

8 November 2011

**Memorandum of
Understanding for
Earth Resource Industries
Approvals**

Department of Primary Industries

ABN 42 579 412 233

**Department of Sustainability and
Environment**

ABN 90 719 052 205

CONTENTS

PARTIES	1
1. PURPOSE OF THIS MEMORANDUM	1
2. TERM	1
3. CONTENT	1
4. RESPONSIBILITY	1
5. OBJECTIVES	2
6. UNDERTAKINGS	2
7. CONSULTATION	2
8. TRAINING	3
9. CONFIDENTIAL INFORMATION	3
10. PRIVACY	3
11. FREEDOM OF INFORMATION	4
12. OWNERSHIP OF INFORMATION	4
13. AMENDMENT, VARIATION OR MODIFICATION	4
14. DISPUTES	4
15. TERMINATION OF THE MoU	4
16. GENERAL	5
SCHEDULE 1	
EXPLORATION WORK PLANS	
SCHEDULE 2	
MINING INDUSTRY WORK APPROVALS	
SCHEDULE 3	
EXTRACTIVE INDUSTRY WORK APPROVALS	
SCHEDULE 4	
PIPELINE PROJECT APPROVALS	
SCHEDULE 5	
ONSHORE PETROLEUM PROJECT APPROVALS	
SCHEDULE 6	
GEOHERMAL PROJECT APPROVALS	

DEPARTMENT OF PRIMARY INDUSTRIES

and

DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT

MEMORANDUM OF UNDERSTANDING FOR EARTH RESOURCE INDUSTRIES APPROVALS

PARTIES

DEPARTMENT OF PRIMARY INDUSTRIES ABN 42 579 412 233 (DPI), the authority responsible for administering various legislation including but not limited to the *Mineral Resources (Sustainable Development) Act 1990*, the *Petroleum Act 1998*, the *Pipelines Act 2005*, the *Geothermal Energy Resources Act 2005*.

and

DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT ABN 90 719 052 205 (DSE), the authority responsible for administering various legislation including but not limited to the *Conservation, Forests and Land Act 1987*, *Catchment and Lands Protection Act 1994*, *Crown Land (Reserves) Act 1978*, *Flora and Fauna Guarantee Act 1988*, *Forests Act 1958*, *Land Act 1958*, the *Water Act 1989*, the *National Parks Act 1975*, the *Wildlife Act 1975*.

1. PURPOSE OF THIS MEMORANDUM

- 1.1 This Memorandum of Understanding (MoU) sets out the common understanding between the parties as a voluntary statement of intent and contains the commitment of both parties at the time the MoU is signed and for the duration of the MoU. The MoU is not intended to create legally enforceable obligations between the parties.

2. TERM

- 2.1 This MoU is effective from the date of signature of the parties and continues until the earlier date of:
- (a) Five (5) years from commencement date; or
 - (b) Three (3) months from the date of one party's notice in writing to the other notifying of its intention to withdraw from this MoU; or
 - (c) A date that has been determined and mutually agreed to in writing by both parties to this MoU.
- 2.2 Consideration of a new MoU will be commenced by the parties four months prior to the expiration of this MoU.
- 2.3 If the parties fail to agree to enter into a new MoU, this MoU will continue until a further MoU is entered into or the MoU is terminated.

3. CONTENT

- 3.1 This MoU comprises two parts, the memorandum and the Schedules added for each earth resource industry work approval.

4. RESPONSIBILITY

- 4.1 DPI has primary responsibility for the undertakings within this MoU. DPI is the key contact for granting approvals and will ensure that the interests and obligations of government are taken into account for all projects.

5. OBJECTIVES

5.1 The parties share the following objectives:

- (a) The effective cooperation of both parties in the administration and implementation of their respective obligations in relation to the matters set out in the Schedules.
- (b) Early and constructive engagement (i.e., attendance at initial consultation meetings) to identify and resolve issues.
- (c) The provision of streamlined and timely consultation, advice and responses on activities relating to:
 - (i) exploration work plans;
 - (ii) mining industry work approvals;
 - (iii) extractive industry work approvals;
 - (iv) pipeline project approvals;
 - (v) petroleum (onshore/offshore) project approvals; and
 - (vi) geothermal project approvals.
- (d) The efficient utilisation and application of DPI and DSE resources.
- (e) Excellence in the management and control of environmental impacts.

6. UNDERTAKINGS

- 6.1 The parties undertake to give effect to the arrangements and procedures set out in the Schedules and relevant laws.
- 6.2 The parties undertake to establish and maintain liaison contacts to ensure the effective operation of the MoU. Within fourteen (14) days of the signing of this MoU, the parties will advise each other of their respective liaison contact to whom any communication about the operation of this MoU may be addressed.
- 6.3 The parties undertake to inform their staff of their roles and responsibilities under this MoU, and any relevant changes to the regulatory instruments overseen by them in a timely manner as they arise.
- 6.4 This MoU will be jointly reviewed by the liaison contacts four months prior to expiry, or otherwise as agreed in writing between the parties.

7. CONSULTATION

7.1 Preparation of guidelines and codes of practice and guidance

The parties will consult each other in the preparation of any guidelines, codes of practice, or guidance notes, protocols or similar material that are developed to assist operators and tenement holders to meet their legislative obligations.

7.2 Changes to policy

The parties will advise each other of any proposed changes to their policies, legislation or regulation that are likely to impact on the administration or implementation of the matters set out in the Schedules.

8. TRAINING

8.1 The parties will notify each other as soon as reasonably practicable of any relevant training courses or workshops they conduct. Where another party is interested in participating in a course, the party conducting the course will endeavour to make at least one place available for appropriate personnel from that party.

8.2 Parties agree to ensure, as far as reasonably practicable, that staff are provided with appropriate training and cross training of staff occurs where opportunities arise.

9. CONFIDENTIAL INFORMATION

9.1 Treatment of confidential information

With respect to any information supplied by one party to another in connection with this MoU designated as confidential, each party agrees to:

- (a) protect the confidential information in a reasonable and appropriate manner and in accordance with any applicable professional standards;
- (b) use and reproduce confidential information only for the purposes set out in this MoU or in accordance with any law or court order;
- (c) not disclose or otherwise make available confidential information other than to its personnel who have a need to know the information to give effect to the purposes set out in this MoU;
- (d) maintain the confidential use, disclosure and security of the confidential information consistent with relevant privacy laws, statutory requirements and any applicable professional standards.

9.2 No confidentiality in certain instances

Clause 9.1 shall not apply to information which is:

- (a) publicly known;
- (b) already known to the receiving party;
- (c) authorised in writing by the parties to be disclosed to each other.

10. PRIVACY

10.1 The parties agree:

- (a) that any Personal or Health Information as defined in the Privacy Legislation and disclosed by in connection with this MoU has been collected in accordance with applicable Privacy Legislation, that the individual to whom the information relates has been made aware of the identity of the organisation collecting the information and of the other matters of which the individual is required to be informed under applicable Privacy Legislation, and that the disclosure of the information to, and its use by, the organisation to which it is disclosed is authorised by the individual or by law;

- (b) not to use, disclose, store, transfer or handle Personal Information collected in connection with this MoU except in accordance with applicable Privacy Legislation; and
- (c) to co-operate with any reasonable request of the other relating to the protection of Personal Information or the investigation of a complaint about the handling of Personal Information.

11. FREEDOM OF INFORMATION

- 11.1 In carrying out any responsibilities under freedom of information (FOI) legislation, a party will have regard to the interests of the other party and will consult with them if a party proposes to take any action relating to a FOI request that may have an impact on the interests of the other party.

12. OWNERSHIP OF INFORMATION

- 12.1 All original documents (including written, visual or electronic forms) will remain the property of the originating party.
- 12.2 The parties agree to acknowledge the source of all documents used by the parties in carrying out their responsibilities under this MoU.

13. AMENDMENT, VARIATION OR MODIFICATION

- 13.1 This MoU may be amended, varied or modified by a further MoU in writing duly signed by the parties.
- 13.2 An amendment or variation to the MoU takes effect on the date it is signed by the parties or on a date agreed by the parties in writing.
- 13.3 Notwithstanding the above, Schedules to this MoU may be added, amended, varied or modified by the insertion of one or more new schedules duly signed by the nominated signatories. Schedules to this MoU may be removed by agreement between the nominated signatories; such agreement to be in writing and duly signed by the nominated signatory and appended to the MoU.
- 13.4 A party intending to amend or vary any of the terms or obligations of this MoU must provide 28 days written notice to the other party of the proposed amendment or variation including the reason for the proposed change.

14. DISPUTES

- 14.1 Where an issue arises between the parties in relation to any matter in this MoU, the nominated liaison contacts will meet to attempt to resolve the issue within 28 days. Where the nominated liaison contacts are unable to resolve the issue, the relevant Regional Director at DSE or equivalent, and the Director of Earth Resources Regulation at DPI or equivalent, will meet to resolve the issue.

15. TERMINATION OF THE MoU

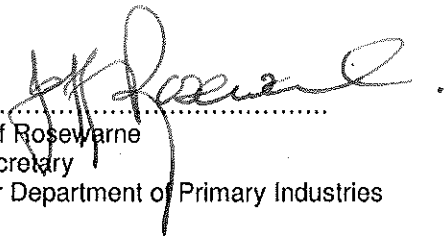
- 15.1 If a party wishes to terminate this MoU they must give 28 days notice in writing to the other party of their intention to terminate the MoU. This notice must include the reasons for termination and any proposed transitional arrangements.
- 15.2 Both parties may agree in writing to terminate this MoU at a date agreed by the parties.

16. GENERAL

- 16.1 Each party must pay its own expenses incurred in negotiating, executing and implementing this MoU.
- 16.2 Each party must do anything and must ensure that its employees and agents do anything that any other party may reasonably require to give full effect to this MoU.
- 16.3 This MoU does not apply to Environmental Effects Statements required under the *Environment Effects Act 1978*.

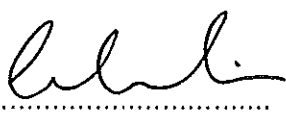
SIGNED ON BEHALF OF DPI:

Executed on the 4 day of Jan 28 2011


.....
Jeff Rosewarne
Secretary
For Department of Primary Industries

SIGNED ON BEHALF OF DSE:

Executed on the 17th day of February 2012


.....
Greg Wilson
Secretary
For Department of Sustainability and Environment

SCHEDULE 1 EXPLORATION WORK PLANS

GENERAL

This Schedule outlines the process whereby DPI will seek the comment of the DSE on mineral exploration work plans lodged in accordance with relevant sections of the *Mineral Resources (Sustainable Development) Act 1990 (MRSDA)*.

