



9 February 2016

The Major Hazard Facilities Advisory Committee

Submitted online

RESPONSE TO THE ADVISORY COMMITTEE'S DISCUSSION PAPER

The Australian Pipelines and Gas Association welcomes the opportunity to comment on the Major Hazard Facilities Advisory Committee's Discussion Paper.

As the peak body representing Australia's gas transmission industry, APGA will provide comments on the questions raised in the Discussion Paper from the perspective of the operators of high-pressure pipelines transporting hydrocarbons. Whilst these are not defined as Major Hazard Facilities (MHF), as the Advisory Committee has noted, they have common issues with MHF are relevant to planning regulation and decision making.

In addition to addressing the questions posed by the Committee, APGA would like to take this opportunity to inform the Committee of the development of the Australian Pipeline Database (APD). The APD will be completed within the next two months and available to planning stakeholders. It is an online web service that allows users to access pipeline location data in their jurisdiction (state or local government). The location data comprises the pipeline centreline and measurement length. Effectively, the APD will show planners the land areas that pipeline licensees take into account when managing risk.

The data is available for download to users' GIS systems or can be accessed via the web-based mapping tool. Property searches can be conducted by address or lot number. Automated reports for searches can be produced. Relevant information and contact details of responsible personnel for each asset are provided. The APD will provide a single source for access to pipeline information for government planning agencies and will be a useful tool for planners to improve awareness of pipeline locations.

APGA is happy to provide the Committee with a demonstration of the APD's capability as soon as it is completed.

APGA would also like to note the range of procedural and physical protection measures pipeline licensees currently employ to effectively manage the effects to pipeline assets of land use change:

- Active stakeholder engagement processes to ensure planners, developers, contractors, emergency services and other relevant stakeholders are aware of pipeline issues.
- Monitoring of planning announcements to identify potential matters of interest.
- Conducting of comprehensive Safety Management Studies, involving project proponents, planners and regulators, when development occurs around pipelines in order to identify the appropriate measures to manage change.

- Use of physical protection such as fencing, concrete slabbing, sign posting and other measures where appropriate to minimise the likelihood of third-party damage to assets.

APGA holds the view that all these measures can be improved when consultation and engagement between planners, developers and pipeline licensees occurs as early as possible. It appears the planning system is well placed to ensure early consultation occurs across the range of planning and development activity that is relevant to MHF and pipelines.

If you have any further questions, please contact me on (02) 6273 0577 or at sdavies@apga.org.au

Yours sincerely



STEVE DAVIES

National Policy Manager

Hazards, Risk and Consequences

- 1. Does the planning system effectively address existing or greenfield MHF or other hazardous industry that poses a risk to the safety of surrounding areas?*
- 2. How should planning address areas surrounding existing or proposed MHF or other hazardous industry that poses a risk to the safety of surrounding areas?*
- 3. Should there be greater consultation when a new MHF is proposed or changes made that would require changes to its safety assessment? Who should be involved in that consultation?*

APGA considers that the planning system does not effectively address existing or greenfield pipelines. In particular, it is of concern that the importance of addressing issues surrounding pipelines is recognised through Clause 19.03-6 of the State Planning Policy Framework, yet very little has been done to ensure the measures set out in that clause are implemented.

APGA considers that recognition of major pipelines in planning schemes, as set out in Clause 19.03-6, is an appropriate measure for planning. In APGA's view, this would lead to greater consultation when changes are made requiring changes to a pipeline's safety assessment. Improved consultation, at the early stages of project planning, is likely to improve public safety outcomes when planning decisions impact pipeline safety assessments.

Definition of a Major Hazard Facility

- 4. Should a definition for a Major Hazard Facility be included in Planning Schemes, and if so, what might the definition include?*

It is appropriate that definitions of MHF and pipelines are included in Planning Schemes. The definitions should be the same as those used by licensing authorities.

