2004

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

Dear Richard,

Annual Report Riverland Pipeline (PL 6)

Thank you for your letter dated 3 June 2004 identifying the issues requiring further clarification from our annual report submission dated 27 February 2004.

We are pleased to note your comments that, while some clarification and follow up was required, generally the report met the intent of the Act and was considered by PIRSA to be very good.

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

- As noted in the Annual Report there were no known non-compliances with the Act, License or Regulations. However, during the period minor soil erosion was identified in the Keyneton area, which constituted a minor non-conformance against the SEO. Investigations into the cause of the erosion revealed that minor soil erosion had occurred in proximity to the pipeline. This erosion was caused by natural water flow run off. There was no effect to the depth of cover over the pipeline.
- An inspection of the Riverland natural gas transmission pipeline was undertaken by OEAM in conjunction with an Epic representative during the period 25-27 February 2003.

The inspection concluded that the Riverland transmission pipeline complies with the intent of the environmental management objectives as detailed in the SEO. Recommendations for ongoing environmental improvements arising from the inspection were:

- Ongoing erosion monitoring along the pipeline route
- Monitoring and where necessary reinstatement of marker posts and signage in areas of degraded line-of-sight along the pipeline route
- Consideration for further revegetation in specific areas to avoid potential future erosion along the pipeline



OEAM conduct routine pipeline surveys and operational activities along the pipeline route with any areas requiring attention highlighted and addressed.

- While the SEO assessment criteria are highlighted in the SEO, reference will now be included to these criteria as the critical element for future Annual Reports.

OEAM will also make reference in future annual reports to the availability of the report from the PIRSA website located at:

<http://www.pir.sa.gov.au/dhtml/ss/section.php?sectID=1017&templD=8>

I trust the above satisfies the outstanding requirements in relation to the Annual Report for PL 6. In the meantime, should you require further information please don't hesitate to contact me.

Regards



John Kouzaba
Manager - Technical Regulation & Compliance
Technical Services Group

Cc: Clive D'Cruz - Manager, National Pipelines