DEFINITIONS

1. **'Area work plan' (including variations to an area work plan)** is a broad plan for the approval of a range of exploration activities within a defined project area. An area work plan does not require specific detail of the activities for individual worksites within the project area. Area work plans are most appropriate in the case of private or unrestricted Crown land. Further detail can be found in relevant DPI guidelines.
2. **'Area work plan schedule'** is information submitted to the DPI and DSE (if the activity is on Crown Land) by a licensee holding an approved 'area work plan' that describes the activities and locations proposed in a forthcoming program of work, under the approved 'area work plan'. Further detail can be found in relevant DPI guidelines.
3. **'Consent'** means consent of the Crown Land Minister (or delegate) under section 44 of the MRSDA for a licensee to undertake work under the licence on restricted Crown land.
4. **'Crown land'** has the same meaning defined in the MRSDA.
5. **'Crown Land Minister'** has the same meaning as defined in the MRSDA.
6. **'DPI Officer'** means DPI District Manager or Inspector with the responsibility for work plan assessment.
7. **'DSE Statutory Planning Case Manager'** means the DSE Officer responsible for coordinating comments on referrals including comments on draft work plans within a specific DSE region.
8. **'DSE Officer'** means a technical or other expert engaged by the DSE Statutory Planning Case Manager to provide technical or specific inputs into, or, comments on a work plan.
9. **'DSE Property Manager'** means the DSE Officer responsible for providing comment to the DPI and the mineral exploration licensee about Crown land status and exploration on Crown land.
10. **'Exploration'** has the same meaning as defined in the MRSDA.
11. **'Land status'** means whether the land is in private ownership or is Crown land; and further in the case of Crown land, the category or classification (actual or proposed) of the Crown land on which the exploration is proposed.
12. **'Licensee'** has the same meaning as defined in the MRSDA.
13. **'Low impact exploration'** has the same meaning as defined in the MRSDA.
14. **'Native vegetation'** means plants that are indigenous to Victoria, including trees, shrubs, herbs and grasses, or otherwise defined in the Native Vegetation Framework
15. **'Restricted Crown land'** has the same meaning as defined in the MRSDA.
16. **'Rural Water Corporation' (RWC)** means Southern Rural Water, Grampians Wimmera Mallee Water, Goulburn-Murray Water, Lower-Murray Water or Melbourne Water Corporation.

17. **'RWC Planning Coordinator'** means the RWC Officer (within a specific RWC district) responsible for coordinating technical or specific inputs into, or, comments on a work plan.
18. **'Significant flora or fauna or their habitat'** means a species, community or habitat of flora or fauna that has been defined or listed under the Flora and Fauna Guarantee Act 1988, or Environment Protection Biodiversity Conservation Act 1999, or an instrument of either of these Acts.
19. **'Standard work plan' (including variations to a standard work plan)** is a work plan for the approval of a defined set of exploration activities in specified locations. Further detail can be found in relevant DPI guidelines.
20. **'Unrestricted Crown land'** has the same meaning as defined in the MRSDA.
21. **'Work plan'** has the same meaning as defined in the MRSDA.

SCOPE OF ARRANGEMENTS

22. The following arrangements will apply to the DPI and DSE in relation to consultation on new, or variations to approved exploration work plans which have been lodged for approval under section 40 and section 41 of the MRSDA respectively.

ENCOURAGING LICENSEES TO DEVELOP WORK PLANS THAT MINIMISE ENVIRONMENTAL AND SOCIAL IMPACTS

23. Work plans for exploration activities must comply with the Mineral Resources Development Regulations 2002 (or any subsequent regulations that replace them wholly or in part).
24. The DPI Officer will encourage licensees to develop work plans that minimise negative environmental and social impacts. To assist this process, during the initial stages of the development of an exploration work plan the DPI Officer may advise the licensee to seek information or advice from DSE and/or other relevant authorities.
25. Consultation on a work plan may be required with Officers from various divisions within DSE. The DSE Statutory Planning Case Manager will identify the relevant DSE Officers as early as possible in the consultation process. The consultation process is shown in Figure 1 of this Schedule.

DETERMINING CROWN LAND STATUS AND MANAGEMENT

26. When exploration work is proposed on Crown land, the DPI Officer will consult with the relevant DSE Property Manager to identify the Crown land status.
27. The DPI Officer will pass this information on to the licensee and advise that all future correspondence with DSE should be addressed to the DSE Statutory Planning Case Manager.
28. If the proposed works are on restricted Crown land, the DSE Statutory Planning Case Manager will advise the DPI Officer in writing if consent under section 44(1) of the MRSDA is likely to be considered.

REFERRAL AND CONSULTATION OF EXPLORATION WORK PLANS

29. Before referring a work plan and the bond estimate (for proposals on Crown land) to the DSE Statutory Planning Case Manager, the DPI Officer will make all reasonable efforts to ensure that the work plan is complete, including the identification of all potential environmental risks and provides the information required by the Mineral Resources Development Regulations 2002¹ (or any subsequent regulations that replace them wholly or in part).

¹ This may include Schedule 12 and 13 where applicable.

30. The DPI Officer will only refer a copy of the work plan to the relevant Manager of Groundwater and Surface Water Licensing at their discretion.
31. The DPI Officer will refer a copy of the work plan to the relevant DSE Statutory Planning Case Manager for review and comment when:
- (a) Exploration work is proposed on restricted Crown land.
 - (b) An area work plan is proposed on Crown land.
 - (c) The removal, destruction or lopping² of native vegetation is proposed on private or Crown land.
 - (d) The work plan includes any of the following:
 - i. Works on or near sites of significant flora or fauna or their habitat.

DPI Officers should consult with the appropriate DSE Officers via the DSE Statutory Planning Case Manager to determine whether such criteria apply.
 - ii. Ground intrusive works on land within one hundred (100) metres of a waterway.
 - iii. Works on Crown and private land that would require significant rehabilitation, such as replanting of native vegetation.
32. Within twenty-one (21) days of receiving the work plan, the DSE Statutory Planning Case Manager will:
- (a) circulate the work plan to the appropriate DSE Officers for review and comment on the environmental and other relevant impacts of the proposed works; and
 - (b) then advise the DPI Officer in writing of whether or not the work plan is of a satisfactory standard to be approved and/or recommend any changes that should be made prior to approval by the DPI Officer; or
 - (c) notify the DPI Officer in writing of a request for further information; or
 - (d) notify the DPI Officer in writing of a request for an extension of time to assess the work plan and include a date for the expected response.
33. Within seven (7) days of receiving a request for further information from the DSE Statutory Planning Case Manager, the DPI Officer will notify the licensee that further information is required.
34. Within seven (7) days of receiving the amended work plan or the further information, the DPI Officer will notify and if required forward it to the DSE Statutory Planning Case Manager.
35. Once an amended work plan has been forwarded to the DSE Statutory Planning Case Manager under clause 33, the DSE Statutory Planning Case Manager has twenty-one (21) days to respond to the DPI Officer.
36. The DPI Officer will make all reasonable efforts to assist the DSE Statutory Planning Case Manager to meet these timelines by:
- (a) Advising the DSE Statutory Planning Case Manager as soon as practicable that a work plan is likely to be submitted for approval.
 - (b) Ensuring that work plans are referred to the DSE Statutory Planning Case Manager as soon as practicable after they are lodged for approval.
 - (c) Providing any information requested by the DSE Statutory Planning Case Manager in a timely manner.
 - (d) Liaising with the licensee as required and ensuring the licensee is made aware of any additional information or changes required by the DSE Statutory Planning Case Manager.
37. The DSE Statutory Planning Case Manager, the relevant DSE Officers and the DPI Officer will work cooperatively to ensure that advice and information is shared in a timely manner and all issues are satisfactorily addressed, or identified as requiring further information.

² Lopping/trimming of up to 1/3 of the foliage of a tree and mowing native grasses to a height greater than 10 cm will not trigger referral to DSE.

WORK PLAN APPROVAL BY DPI (when work plan has been referred)

38. The DPI will consider approval of the work plan when:
- (a) The DSE Statutory Planning Case Manager advises that the plan is satisfactory; or
 - (b) Twenty-eight (28) days have elapsed since the referral of the work plan or provision of further information and the DPI Officer has made reasonable efforts to obtain the comment of the DSE Statutory Planning Case Manager.
39. The DPI Officer will provide the DSE Statutory Planning Case Manager with a copy of the approved work plan and any conditions.

ASSESSMENT OF SCHEDULES FOR AREA WORK PLANS

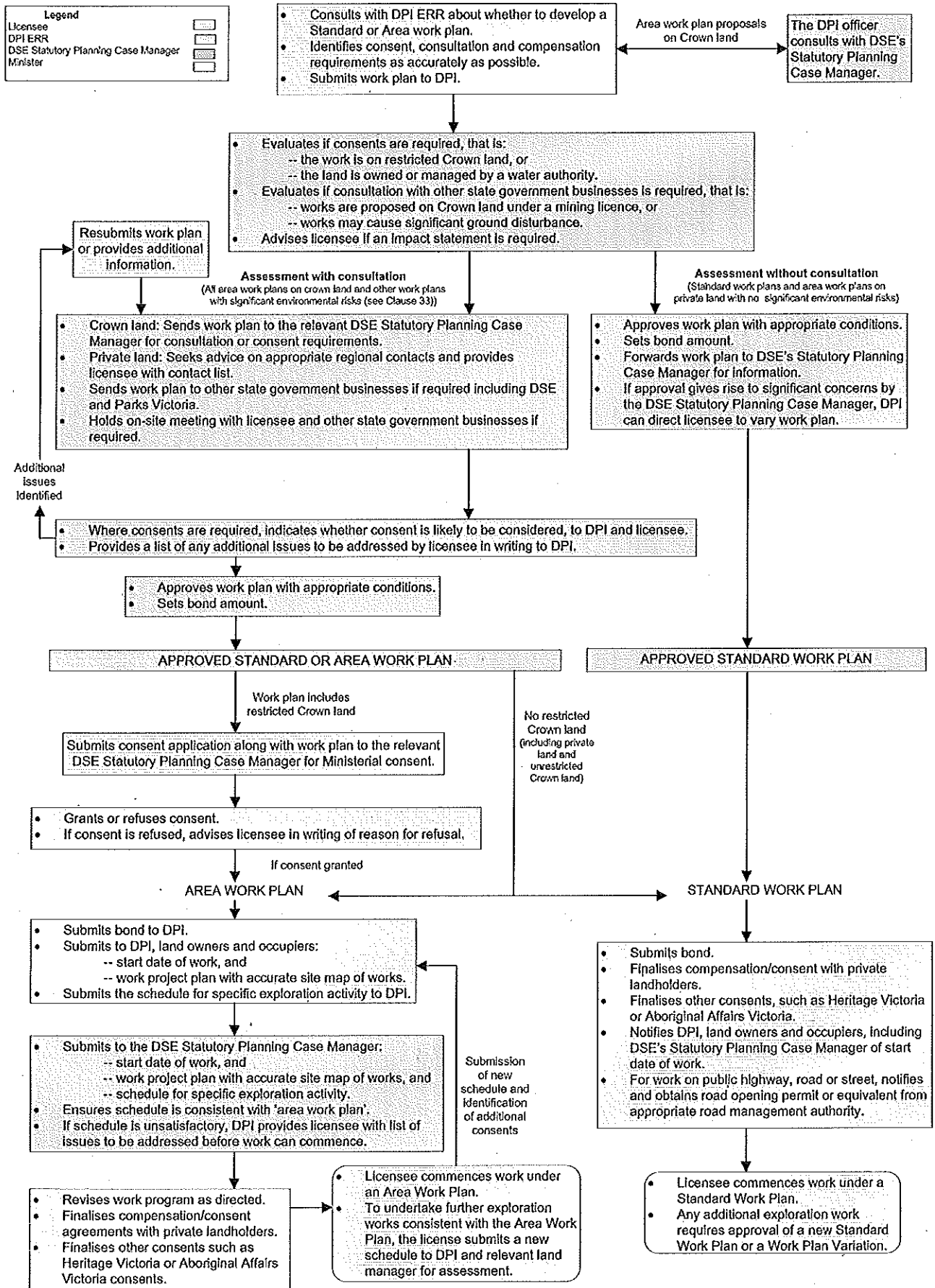
40. Where the licensee has an approved area work plan in relation to exploration on Crown land and wishes to do work under that work plan, the licensee must submit an area work plan schedule³ to the DPI Officer. The DPI officer will then forward it to the DSE Statutory Planning Case Manager.
41. After receiving the area work plan schedule, the DSE Statutory Planning Case Manager has seven (7) days to notify the DPI Officer whether more time and/or information is needed to assess the schedule.
42. After receiving the schedule, the DSE Statutory Planning Case Manager has fourteen (14) days to notify the DPI Officer that the area work plan schedule is likely to result in environmental impacts which are not adequately addressed in the approved area work plan and that exploration work cannot commence on Crown land.
43. Upon receipt of the DSE Statutory Planning Case Manager's comments at clause 40 or 41, the DPI Officer will advise the licensee in writing that work cannot proceed until the issues have been addressed to the satisfaction of the DSE Statutory Planning Case Manager and the DPI Officer.
44. If exploration work under an area work plan is proposed to be undertaken on restricted Crown land and consent has not yet been granted by the Crown Land Minister (or delegate), the DSE Statutory Planning Case Manager will advise the DPI Officer who will in turn advise the licensee that work cannot commence until consent is granted.