Risk Assessment and Modelled Hazard Boundaries

- 5. Should MHF emergency plans also be required to consider the effect a major incident would have on property within the land use planning areas and provide this in information given to the local community?*
- 6. Should the WorkSafe methodology for Inner and Outer Planning Advisory Areas continue to be the basis for identifying risk areas around MHF and be used for the land use planning system?*
- 7. Should risk areas around MHF, through Inner and Outer Planning Advisory Areas, be identified in planning schemes?*
- 8. Are there other more appropriate mechanisms other than the planning system that could be used to identify risk areas around a MHF that would alert landowners, tenants, permit applicants, facility operators and prospective purchasers and others about a MHF and the risk potential?*

APGA expects that MHF emergency plans already consider the effect a major incident would have on property in the surrounding area.

It is less clear that this information should be given to the local community. Certainly, members of the local community should have an expectation that the information is available if sought.

APGA considers the issue could be problematic because of the nature of high consequence, low probability events. Risk management systems use sophisticated mitigation measures to drive risk to acceptable minimums and in some cases effectively remove it. Regardless of this, risk-based design of pipelines and MHF requires the consequences of major incidents to be considered. APGA considers that stakeholders unfamiliar with risk management are likely to focus on consequence rather than risk and it would be very difficult to demonstrate that the risks posed by MHFs are very remote. This would cause problems for both the pipeline companies and the planners.

It is important that additional recognition of MHFs in the planning system does not cause undue concern or alarm. As such, the term 'risk area' is less than ideal. 'Area of interest', 'Consultation zone' or 'notification zone' are suitable alternatives.

The planning system seems to be the appropriate place to identify zones around MHFs. There are numerous existing processes that utilise the planning systems to inform land stakeholders about matters relating to land that must be considered.

In the specific case of pipelines, the existence of clause 19.03-6 indicates the planning system is the appropriate mechanism to perform this task. For pipelines, 'risk areas' are clearly linked to a pipeline's measurement length, which is clearly defined in the national standard, AS 2885 and should be used when determining risk areas for pipelines.

Reflection in the Planning Scheme

9. Should modelled risk areas around MHF be translated into planning schemes, and if so, how could this best be achieved?

APGA considers that planning overlays and/or a planning practice notes are useful tools to include areas around MHF in planning schemes.

APGA does not support the use of section 173 agreements as the primary tool. Section 173 agreements can be useful in formalising agreements around land use but do not appear to be an effective mechanism for providing information or raising awareness of MHF.

Policy

10. Is the treatment of MHF in State policy adequate/appropriate?

11. Should policy more clearly prioritise the protection of human life in areas around MHF similar to that provided under Bushfire policy?

12. Could local planning policy play a greater role in managing conflicting land uses and sensitive land use near MHF and provide strategic guidance on how such areas are developed?

APGA considers that the treatment of pipelines in the State Planning Policy Framework is adequate. However, it is not clear why this has not translated into inclusion of pipelines in planning schemes and better awareness of pipeline issues.

Local planning policy should play a significant role in managing conflicting land uses around MHF but it is apparent greater guidance will be required to facilitate this.

Zones

13. Should a specific zone be considered and applied to all MHF such as the SUZ or a new zone?

14. Could or should SUZ or other zone boundaries extend off_site from MHF and Schedules used to allow certain use and development to occur?

15. Could any new or modified zone include purposes, permit requirements, decision guidelines that identify and manage sensitive uses?

16. Should zones prohibit intensification of use or should they maintain a discretionary permit process?

APGA is of the view that an overlay is more appropriate than a zone to manage land use around MHF.

Overlays

17. Could or should an existing or new overlay be used to identify risk and manage development on land surrounding a MHF?

18. Should both use and development of land around a MHF be managed in an overlay?

19. Could an overlay identify inner and outer hazards areas or be applied to identified areas (whether default or modelled)?

Notification of Risk

20. Is notification of the risk status of land in proximity to a MHF important and how might it be achieved?

There is merit in considering a new overlay that can ensure developments with sensitive uses around MHF are designed in a manner that maximizes public safety. The presence of an overlay can ensure that early consultation between a MHF operator and a developer of a sensitive-use project can work together to implement practical, low cost design options that improve safety outcomes. Such design consideration can be relatively simple to incorporated into early planning, such as placing emergency exits on the side of the sensitive use furthest from the MHF.

