



Our Reference: 2304Ltr190
Enquiries: Cameron Leckey

22 March 2016

Economic Regulation Authority
PO Box 8469
PERTH BC WA 6849

Attention: Lincoln Flindell, Manager Projects Access

Dear Lincoln,

RE: DBP ACCESS ARRANGEMENT SUBMISSION

On behalf of Perron Developments Pty Ltd we provide the following comments in support of the DBP's Access Arrangement Submission to the ERA.

Background

Perron Developments Pty Ltd is the landowner of Lots 1, 2, 5, 6, 510-513 & 521 Baldivis Road, Lot 3 Zig Zag Road and Lots 515-520 Sabrina Road, Baldivis ("the subject land").

The Dampier – Bunbury Natural Gas Pipeline ("DBNGP") traverses the subject land from the north-western corner where it crosses Baldivis Road, to the south eastern corner where it crosses the Kwinana Freeway – approximately 950m in total length.

The DBNGP is contained within a 30m wide easement.

The subject land forms part of a broader precinct that the WAPC and Minister for Planning resolved to transfer from the Urban Deferred zone to Urban under the Metropolitan Region Scheme MRS, with a publication in the Government Gazette notifying of the lifting of the urban deferment from the land on 13 May 2014.

The City of Rockingham Town Planning Scheme No.2 zones the land as 'Development', meaning that the land is suitable for urban development pending the preparation of a structure plan over the subject land.

A structure plan was prepared and submitted to the City in 2014, and is currently with the WAPC pending a final determination.

The structure plan is supported by a wide range of technical reports, including a Pipeline Quantitative Risk Assessment (QRA) and Pipeline Risk Management Plan prepared by Worley Parsons consulting engineers in accordance with AS 2885.

During the public consultation period on the structure plan, the pipeline operator (DBP) advised that the structure plan could not be supported as they could not be satisfied that the mitigation measures proposed in the QRA could achieve the "As Low as Reasonably Practicable" ("ALARP") standard required by AS 2885.

The mitigation measures suggested by DBP at the time in order to achieve ALARP would result in a project that may no longer be viable to develop due to a considerable loss in developable area and lot yield. It would also have a significant impact on a planned high school and primary school located to the west of the pipeline corridor, resulting in the need to reconsider and / or relocate these important public facilities.

Since this time Perron Developments has met with DBP and other key stakeholders to discuss possible solutions which would enable development of the surrounding land to proceed in a manner that is commercially viable, whilst also satisfying the ALARP requirement. As part of this discussion, DBP proposed the possibility of upgrading of the portion of pipe that traverses the subject land from a Rural standard to a non-rupture T1 standard, which would then support urbanisation of the surrounding area in keeping with the WAPC's decision to rezone the land.

The cost of upgrading this approximately 1km of pipe to a non rupture standard is considerable, and if it were to be borne by Perron Developments, it will have a significant bearing on the viability of the development of the subject land for urbanisation.

Our Submission

Given that:

- a) The Government has formally designated the subject land as being suitable for urban development by virtue of the series of MRS and TPS rezonings;
- b) There is a clear need to upgrade this portion of pipeline in the public interest;
- c) The WAPC's Planning Bulletin 87 clearly states that the developer's scope of responsibilities associated with gas pipelines "should not extend to upgrading or maintenance of the pipeline" which is the responsibility of the pipeline operator; and
- d) The costs associated with the pipe upgrade are prohibitive to urban development for any private developer;

We submit that in this instance it is entirely appropriate that the costs are borne by the pipeline operator for the upgrading of this portion of the pipeline to a non rupture standard. We therefore fully support the funding proposal as set out in DBP's revised Access Arrangement Submission.

Should you require any further information in relation to Perron Developments project, or require any further input into this process, please contact Cameron Leckey of this office on 9382 1233, or via email at Cameron@cleplan.com.au.

Yours faithfully,



Cameron Leckey
Principal Associate
CLE Town Planning + Design

Cc: Ben Martin – EWH Pty Ltd