ONGOING MANAGEMENT OF EXPLORATION WORKS ON CROWN LAND

45. Where DSE receives a complaint(s) from an adjacent land owner(s), occupier(s) or the public about impacts (i.e. noise, dust etc.) resulting from exploration activities on Crown land, the DSE Statutory Planning Case Manager will immediately advise the DPI Officer of the nature of the complaint.
46. The DPI Officer will investigate and attempt to resolve the complaint, involving the DSE Statutory Planning Case Manager in these processes as appropriate. The DPI Officer will advise the DSE Statutory Planning Case Manager of the results of any investigation and subsequent action as soon as practicable.

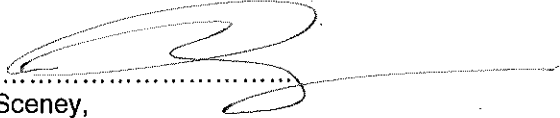
³ The schedule is advisory only and does not require further DPI approval. If no direction is received from DPI about the schedule within twenty-one (21) days, the licensee can commence work (subject to having all other relevant approvals in place including consent to undertake work on restricted Crown land).

FIGURE 1 Exploration Work Plan Consultation Process



SIGNED ON BEHALF OF DPI:

Executed on the 27th day of August 2012



.....
Doug Sceney,
Director Earth Resources Regulation
For Department of Primary Industries

SIGNED ON BEHALF OF DSE:

Executed on the 29 day of Aug 2012



.....
Warrick McGrath,
Director Ecosystem Services
For Department of Sustainability and Environment

SCHEDULE 2 MINING INDUSTRY WORK APPROVALS

GENERAL

This Schedule outlines the process whereby DPI will seek the comment of DSE on mining work plans lodged in accordance with relevant sections of the *Mineral Resources (Sustainable Development) Act 1990* (MRSDA).

DEFINITIONS

1. **'Agency comment'** means comments, provided by DSE or the Rural Water Corporation, that are advisory and that are provided outside of the referral triggers in Clause 66 of the Victoria Planning Provisions (VPP).
2. **'Consent'** means consent of the Crown Land Minister (or delegate) under section 44 of the MRSDA for a licensee to undertake work under the licence on restricted Crown land.
3. **'Crown land'** has the same meaning defined in the MRSDA.
4. **'Crown Land Minister'** has the same meaning as defined in the MRSDA.
5. **'DPI Officer'** means DPI District Manager or Inspector with the responsibility for work plan assessment.
6. **'DSE Statutory Planning Case Manager'** means the DSE Officer responsible for coordinating comments on referrals including comments on draft work plans within a specific DSE region.
7. **'DSE Officer'** means a technical or other expert engaged by the DSE Statutory Planning Case Manager to provide technical or specific inputs into, or, comments on a work plan.
8. **'DSE Property Manager'** means the DSE Officer responsible for providing comment to the DPI and the mining licensee about Crown land status and exploration on Crown land.
9. **'Land status'** means whether the land is in private ownership or is Crown land; and further in the case of Crown land, the category or classification (actual or proposed) of the Crown land on which the mining is proposed.
10. **'Licensee'** has the same meaning as defined in the MRSDA.
11. **'Mining'** has the same meaning as defined in the MRSDA.
12. **'Referral Authority'** has the same meaning as defined in the MRSDA.
13. **'Restricted Crown land'** has the same meaning as defined in the MRSDA.
14. **'Rural Water Corporation' (RWC)** means Southern Rural Water, Grampians Wimmera Mallee Water, Goulburn-Murray Water, Lower-Murray Water or Melbourne Water Corporation.
15. **'RWC Planning Coordinator'** means the RWC Officer (within a specific RWC district) responsible for coordinating technical or specific inputs into, or, comments on a work plan.
16. **'Responsible Authority'** has the same meaning as in section 13 of the *Planning and Environment Act 1987* (PEA).
17. **'Unrestricted Crown land'** has the same meaning as defined in the MRSDA.
18. **'Statutory endorsement'** has the same meaning as defined in the MRSDA.

19. **'Statutory referral'** means a referral to DSE as a referral authority..
20. **'Tribunal'** has the same meaning as defined in the MRSDA.
21. **'Work plan' (including variations to a work plan)** means a work plan lodged under Section 40 of the MRSDA.

SCOPE OF ARRANGEMENTS

22. The following arrangements will apply to the DSE and DPI in relation to either:
 - consultation on new, or variations to mining work plans that have been lodged for approval under section 40 and section 41 of the MRSDA ;or
 - a mining work plan or work plan variation that has been lodged for statutory endorsement under section 77TC of the MRSDA.

ENCOURAGING LICENSEES TO DEVELOP WORK PLANS THAT MINIMISE ENVIRONMENTAL AND SOCIAL IMPACTS

23. Work plans for mining activities must comply with the *Mineral Resources Development Regulations 2002* (or any subsequent regulations that replace them wholly or in part).
24. The DPI Officer will encourage licensees to develop work plans that minimise negative environmental and social impacts. To assist this process, during the initial stages of the development of a mining work plan the DPI Officer may advise the licensee to seek information or advice from DSE and/or other relevant authorities.
25. Consultation on a work plan may be required with Officers from various divisions within the DSE. The DSE Statutory Planning Case Manager will identify the relevant DSE Officers as early as possible in the consultation process. The consultation process is shown in Figure 1 of this Schedule.

DETERMINING CROWN LAND STATUS AND MANAGEMENT

26. When mining work is proposed on Crown land, the DPI Officer will consult with the relevant DSE Property Manager to identify the Crown land status.
27. The DPI Officer will pass this information on to the licensee and advise that all future correspondence with DSE should be addressed to the DSE Statutory Planning Case Manager.
28. If the proposed work is to be undertaken on restricted Crown land, the DSE Statutory Planning Case Manager will advise the DPI Officer in writing if consent under section 44(1) of the MRSDA is likely to be considered.

INITIAL SITE CONSULTATION MEETING

29. Following initial contact and discussions between the licensee and the DPI Officer on the general nature of the project, the DPI Officer will contact the DSE Statutory Planning Case Manager to identify the relevant DSE Officers that should attend the initial site consultation meeting.
30. The DPI Officer will distribute these details to the licensee who will arrange the site meeting.
31. Following the site meeting the DSE Statutory Planning Case Manager will advise the licensee and DPI of all the DSE information requirements to be addressed in the work plan. The DSE Statutory Planning Case Manager will continue dialogue with the licensee, as necessary to resolve any problems prior to the licensee giving the work plan or variation to DPI for statutory endorsement/approval.

STATUTORY REFERRAL AND AGENCY COMMENT - CONSULTATION ON MINING WORK PLANS

32. **Statutory referral** applies to a mining work plan/work plan variation in respect of work for which a planning permit under the *Planning and Environment Act 1987* (PEA) is required. DPI must not make a decision to refuse or statutorily endorse a work plan/variation that is inconsistent with a statutory referral response.
33. **Agency comment** is sought where either:
- A planning permit is not required for the mining work plan/work plan variation under the PEA; or
 - A planning permit is required but the triggers in clauses 66.02, 66.03 and 66.04 of the VPP are not applicable; or
 - In all cases in respect of Clause 40 and 41 of this schedule.
34. If both statutory referral and agency comment are required the DSE Statutory Planning Case Manager will provide a combined response. The response will clearly identify **statutory referral** comments and conditions from **agency comments**.
35. Before forwarding the work plan and the bond estimate (for projects on Crown land) to the DSE Statutory Planning Case Manager, for either statutory referral or agency comment, the DPI Officer will make all reasonable efforts to ensure that the work plan is complete, addresses the issues raised at the initial site meeting, includes the identification of all potential environmental risks and provides the information required by the Mineral Resources Development Regulations 2002⁴.
36. The DPI Officer will refer a copy of the work plan to the relevant DSE Statutory Planning Case Manager as a **statutory referral** in accordance with Clause 66.02, 66.03 and 66.04 of the VPP. The referral will identify the relevant referral trigger.
37. Within thirty (30) days of receiving a statutorily referred work plan, the DSE Statutory Planning Case Manager will:
- (a) circulate the work plan to the appropriate DSE Officers for review and comment on the environmental and other relevant impacts of the proposed works; and
 - (b) advise the DPI Officer in writing that either:
 - there is no objection to statutory endorsement of the work plan/variation; or
 - there is no objection to statutory endorsement of the work plan/variation subject to conditions; or
 - there is an objection to statutory endorsement of the work plan/variation on any specified ground.
38. Conditions provided in response to a **statutory referral** will be included on the work plan as site specific work plan conditions.
39. Where the DSE Statutory Planning Case Manager has responded to a **statutory referral** the DPI Officer will provide a notice of statutory endorsement to include a copy of the work plan specific conditions. The DSE Statutory Planning Case Manager may request a copy of the statutorily endorsed work plan if a record is required.
40. For non-statutory referrals⁵, the DPI Officer will forward a copy of the work plan to the relevant DSE Statutory Planning Case Manager for review and **agency comment** when mining is proposed on:
- (a) Any Crown land; and
 - (b) Any private land where native vegetation removal is required.
41. For non-statutory referrals, the DPI Officer will forward a copy of the work plan to the RWC Planning Coordinator for review and **agency comment** when mining activities:

⁴ This may include Schedule 12 and 13 where applicable.

