



Industry &
Investment

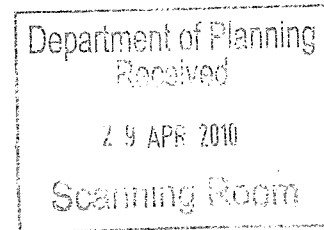


PCU004832

Your Ref: MP09_0034

Our Ref: OUT10/5196

Neville Osborne
Team Leader, Water and Energy
Major Infrastructure Projects
Department of Planning
GPO Box 39
SYDNEY NSW 2001



Dear Mr Osborne,

**Re: South East Fibre Exports – Proposed Biomass Power Station, Twofold Bay
(MP09_0034) – Environmental Assessment.**

Thank you for your letter dated 15 March 2010 seeking Industry & Investment NSW (I&I NSW) comments on the Environmental Assessment (EA) for the above Major Project.

I&I NSW is responsible for ensuring that fish stocks are conserved and that there is “no net loss” of key fish habitats upon which they depend. To achieve this, the Department ensures that developments comply with the requirements of the *Fisheries Management Act 1994* (namely the aquatic habitat protection and threatened species conservation provisions in Parts 7 and 7A of the Act respectively) and the associated *Policy and Guidelines for Aquatic Habitat Management and Fish Conservation (1999)*. In addition the Department is responsible for ensuring the sustainable management of commercial and recreational fishing and aquaculture within NSW.

I&I NSW notes that the proposal is located adjacent to Twofold Bay. The potential impact of the development, especially the discharge of heated cooling water, upon water quality and aquatic habitats in Twofold Bay is of particular interest to this Department in relation to this Major Project. This response provides the views of the fisheries and energy divisions of I&I NSW. I&I NSW advises that there are no issues related to agriculture, mineral resources or State Forests.

Issues Related to Fisheries

I&I NSW has reviewed the Environmental Assessment (EA) prepared by URS Australia Pty Ltd (dated March 2010). Overall, I&I NSW has no objection to approval of the proposal as outlined in the EA and Appendices (including Statement of Commitments and site plans) but makes the following comments and recommendations:

1. To further minimise potential impacts on aquatic species (including protected weedy seadragons), I&I NSW recommends that the design of the proposed cooling water discharge diffuser (see Figure 2-5 of the EA) is modified to relocate the four (4) diffuser outlets higher above the seabed. Two outlets should be set at 6 metres above the sea bed (-8.0 I.S.W.L) and two outlets at 7 metres above the sea bed (-7.0 I.S.W.L). This will direct the discharge of heated water into the middle of the water column rather than near to the sea bed.
2. I&I NSW advises that it has recently discovered a suspected outbreak of the exotic marine pest *Didemnum vellixum* (Colonial Sea Squirt) in Twofold Bay, including on the piers of the South East Fibre Exports P/L woodchip wharf associated with this proposal. The Department is currently investigating possible control measures for this marine pest which may involve future works to remove it from the woodchip wharf. I&I NSW recommends that the Department of Planning include an approval condition that requires the proponent to consult directly with I&I NSW regarding the construction of the proposed seawater intake and discharge system attached to the wharf to ensure that construction works do not disturb or spread Colonial Sea Squirt.
3. I&I NSW notes that the potential impacts of sea level rise and storm surges have only been assessed in relation to the biomass power station (located on Munganno Point at 30m AHD) – Chapter 7 of the EA. However no assessment has been made of the potential impacts of sea level rise and storm surges on the seawater cooling system (intakes, discharge diffuser and associated pipelines) that will be attached to the existing woodchip wharf. I&I NSW recommends that the Department of Planning require the proponent to design and construct the seawater cooling system infrastructure to withstand any potential impacts associated with future sea level rise and storm surges.

In addition, I&I NSW concurs with:

4. The proposed marine water quality mitigation measures in Chapter 6.7 and Table 6-11 of the EA.
5. The proposed marine ecology mitigation measures in Chapter 8.6 and Table 8-7 of the EA. In particular, I&I NSW concurs with the recommendation in Appendix C – Aquatic Biodiversity Assessment by NGH Environmental (dated December 2009) for a BACI marine monitoring program for the proposal to be prepared in consultation with this Department. This program should include underwater surveys to monitor the presence of marine pests including *Didemnum vellixum* (Colonial Sea Squirt).

I&I NSW requests that all the above commitments and recommendations are made approval conditions for the development by DoP.

Issues Related to Energy

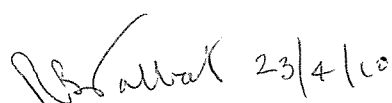
GreenPower Eligibility – South East Fibre Exports has previously used the term ‘green power’ on promotional material to describe the output of the proposed Eden biomass generator. A complaint regarding the use of this term was received by the GreenPower Program Manager – I&I NSW Energy.

The complaint was based on the fact that the Eden biomass plant is not eligible for GreenPower accreditation due to the use of native forest and/or high conservation value wood waste.

After discussions with I&I Energy, SEFE has agreed not to use the term 'green power' in relation to the Eden biomass plant and this should be noted in any further information and correspondence associated with this project.

Should you have any queries please contact Dr Trevor Daly, Fisheries Ecosystems Unit, on (02) 4478 9103 or 0408 487083.

Yours sincerely

Handwritten signature of Bill Talbot, dated 23/4/10.

Bill Talbot
Director, Fisheries Conservation & Aquaculture