APGA considers it unnecessary to prohibit intensification around MHFs. Early consultation and engagement can lead to improved outcomes with minimal disruption to stakeholders.

As noted above, APGA considers the terminology of the notification of ‘risk status’ of land in proximity to an MHF highly problematic. The presence of an overlay itself implies some level of risk. MHF regulators and pipeline operators will have to work closely in order to demonstrate to local communities that risks are managed through regulation, engineering and effective operation and, therefore, present little threat to communities.

Referral Authority Requirements

21. Would it be appropriate or beneficial to include key agencies such as the EPA and WorkSafe as referral authorities for permit applications lodged with identified risk areas around MHF?

22. Would the use of a zone or overlay provide the mechanism for engaging the EPA and/or WorkSafe as a referral authority for areas of risk around Major Hazard Facilities?

The development and implementation of an overlay is likely to address many issues arising from a lack of awareness when development around MHF occurs.

Buffers/separation distances – Clause 52.10

23. Should Clause 52.10 be reviewed to provide more than just an advisory role in determining the need for permits for industrial and warehousing uses?

24. If so, what should such a review seek?

It does not appear that clause 52.10 plays a role in pipeline activities.

Buffers/separation distances – IRAE Guidelines

25. Should the EPA IRAE Guidelines be better articulated in the VPP to accord greater weight to separation distances for industry or sensitive use expansion?

APGA has no view of this matter.

The size of buffers

26. Are the separation distances/buffer distances in Clause 52.10 and the IRAE Guidelines clearly justified and appropriate?

27. Might a clearer articulation in the planning system of principles around the need for buffers be useful?

28. Does the planning system currently allow and/or facilitate appropriate responses to the provision of buffers whilst ensuring the most efficient land use and land value capture outcomes around MHF and industry?

With regard to pipelines, APGA considers a planning overlay is more appropriate than the use of a buffer alone.

Reverse amenity and agent of change

29. Could the ‘agent of change’ principle be introduced to planning schemes for industry to ensure that the onus on ensuring appropriate buffers rests with the encroaching sensitive use.

APGA considers the ‘agent of change’ principle is appropriate for planning schemes. However, before it can be applied, it is necessary that awareness of MHF is raised, through the use of a planning overlay or similar. In this way, it is appropriate that the ‘agent of change’ can be held responsible for ensuring appropriate measures are taken.

Sensitive Uses

30. Should sensitive uses be formally defined in the planning scheme?

Yes, APGA considers it would be useful for sensitive uses to be defined in the planning scheme. There should be sufficient commonality to do so. For the most part, it appears sensitive uses are characterised as having large numbers of poorly protected people or having people unable to readily remove themselves from the area in case of a major incident.

Navigating the System

31. Would a Planning Practice Note(s) for interface planning between industry and sensitive uses be useful?

Yes, Planning Practice Notes for interface planning are very appropriate. It is important that MHF are treated consistently across the State. Planning Practice Notes are a useful mechanism to assist this.

Pipelines

32. Given there is already a legislative framework for pipeline protection; does the planning system need to include additional provisions?

33. Could a risk based spatial overlay developed for MHF and industry with a specific schedule for pipelines be a potential tool for use in identifying major pipelines in planning schemes?

The legislative framework for pipeline protection does not extend to cover the issues being considered in this discussion paper, particularly the issue of development and land use change around pipelines. From APGA's perspective, the existing framework provided in the *Pipelines Safety Act 2005* goes some way to protect pipelines from the risks of third party damage. This is aimed at addressing the likelihood of a high consequence, low probability event such as a major incident. Decisions in the planning system can affect the consequence of a major incident. As such, improvements in public safety will be achieved if the planning system facilitates greater consultation and raises awareness of the presence of pipelines. These cannot be achieved through pipeline safety legislation alone.

A planning overlay that includes both MHF and pipelines appears to be an ideal tool for identifying facilities in planning schemes. Indeed, clause 19.03-5 currently requires pipelines to be included in planning schemes, something that is not occurring in practice.