⁵ In situations highlighted at clause 33 of this schedule.

- (a) Are likely to intercept groundwater or intercept water from:
 - A river, creek, stream or watercourse; or
 - A natural channel where water regularly flows, whether or not the flow is continuous, or
 - A lake lagoon, swamp or marsh.
 - (b) Introduce a liquid into a borehole either for the purposes of chemical or physical extraction of minerals or materials.
42. Within thirty (30) days of receiving the **agency comment** work plan, the DSE Statutory Planning Case Manager/RWC Planning Coordinator will:
- (a) circulate the work plan to the appropriate DSE Officers for review and comment on the environmental and other relevant impacts of the proposed works; and
 - (b) advise the DPI Officer in writing that either:
 - there is no objection to approval of the work plan/variation; or
 - there is no objection to approval of the work plan/variation subject to conditions; or
 - there is an objection to approval of the work plan/variation on any specified ground.
43. **Agency comments** provided are advisory and they should be within DSE's portfolio of responsibilities and consistent with DSE policy. They will be included in the work plan at the discretion of DPI.
44. The DPI Officer will make all reasonable efforts to assist the DSE Statutory Planning Case Manager to meet the timelines by:
- (a) Advising the DSE Statutory Planning Case Manager as soon as practicable that a draft work plan is likely to be submitted for assessment.
 - (b) Ensuring that draft work plans are referred to the DSE Statutory Planning Case Manager as soon as practicable after they are lodged for assessment.
45. The DSE Statutory Planning Case Manager, the relevant DSE Officers and the DPI Officer will work cooperatively to ensure that advice and information is shared in a timely manner and all issues are satisfactorily addressed.

RESPONDING TO A NOTICE OF PLANNING PERMIT APPLICATION

46. A responsible authority may give notice to, or seek advice from, DSE about a planning permit application under Section 52 of the PEA. The DSE Statutory Planning Case Manager will ensure that any comments provided are consistent with any advice previously provided to DPI and will provide DPI with a copy of the response.

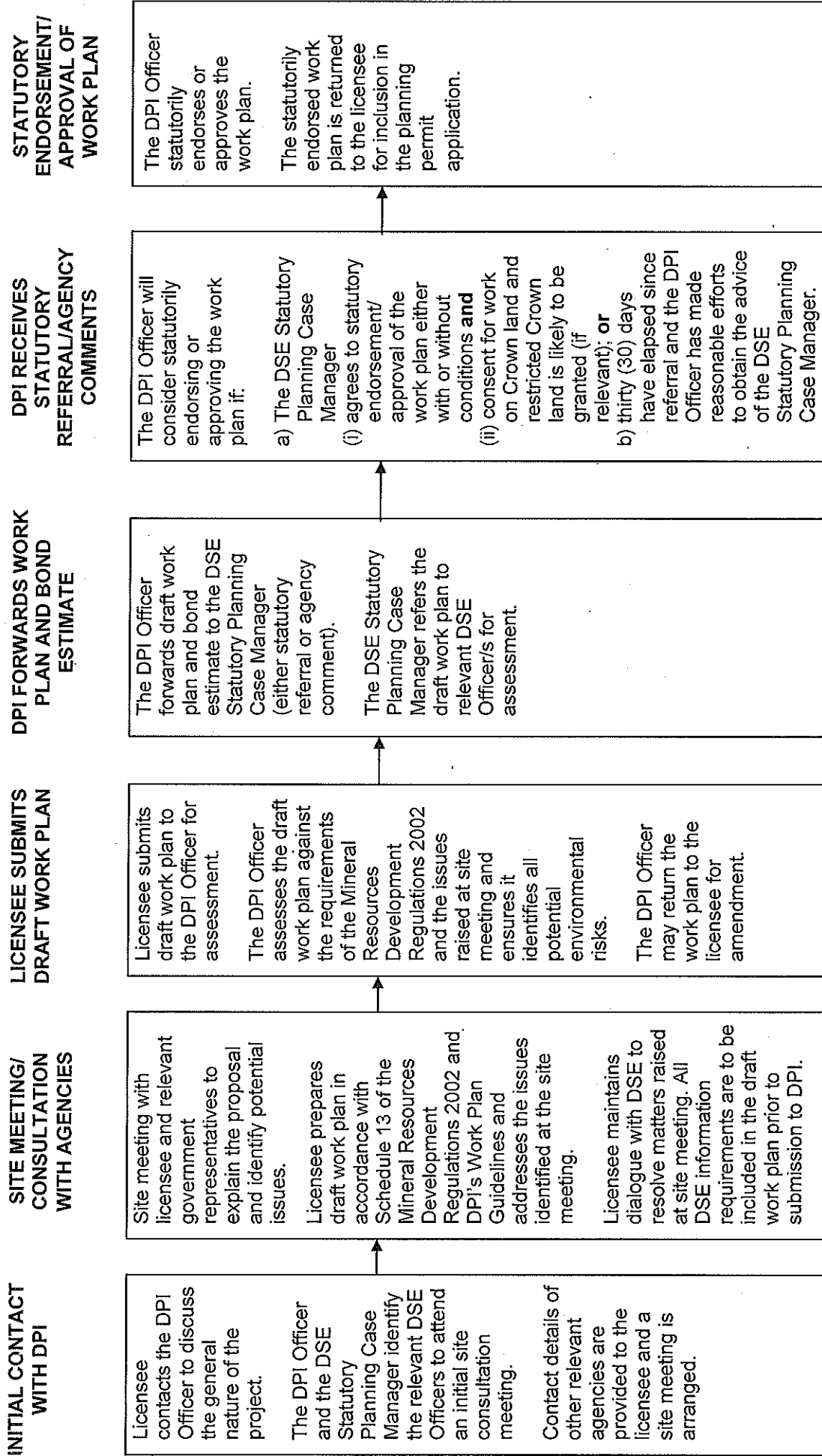
WORK PLAN STATUTORY ENDORSEMENT OR APPROVAL BY DPI

47. DPI will only consider statutory endorsement or approval of the work plan if:
- (a) The DSE Statutory Planning Case Manager
 - (i) agrees to statutory endorsement or approval of the work plan either with or without conditions; and
 - (ii) consent for work on Crown land and restricted Crown land is likely to be granted (if relevant); or
 - (b) Thirty (30) days have elapsed since the referral of the work plan and the DPI Officer has made reasonable efforts to obtain the comment of the DSE Statutory Planning Case Manager.
48. DSE will not be consulted again by DPI when the planning permit is applied for the mining licence site. In the event that an additional matter affecting DSE interests arises from the planning process, further consultation between the DPI Officer and the DSE Statutory Planning Case Manager will be undertaken..

REVIEW BY TRIBUNAL

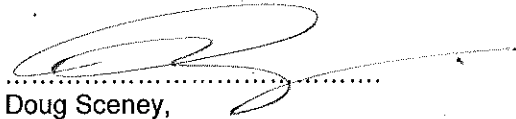
49. DPI will call upon DSE to appear at the Tribunal where a licensee has sought review of a statutory endorsement decision that includes the recommendations and/or conditions requested by DSE.

FIGURE 1 Mining Work Plan Consultation Process



SIGNED ON BEHALF OF DPI:

Executed on the 27th day of August 2012



Doug Sceney,
Director Earth Resources Regulation
For Department of Primary Industries

SIGNED ON BEHALF OF DSE:

Executed on the 29 day of August 2012



Warrick McGrath,
Director Ecosystem Services
For Department of Sustainability and Environment

SCHEDULE 3 EXTRACTIVE INDUSTRY WORK APPROVALS

GENERAL

This Schedule outlines the process whereby DPI will seek the comment of DSE on extractive industry work plans lodged in accordance with relevant sections of the *Mineral Resources (Sustainable Development) Act 1990* (MRSDA).

DEFINITIONS

1. **'Agency comment'** means comments, provided by the DSE or the Rural Water Corporation, that are advisory and that are provided outside of the referral triggers in Clause 66 of the Victoria Planning Provisions (VPP).
2. **'Consent'** means consent of the Crown Land Minister (or delegate) under section 771 of the MRSDA for an extractive industry work authority holder to undertake work under the work authority on restricted Crown land.
3. **'Crown land'** has the same meaning defined in the MRSDA.
4. **'Crown Land Minister'** has the same meaning as defined in the MRSDA.
5. **'DPI Officer'** means DPI District Manager or Inspector with the responsibility for work plan assessment.
6. **'DSE Statutory Planning Case Manager'** means the DSE Officer responsible for coordinating comments on referrals including comments on draft work plans within a specific DSE region.
7. **'DSE Officer'** means a technical or other expert engaged by the DSE Statutory Planning Case Manager to provide technical or specific inputs into, or, comments on a work plan.
8. **'DSE Property Manager'** means the DSE Officer responsible for providing comment to the DPI and the extractive industry work authority holder about Crown land status exploration on Crown land.
9. **'Extractive Industry'** has the same meaning as defined in the MRSDA.
10. **'Extractive Industry Work Authority'** has the same meaning as defined in the MRSDA.
11. **'Land status'** means whether the land is in private ownership or is Crown land; and further in the case of Crown land, the category or classification (actual or proposed) of the Crown land on which the extractive industry work is proposed.
12. **'Referral Authority'** has the same meaning as defined in the MRSDA.
13. **'Restricted Crown land'** has the same meaning as defined in the MRSDA.
14. **'Rural Water Corporation' (RWC)** means Southern Rural Water, Grampians Wimmera Mallee Water, Goulburn-Murray Water, Lower-Murray Water or Melbourne Water Corporation.
15. **'RWC Planning Coordinator'** means the RWC Officer (within a specific RWC district) responsible for coordinating technical or specific inputs into, or, comments on a work plan.
16. **'Responsible Authority'** has the same meaning as in section 13 of the *Planning and Environment Act 1987* (PEA).
17. **'Statutory endorsement'** has the same meaning as defined in the MRSDA.

18. **'Statutory referral'** means a referral to DSE as a referral authority
19. **'Unrestricted Crown land'** has the same meaning as defined in the MRSDA.
20. **'Tribunal'** has the same meaning as defined in the MRSDA.
21. **'Work plan' (including variations to a work plan)** means a work plan lodged under Section 77G of the MRSDA.

SCOPE OF ARRANGEMENTS

22. The following arrangements will apply to the DSE and DPI in relation to either;
 - consultation on new, or variations to extractive industry work plans that have been lodged for approval under section 77G and 77H of the MRSDA ;or
 - a work plan/work plan variation that has been lodged for statutory endorsement under section 77TC of the MRSDA.

