

**For Public Notice via Internet**

**REASONS FOR DECISION UNDER *ENVIRONMENT EFFECTS ACT 1978***

**Title of Proposal:** Halladale & Black Watch Gas Development Project

**Proponent:** Origin Energy Resources Limited

**Description of Project:**

Origin Energy Resources Limited propose to extract natural gas from the Halladale and Black Watch gas reserves located within Victorian waters approximately 5 kilometres (km) south of the coast near the township of Nirranda South.

Extraction will occur via up to four underground pipes drilled from an onshore well located approximately 3 km from the township of Nirranda South and therefore does not involve any marine or coastal works. The onshore well is located approximately 200 metres north of the Bay of Islands Coastal Park.

The onshore well will connect to Heytesbury Gas Gathering Facility and either the Otway Gas Plant or Iona Gas Plant for processing, using existing pipe infrastructure as well as approximately 10 km of new pipe. The new section of pipe is intended to be drilled under key waterway crossings. Appropriate contingency plans will need to be applied.

The project will also involve the development of temporary accommodation for construction staff during the construction of the project.

**Decision:**

The Minister for Planning has decided that an Environment Effects Statement (EES) is not required for the Halladale and Black Watch Gas Development Project, as described in the referral accepted on 4 March 2011.

**Reasons for Decision:**

- The horizontal directional drilling that is proposed from the onshore location to tap offshore gas reserves is an established method that entails a low level of environmental risk, which can be effectively regulated under applicable approvals.
- While some environmental risks are associated with waterway crossings of the land based section of new pipeline, contingency measures can effectively minimise these risks.
- The project would result in a relatively low level of greenhouse gas emissions from operational and fugitive sources. Indirect emissions from the processing and consumption of natural gas will be regulated under applicable laws.
- In summary, the potential environment effects of the project are likely to be localised and involve limited environmental risks, which can be adequately assessed through statutory processes under relevant legislation.

**Date of Decision:** 4 April 2011