ENCOURAGING EXTRACTIVE INDUSTRY WORK AUTHORITY HOLDERS TO DEVELOP WORK PLANS THAT MINIMISE ENVIRONMENTAL AND SOCIAL IMPACTS

23. Work plans for extractive industry activities must comply with the Mineral Resources (Sustainable Development) (Extractive Industries) Regulations 2010 (or any subsequent regulations that replace them wholly or in part).
24. The DPI Officer will encourage extractive industry work authority holders to develop work plans that minimise negative environmental and social impacts. To assist this process, during the initial stages of the development of a work plan, the DPI Officer may advise the extractive industry work authority holder to seek information or advice from DSE and/or other relevant authorities.
25. Consultation on a work plan may be required with Officers from various divisions within DSE. The DSE Statutory Planning Case Manager will identify the relevant DSE Officers as early as possible in the consultation process. The consultation process is shown in Figure 1 of this Schedule.

DETERMINING CROWN LAND STATUS AND MANAGEMENT

26. When extractive industry work is proposed on Crown land, the DPI Officer will consult with the relevant DSE Property Manager to identify the Crown land status.
27. The DPI Officer will pass this information onto the extractive industry work authority holder and advise that all future correspondence with DSE should be addressed to the DSE Statutory Planning Case Manager.
28. If the proposed works are on restricted Crown land, the DSE Statutory Planning Case Manager will also advise the DPI Officer in writing if consent under section 77I of the MRSDA is likely to be considered.

INITIAL SITE CONSULTATION MEETING

29. Following initial contact and discussions between the extractive industry work authority holder and the DPI Officer on the general nature of the project, the DPI Officer will contact the DSE Statutory Planning Case Manager to identify the relevant DSE Officers that should attend the initial site consultation meeting.
30. The DPI Officer will distribute these details to the extractive industry work authority holder/proponent who will arrange the site meeting.
31. Following the site meeting the DSE Statutory Planning Case Manager will advise the work authority holder and DPI of all the DSE information requirements to be addressed in the work plan. The DSE Statutory Planning Case Manager will continue dialogue with the work authority holder, as necessary, to resolve any problems prior to the work authority holder giving the work plan or variation to DPI for statutory endorsement/approval.

STATUTORY REFERRAL AND AGENCY COMMENT - CONSULTATION ON EXTRACTIVE INDUSTRY WORK PLANS

32. **Statutory referral** applies to a work plan/work plan variation in respect of work for which a planning permit under the *Planning and Environment Act 1987* (PEA) is required. DPI must not make a decision to refuse or statutorily endorse a work plan/variation that is inconsistent with a statutory referral response.
33. **Agency comment** is sought where either:
- A planning permit is not required for the work plan/work plan variation under the PEA; or
 - A planning permit is required but the triggers in clauses 66.02, 66.03 and 66.04 of the VPP are not applicable; or
 - In all cases in respect of Clauses 40 and 41 of this schedule.
34. If both statutory referral and agency comment are required DSE will provide a combined response. The response will clearly identify **statutory referral** comments and conditions from **agency comments**.
35. Before forwarding the work plan and the bond estimate to the DSE Statutory Planning Case Manager, for either statutory referral or agency comment, the DPI Officer will make all reasonable efforts to ensure that the work plan is complete. It should address the issues raised at the initial site meeting, include the identification of all potential environmental risks and provide the information required by the Mineral Resources (Sustainable Development) (Extractive Industries) Regulations 2010 (or any subsequent regulations that replace them wholly or in part).
36. The DPI Officer will refer a copy of the work plan to the relevant DSE Statutory Planning Case Manager as a **statutory referral** in accordance with Clause 66.02, 66.03 and 66.04 of the VPP. The referral will identify the relevant referral trigger.
37. Within thirty (30) days of receiving a statutorily referred work plan, the DSE Statutory Planning Case Manager will:
- (a) circulate the work plan to the appropriate DSE Officers for review and comment on the environmental and other relevant impacts of the proposed works; and
 - (b) advise the DPI Officer in writing that either:
 - there is no objection to statutory endorsement of the work plan/variation; or
 - there is no objection to statutory endorsement of the work plan/variation subject to conditions; or
 - there is an objection to statutory endorsement of the work plan/variation on any specified ground
38. Conditions provided in response to a **statutory referral** will be included on the work plan as site specific work plan conditions.
39. Where the DSE Statutory Planning Case Manager has responded to a statutory referral the DPI Officer will provide a copy of the notice of statutory endorsement to include a copy of the work plan specific conditions. The DSE Statutory Planning Case Manager may request a copy of the statutorily endorsed work plan if a record is required.
40. For non-statutory referrals⁶, the DPI Officer will forward a copy of the work plan to the relevant DSE Statutory Planning Case Manager for review and **agency comment** when extractive industry work is proposed on:
- (a) Any Crown land; and
 - (b) Any private land where native vegetation removal is required.

⁶In situations highlighted at clause 33 of this schedule.

41. For non-statutory referrals, the DPI Officer will forward a copy of the work plan to the RWC Planning Coordinator for review and **agency comment** when extractive industry work is:
- (a) Likely to intercept groundwater or intercept water from:
 - A river, creek, stream or watercourse, or
 - A natural channel where water regularly flows, whether or not the flow is continuous, or
 - A lake lagoon, swamp or marsh.
42. Within thirty (30) days of receiving the **agency comment** work plan, the DSE Statutory Planning Case Manager/RWC Planning Coordinator will:
- (a) circulate the work plan to the appropriate DSE Officers for review and comment on the environmental and other relevant impacts of the proposed works; and
 - (b) then advise the DPI Officer in writing of that either;
 - There is no objection to approval of the work plan/variation; or
 - There is no objection to approval of the work plan/variation subject to conditions; or
 - There is an objection to approval of the work plan/variation on any specified ground.
43. **Agency comments** provided are advisory and they should be within DSE's portfolio of responsibilities and consistent with DSE policy. They will be included in the work plan at the discretion of DPI.
44. The DPI Officer will make all reasonable efforts to assist the DSE Statutory Planning Case Manager to meet these timelines by:
- (a) Advising the DSE Statutory Planning Case Manager as soon as practicable that a work plan is likely to be submitted for assessment.
 - (b) Ensuring that work plans are referred to the DSE Statutory Planning Case Manager as soon as practicable after they are lodged for assessment
45. The DSE Statutory Planning Case Manager, the relevant DSE Officers and the DPI Officer will work cooperatively to ensure that advice and information is shared in a timely manner and all issues are satisfactorily addressed, or identified as requiring further information.

RESPONDING TO A NOTICE OF PLANNING PERMIT APPLICATION

46. A responsible authority may give notice to, or seek advice from, DSE about a planning permit application under Section 52 of the PEA. The DSE Statutory Planning Case Manager will ensure that any comments provided are consistent with any advice previously provided to the DPI Officer and will provide DPI with a copy of the response.

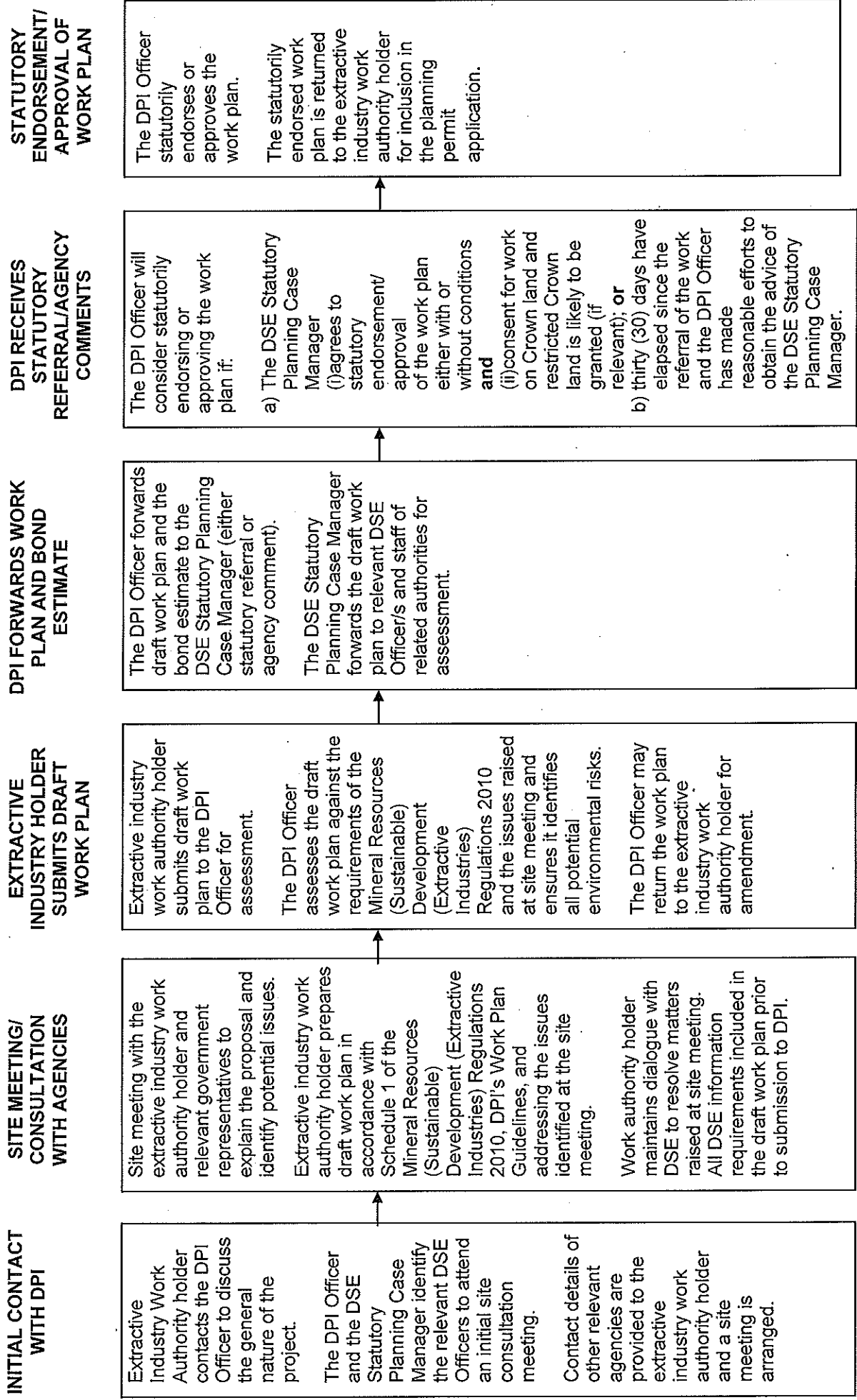
WORK PLAN STATUTORY ENDORSEMENT OR APPROVAL BY DPI

47. The DPI will only consider statutory endorsement or approval of the work plan if;
- a) The DSE Statutory Planning Case Manager
 - (i) agrees to statutory endorsement of the plan either with or without conditions and
 - (ii) consent for work on Crown land and restricted Crown land is likely to be granted (if relevant);
 or
 - (b) Thirty (30) days have elapsed since the referral of the work plan and the DPI Officer has made reasonable efforts to obtain the comment of the DSE Statutory Planning Case Manager.
48. DSE will not be consulted again by DPI when the planning permit is applied for the work authority. In the event that an additional matter affecting DSE interests arises from the planning process, further consultation between the DPI Officer and the DSE Statutory Planning Case Manager will be undertaken.

REVIEW BY TRIBUNAL

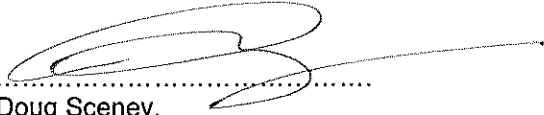
49. DPI will call upon DSE to appear at the Tribunal where a licensee has sought review of a statutory endorsement decision that includes the recommendations and/or conditions requested by DSE.

FIGURE 1 Extractive Industry Work Plan Consultation Process



SIGNED ON BEHALF OF DPI:

Executed on the 27th day of August 2012



Doug Sceney,
Executive Director Earth Resources Regulation
For Department of Primary Industries

SIGNED ON BEHALF OF DSE:

Executed on the 29 day of August 2012



Warrick McGrath,
Director Ecosystem Services
For Department of Sustainability and Environment

SCHEDULE 4 PIPELINE PROJECT APPROVALS

GENERAL

This schedule outlines the process where DSE is involved in the assessment of Environment Management Plans (EMPs) lodged with DPI under the *Pipelines Act 2005*.

DEFINITIONS

1. **'Environment Management Plans'** section 133 of the *Pipelines Act* describes that a EMP must identify the risks to the environment and what the licensee will do to eliminate or minimise those risks. A EMP must describe all construction activities associated with the pipeline including, but not limited to, the Right of Way (ROW), access to the ROW, temporary camps and all extra workspace areas.
2. **'DSE Statutory Planning Case Manager'** means the DSE Officer responsible for coordinating comments on referrals including comments on draft work plans within a specific DSE region.
3. **'Right of Way'** (ROW) means the linear area of land disturbed by pipeline construction activities. The width of the ROW is typically 20 to 30m for the length of the route.
4. **'wilderness Crown land'** means land that is: (a) a reference area under the *Reference Areas Act 1978*; or (b) a wilderness zone or wilderness park under the *National Parks Act 1975*.

SCOPE OF ARRANGEMENTS

5. The following arrangements apply to the DSE and the DPI in relation to consultation on all EMPs which have been lodged for approval under Section 133 of the *Pipelines Act 2005*.
6. This MoU does not outline the arrangements that apply to the DSE and the DPI in relation to consultation on pipelines for the following circumstances:
 - alteration to an authorised pipeline route;
 - Operational Environment Management Plans (OEMPs). DPI has no role in the assessment of OEMPs. This responsibility lies with Energy Safety Victoria.
 - projects that traverse parks as defined under the *National Parks Act 1975*.

REGULATORY OBJECTIVES

7. The *Pipelines Act 2005* seeks to ensure the most efficient and suitable route is chosen for each pipeline, the public is protected from environmental risks resulting from pipeline construction and pipelines are constructed in a way that minimises adverse environmental impacts. The Act also seeks to ensure pipeline activities are carried out in a manner that is consistent with the principles of ecologically sustainable development.

APPLICATION OF PLANNING APPROVAL

8. In accordance with Section 85 of the *Pipelines Act 2005*, pipeline licensees are not required to obtain a planning permit under the *Planning and Environment Act 1987*. This also means that pipeline licensees are exempt from obtaining a permit to remove native vegetation, however the EMP must address native vegetation removal and associated offsets.

PROHIBITED LAND

9. The *Pipelines Act 2005* prevents pipelines from being constructed on or under wilderness Crown land.

ACTIVITIES ON CROWN LAND

10. It is the responsibility of the pipeline licensee to identify if the proposal impacts Crown land and to contact the land manager in accordance with section 86 of the *Pipelines Act 2005*. This section of the Act allows the relevant Crown Land Minister to grant a licence or authority over Crown land for a pipeline.

LICENSEE ROLE

11. It is the responsibility of the pipeline licensee to ensure all necessary approvals to commence pipeline construction have been obtained in accordance with all applicable legislation.
12. An important and early step to gaining approvals is undertaking consultation with all relevant stakeholders, including government and non-government agencies. DPI encourages authority holders to consult with stakeholders as early as possible to discuss the project, likely issues and ways in which adverse impacts can be minimised.
13. It is also imperative for pipeline licensees to consult with stakeholders in the course of developing the EMP. The EMP must demonstrate that landowners, occupiers or managers have been consulted and their issues have been addressed.

DPI ROLE

14. DPI is the lead regulatory agency for pipelines under the *Pipelines Act 2005*. DPI's core areas of responsibility relevant to this MoU are summarised below:
 - (a) Regulate pipeline operations in accordance with the Act. Regulators do not facilitate any part of pipeline projects.
 - (b) Complete comprehensive assessment of EMP.
 - (c) Undertake consultation with all relevant government agencies on the content of the EMP and referral where appropriate.
 - (d) Incorporate DSE comments and liaise with DSE on conditions of any acceptance as appropriate.
 - (e) Accept or reject the EMP.
 - (f) To be the primary contact for notification of environmental incidents including complaints associated with pipeline construction environmental activities.
 - (g) Conduct audits and inspections of the operation through the life of the project. If a referral has been made, DPI will invite DSE to attend audits and inspections from time to time.
 - (h) Conduct audits of the rehabilitation of land after operations have ceased.

DSE ROLE

15. DSE's core areas of responsibility are summarised below:
 - (a) Liaise directly with authority holder about Crown land access and biodiversity issues.
 - (b) Provide comments to DPI on the content of the EMP about relevant environmental impacts within 21 days.
 - (c) Determine if the requirements of the Native Vegetation Management Framework have been met.
 - (d) Consult with DPI on an as required basis about issues of concern or anything else of relevance
 - (e) Regulate *Flora and Fauna Guarantee Act 1988*, *Wildlife Act 1975* etc.
 - (f) Attend audits and inspections as desired or in keeping with the *Flora and Fauna Guarantee Act 1988*, *Wildlife Act 1975*, net gain requirements or rehabilitation requirements.

REFERRAL OF EMP

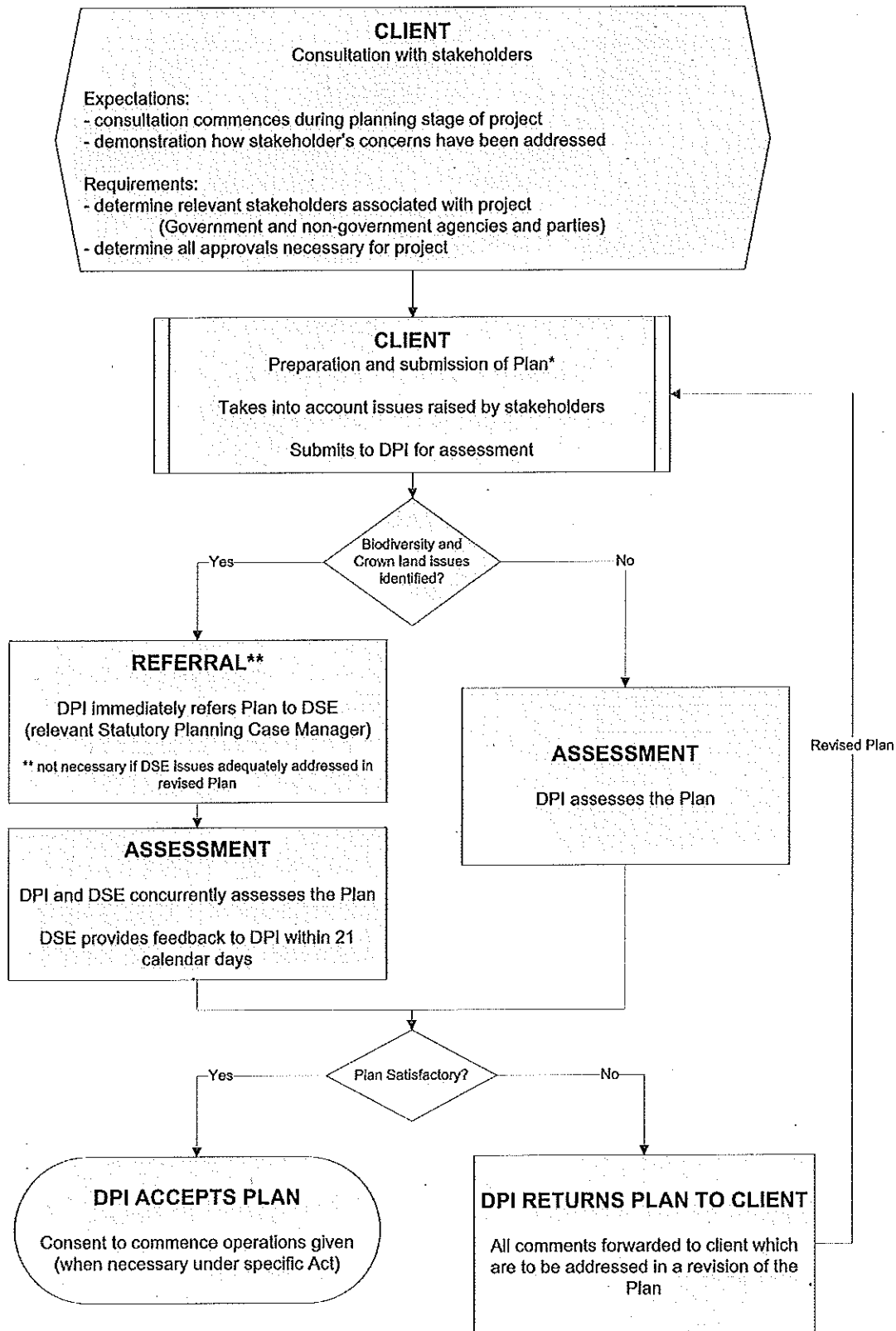
16. In any cases where a proposal includes unavoidable removal of native vegetation (wholly or in part, such as lopping) or impacts on biodiversity, the EMP will be referred to DSE for comment. The EMP will be forwarded to the relevant DSE Statutory Planning Case Manager as soon as is practicable after receipt.

17. DSE comment on the EMP must be received within 21 business days from the date DPI refers it to DSE. Offsets for any native vegetation can be dealt with by way of a secondary consent. This means that offset requirements may be met after the EMP has been approved by way of a secondary approval. Conditions must be included in EMP noting that offsets are to be dealt with in this way and specifying that DSE will be responsible for approving that the offset requirements have been met. In order to facilitate efficient approval processes, the requirement to finalise ecological and net gain assessment reports (and particularly settle native vegetation losses and offset requirements) will be incorporated into a condition placed on any acceptance by DPI. The wording of such a condition will be agreed between DPI and DSE.
18. Please note that DPI's assessment period is 30 days and the clock does not stop for referral processes. If DSE comments are not received by DPI in the allotted 21 days, they will not be included in the accepted EMP or conditions for acceptance.
19. If DPI determines that the operation will not have an impact on biodiversity issues and commitments to that end are contained in the EMP, no referral will be made to DSE.

AUDITS AND INSPECTIONS

20. Whenever possible and acceptable to both parties, joint inspections and audits may be conducted to facilitate efficient and cooperative arrangements for ensuring compliance with all approvals and consents. DPI will coordinate the undertaking of joint inspections and audits.

Figure 1 Pipeline Project Approvals, Consultation Process

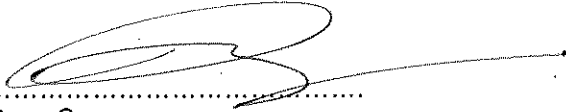


***Plan includes:**

- Construction Environment Management Plan
- Environment Plan
- Operations Plan

SIGNED ON BEHALF OF DPI:

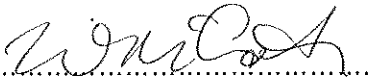
Executed on the 27th day of August 2011



.....
Doug Sceney,
Director Earth Resources Regulation
For Department of Primary Industries

SIGNED ON BEHALF OF DSE:

Executed on the 29 day of August 2011



.....
Warrick McGrath,
Director Ecosystem Services
For Department of Sustainability and Environment

SCHEDULE 5

ONSHORE PETROLEUM PROJECT APPROVALS

GENERAL

This schedule outlines the process where DSE is involved in the assessment of an Operation Plan (OP) lodged with DPI in accordance with the *Petroleum Act 1998*.

DEFINITIONS

1. **'DSE Statutory Planning Case Manager'** means the DSE Officer responsible for coordinating comments on referrals including comments on draft work plans within a specific DSE region.
2. **'Gathering line'** as set out in section 82 of the *Petroleum Act 1998*, a gathering line is a pipeline that is situated wholly within a production licence area and that is used (or intended to be used) or designated to convey petroleum (or a petroleum product) from one place to another in that area.
3. **'Operation Plan'** section 161 of the *Petroleum Act 1998* describes that an OP must identify the risks of injury or damage that the operation may pose to the environment, to any person, land or property; ways in which those risks will be eliminated or minimised; and rehabilitation commitments. An OP must describe all activities associated with the petroleum exploration, production or decommissioning including access to the location, temporary camps, any additional workspace areas and gathering lines.
4. **'Petroleum Operation'** means any activity relating to petroleum exploration or to petroleum production.
5. **'wilderness Crown land'** means land that is: (a) a reference area under the *Reference Areas Act 1978*; or (b) a wilderness zone or wilderness park under the *National Parks Act 1975*.

SCOPE OF ARRANGEMENTS

6. The following arrangements apply to the DSE and the DPI in relation to consultation on OP that have been lodged for approval under Section 161 of the *Petroleum Act 1998*.

REGULATORY OBJECTIVES

7. The associated Petroleum Regulations 2011 require that each environmental hazard is eliminated or minimised so far as practicable.

APPLICATION OF PLANNING APPROVAL

8. Section 118 of the *Petroleum Act 1998* overrides planning legislation by exempting exploration activity from any requirement for a planning permit under the planning scheme for the area, even if the planning scheme prohibits the activity.
9. Section 119 of the *Petroleum Act 1998* overrides planning legislation for production operations by allowing a planning permit to be issued for the activity even if the planning scheme prohibits the activity.

PROHIBITED LAND

10. The *Petroleum Act 1998* prohibits petroleum operations on wilderness Crown land.

ACTIVITIES ON CROWN LAND

11. It is the responsibility of the petroleum authority holder to identify if the proposal impacts Crown land and to contact the land manager in accordance with sections 139 and 144 of the *Petroleum Act 1998*. If the proposal requires access to restricted Crown land, the proponent must obtain written consent of the Minister responsible for that land.
12. If the proposal impacts unrestricted Crown land, the authority holder must consult with the Minister responsible for that land.

LICENSEE ROLE

13. It is the responsibility of the petroleum authority holder to ensure all necessary approvals to commence petroleum operations have been obtained in accordance with all applicable legislation.
14. An important and early step to gaining approvals is undertaking consultation with all relevant stakeholders. Other than with land owners and managers, consultation is not directly required under the *Petroleum Act 1998*. However, in order to ensure that all hazards presented by the operation are eliminated or minimised so far as practicable, authority holders are recommended to consult with neighbours and other relevant stakeholders such as other government and non-government agencies where applicable. DPI encourages authority holders to consult with stakeholders as early as possible to discuss the project, likely issues and ways in which adverse impacts can be eliminated or minimised so far as practicable.

DPI ROLE

15. DPI is the lead regulatory agency for all petroleum operations. DPI's core areas of responsibility relevant to this MoU are summarised below:
 - (a) Regulate petroleum operations in accordance with the *Petroleum Act 1998*. Regulators do not facilitate any part of petroleum projects.
 - (b) Complete comprehensive assessment of the OP.
 - (c) Undertake consultation with all relevant government agencies on the content of the OP and referral where appropriate.
 - (d) Incorporate DSE comments and liaise with DSE on conditions of any acceptance as appropriate
 - (e) Accept or reject the OP.
 - (f) To be the primary contact for notification of environmental incidents including complaints associated with petroleum operations.
 - (g) Conduct audits and inspections of the operation through the life of the project. If a referral has been made, DPI will invite DSE to attend audits and inspections from time to time.
 - (h) Conduct audits of the rehabilitation of land after operations have ceased.

DSE ROLE

16. DSE's core areas of responsibility are summarised below:
 - (a) Liaise directly with authority holder about Crown land access, biodiversity and water issues.
 - (b) Provide comments to DPI on the content of the OP about relevant environmental and water impacts within 21 days.
 - (c) Determine if the requirements of the Native Vegetation Management Framework have been met.
 - (d) Consult with DPI on an as required basis about issues of concern or anything else of relevance
 - (e) Regulate *Flora and Fauna Guarantee Act 1988*, *Wildlife Act 1975* etc.
 - (f) Attend audits and inspections as desired or in keeping with the *Flora and Fauna Guarantee Act 1988*, *Wildlife Act 1975*, net gain requirements or rehabilitation requirements.
 - (g) Administration of the *Water Act 1989*.

REFERRAL OF OPERATION PLANS

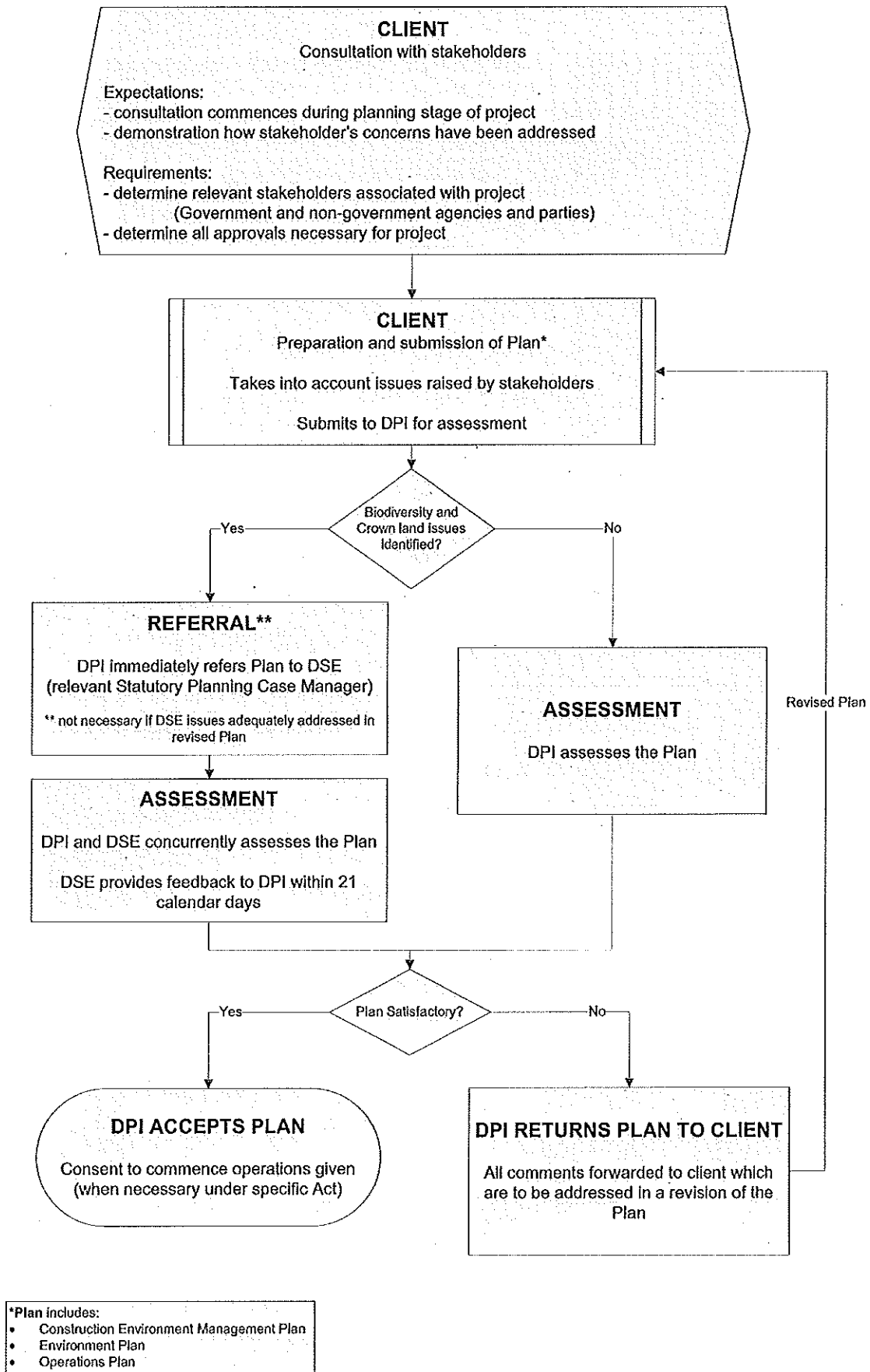
17. In any cases where a proposal includes unavoidable removal of native vegetation (wholly or in part such as lopping) or impacts on biodiversity, the OP will be referred to DSE for comment. The OP will be forwarded to the relevant DSE Statutory Planning Case Manager as soon as is practicable after receipt.
18. DSE comment on the OP must be received within 21 business days from the date that DPI refers it to DSE. Net gain processes are likely to take significantly longer. In order to facilitate efficient approval processes, net gain assessment finalisation will be incorporated into a condition placed on any acceptance by DPI. The wording of such a condition will be agreed between DPI and DSE.
19. Please note that DPI's assessment period is 30 days and the clock does not stop for referral processes. If DSE comments are not received by DPI in the allotted 21 days, they will not be included in the accepted OP or conditions for acceptance.
20. If DPI determines that the operation will not impact on biodiversity issues and commitments to that end are contained in the OP, no referral will be made to DSE.

AUDITS AND INSPECTIONS

21. Whenever possible and acceptable to both parties, joint inspections and audits may be conducted to facilitate efficient and cooperative arrangements for ensuring compliance with all approvals and consents. DPI will coordinate the undertaking of joint inspections and audits.

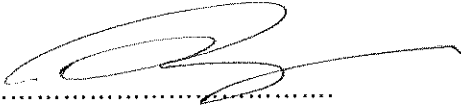
Figure 1

Onshore Petroleum Project Approvals, Consultation Process



SIGNED ON BEHALF OF DPI:

Executed on the *27th* day of *August* 2011



.....
Doug Sceney,
Director Earth Resources Regulation
For Department of Primary Industries

SIGNED ON BEHALF OF DSE:

Executed on the *29* day of *August* 2011



.....
Warrick McGrath,
Director Ecosystem Services
For Department of Sustainability and Environment

SCHEDULE 6 GEOHERMAL PROJECT APPROVALS

GENERAL

This schedule outlines the process for referral of an Operation Plan (OP) submitted in accordance with the requirements of the *Geothermal Energy Resources Act 2005* (the Act).

DEFINITIONS

1. **'DSE Statutory Planning Case Manager'** means the DSE Officer responsible for coordinating comments on referrals including comments on draft work plans within a specific DSE region.
2. **'Geothermal Energy Resources'** means geothermal water, rock or any other material occurring naturally within the earth containing heat energy.
3. **'Operation Plan'** section 96 of the Act describes that an OP must identify the risks of injury or damage that the operation may pose to the environment, to any community, person, land user, land or property; ways in which those risks will be eliminated or minimised; and rehabilitation commitments. An OP must describe all activities associated with the geothermal exploration, extraction or decommissioning including access to the location, temporary camps and any additional workspace areas.

SCOPE OF ARRANGEMENTS

4. The following arrangements apply to all geothermal OPs which have been lodged for approval under Section 96 of the *Geothermal Energy Resources Act 2005*.
5. This MoU does not include exploration OPs with respect to the *Water Act 1989* or extraction activities with respect to s67 (bore construction licences) of the *Water Act 1989*.

REGULATORY OBJECTIVES

6. The associated Geothermal Energy Resources Regulations 2006 require that each environmental hazards and risks are eliminated or minimised so far as is practicable.

APPLICATION OF PLANNING APPROVAL

7. Victorian Planning Provisions provide an exemption from the requirement to obtain a planning permit for geothermal exploration under clause 62.01 (15/09/2008 VC49).

PROHIBITED LAND

8. Geothermal activity is prohibited on Crown land identified as marine national park, marine sanctuary, reference area under the *Reference Areas Act 1978* or a wilderness zone or wilderness park under the *National Parks Act 1975*.

ACTIVITIES ON CROWN LAND

9. It is the responsibility of the geothermal proponent to identify if the proposal impacts Crown land and to contact the land manager in accordance with sections 81 and 85. If the proposal requires access to restricted Crown, the authority holder must obtain the consent of the Minister responsible for that land in writing.
10. Consultation with the Minister responsible for unrestricted Crown land must occur before any geothermal operation may occur on that land.

LICENSEE ROLE

11. It is the responsibility of the geothermal authority holder to ensure all necessary approvals to commence geothermal operations have been obtained in accordance with all applicable legislation.
12. An important and early step to gaining approvals is undertaking consultation with all relevant stakeholders, including government and non-government agencies. DPI encourages authority holders to consult with stakeholders as early as possible to discuss the project, likely issues and ways in which adverse impacts can be eliminated or minimised so far as practicable.
13. It is also imperative for authority holders to consult with stakeholders in the course of developing the OP. The OP must demonstrate that landowners, occupiers or managers have been consulted and their issues have been addressed.

DPI ROLE

14. DPI is the lead regulatory agency for all geothermal operations. DPI's core areas of responsibility relevant to this MoU are summarised below:
 - (a) Regulate geothermal operations in accordance with the Act. Regulators do not facilitate any part of geothermal projects.
 - (b) Complete comprehensive assessment of OP.
 - (c) Undertake consultation with all relevant government agencies on the content of the OP and referral where appropriate
 - (d) Incorporate DSE comments and liaise with DSE on conditions of any acceptance as appropriate
 - (e) Accept or reject the operations plan.
 - (f) To be the primary contact for notification of environmental incidents including complaints associated with geothermal operations.
 - (g) Conduct audits and inspections of the operation through the life of the project. If a referral has been made, DPI will invite DSE to attend audits and inspections from time to time.
 - (h) Conduct audits of the rehabilitation of land after operations have ceased.

DSE ROLE

15. DSE's core areas of responsibility are summarised below:
 - (a) Liaise directly with authority holder about Crown land access, biodiversity and water issues.
 - (b) Provide comments to DPI on the content of operations plan about relevant environmental and water impacts within 21 days.
 - (c) Determine if the requirements of the Native Vegetation Management Framework have been met.
 - (d) Consult with DPI on an as required basis about issues of concern or anything else of relevance
 - (e) Regulate *Flora and Fauna Guarantee Act 1988*, *Wildlife Act 1975* etc.
 - (f) Attend audits and inspections as desired or in keeping with the *Flora and Fauna Guarantee Act 1988*, *Wildlife Act 1975*, net gain requirements or rehabilitation requirements.
 - (g) Administration of the *Water Act 1989*.

REFERRAL OF OPERATIONS PLANS

16. In any cases where a proposal includes unavoidable removal of native vegetation (wholly or in part, such as lopping) or impacts on biodiversity, the OP will be referred to DSE for comment, and initiation of relevant processes related to the Native Vegetation Management Framework. The OP will be forwarded to the relevant DSE Statutory Planning Case Manager as soon as is practicable after receipt.
17. DSE comment on the OP must be received within 21 business days from the date of referral. Net gain processes are likely to take significantly longer. In order to facilitate efficient approval processes, net gain assessment finalisation will be incorporated into a condition placed on any acceptance by DPI. The wording of such a condition will be agreed between DPI and DSE.

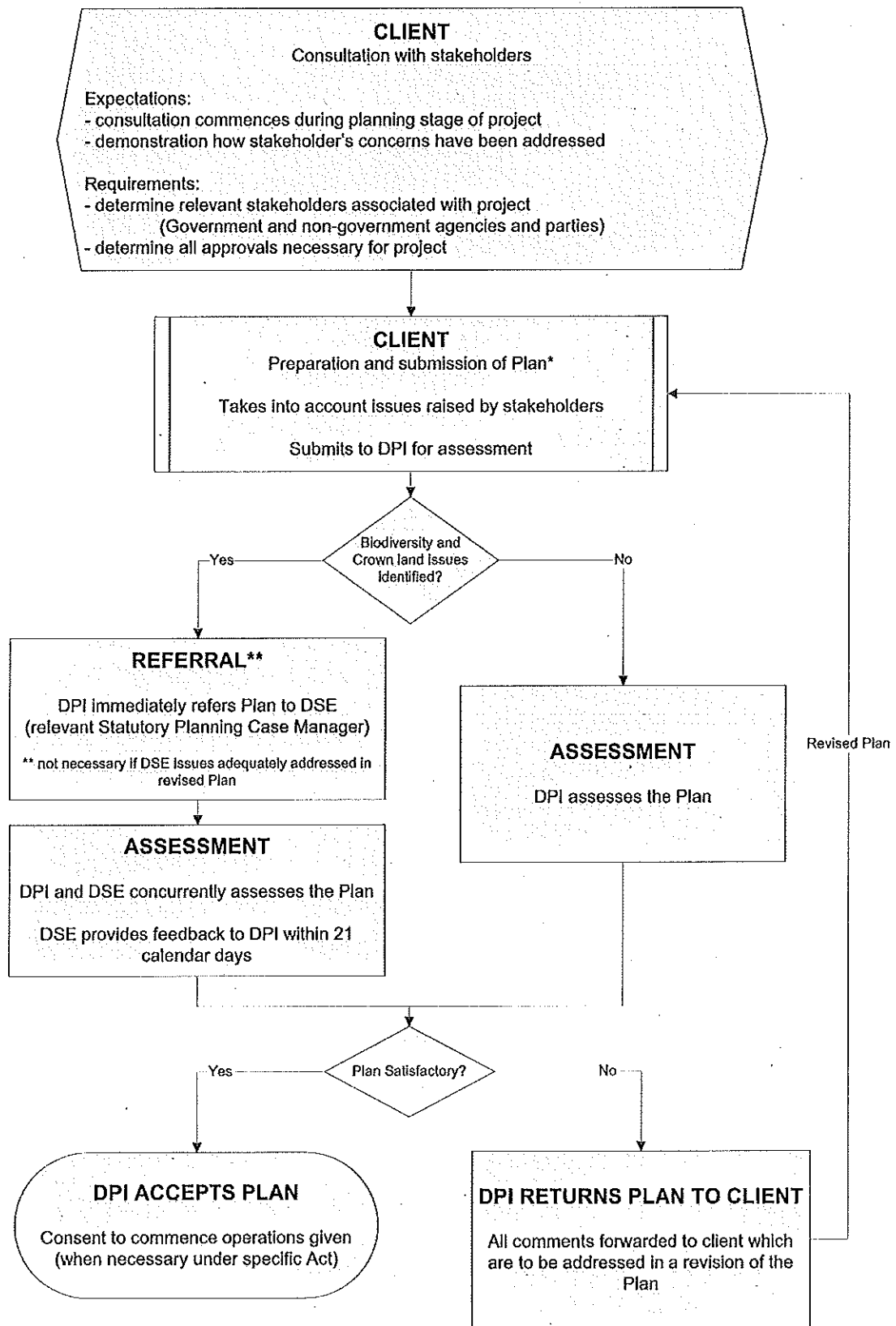
18. Please note that DPI's assessment period is 30 days and the clock does not stop for referral processes. If DSE comments are not received by DPI in the allotted 21 days, they will not be included in the accepted OP or conditions for acceptance.
19. If DPI determines that the operation will not impact on biodiversity issues and commitments to that end are contained in the OP, no referral will be made to DSE.

AUDITS AND INSPECTIONS

20. Whenever possible and acceptable to both parties, joint inspections and audits may be conducted to facilitate efficient and cooperative arrangements for ensuring compliance with all approvals and consents. DPI will coordinate the undertaking of joint inspections and audits.

Figure 1

Geothermal Project Approvals, Consultation Process

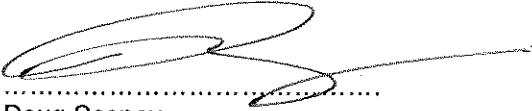


*Plan includes:

- Construction Environment Management Plan
- Environment Plan
- Operations Plan

SIGNED ON BEHALF OF DPI:

Executed on the 27th day of August 2011



.....
Doug Sceney,
Director Earth Resources Regulation
For Department of Primary Industries

SIGNED ON BEHALF OF DSE:

Executed on the 29 day of August 2011



.....
Warrick McGrath,
Director Ecosystem Services
For Department of Sustainability and Environment