



The Heytesbury Underground Gas Storage (HUGS) Project will expand the storage capacity of the Iona Gas Storage Facility to support the growing energy demands in the Victorian energy market

## Supporting the Victorian Energy Market

Lochard Energy is the operator of the Iona Gas Storage Facility (Iona), a natural gas processing plant, located near the township of Port Campbell in south-west Victoria.

Iona is connected to a series of underground storage reservoirs that supply gas for use in periods of high demand in the Victorian energy market.

# HUGS

## Pipeline Project

Project Fact Sheet April 2022



### Project Overview

The proposed HUGS Project will increase the storage capacity of these underground reservoirs, by developing existing depleted reservoirs and constructing a new underground gas pipeline, referred to as the 'HUGS Pipeline'. This increased storage capacity will support the growing demands of the Victorian energy market.

Proposed construction work involves:

- Construction of a new wellsite, known as MFCT from which it will be possible to access all three of the Mylor, Fenton Creek and Tregony (MFCT) gas fields.
- Construction of the HUGS Pipeline will carry gas from these wells to the North Paaratte Production Station (NPPS). Gas will then be transported via an existing pipeline to Iona.

**The proposed HUGS Project does not involve hydraulic fracturing or 'fracking', a practice that is banned in Victoria.**

### About the HUGS Pipeline

The proposed HUGS Pipeline is required to transport gas to and from the proposed new wellsites. The HUGS Pipeline will be an extension of Iona's existing pipeline network.

The preferred HUGS Pipeline route will be a 5.5 - 6.5km 250-300NB diameter underground pipeline from NPPS to the MFCT wellsite. The HUGS Pipeline will then connect into the existing NPPS – Iona gathering line.

The HUGS Pipeline will be bidirectional, which allows gas to be injected into wells for storage, and then from the wells to Iona for reprocessing and export.

Lochard is currently undertaking studies of the gas fields and is in discussions with landholders and other stakeholders regarding the optimal location for the wellsite.

## Proposed Wellsite & Pipeline Location



Schematic showing proposed HUGS Pipeline in relation to existing Iona infrastructure

### Pipeline Construction Timing

Planning for the HUGS Pipeline is currently in the early stages and subject to regulatory approvals and market requirements.

At this stage, the proposed timing for construction is:



It is intended construction will take place over the summer months to avoid weather related delays and impacts. It is possible that construction could be delayed to the following summer period (October 2024-April 2025).

Once the necessary project approvals have been secured, further detail regarding dates and schedules will be provided. Lochard will continue to provide landowners, occupiers, stakeholders and the local community with key updates to the HUGS Project and Pipeline.

## Regulatory Approvals

The HUGS Pipeline is subject to several regulatory approval requirements prior to any works commencing and the primary legislation governing construction are the Pipelines Act 2005 (Vic) and the Pipelines Regulations 2017 (Vic). The Pipelines Act is administered by the Department of Environment, Land, Water and Planning (DELWP) and Energy Safe Victoria (ESV).

Construction and installation of high transmission pipelines in Victoria require Ministerial approval in the form of a Licence to Construct and Operate a Pipeline. Prior to obtaining a Pipeline Licence, Lochard is required to develop a Pipeline Consultation Plan (PCP) that must be approved by the Victorian Minister for Energy, Environment and Climate Change. The PCP for the proposed HUGS Pipeline is available at [www.lochardenergy.com.au/our-projects](http://www.lochardenergy.com.au/our-projects).

The PCP demonstrates how Lochard will consult with landowners, occupiers and other key stakeholders about the proposed pipeline and meet the consultation requirements laid out in the legislation and regulations. Certain consultation activities required by the Pipelines Act, such as giving Notice of Intention to Enter Land for Survey and Notice of Pipeline Corridor, and Notice of Pipeline Licence Application, cannot commence until an approved PCP is obtained.

Further information on the regulatory approvals required for the HUGS Pipeline is provided in the HUGS Pipeline Regulatory Approvals Overview fact sheet.

## Impact of the HUGS Pipeline

Lochard Energy is committed to supporting sustainable practices and strives to ensure that at a minimum, it complies with Victorian legislation regarding health, safety and environmental considerations on its projects.

Potential adverse impacts for example on land, health, safety and the environment listed in the Pipelines Act, will be systematically identified during the consultation process through desktop studies and on-the-ground assessments, to reduce risk so far as is reasonably practicable.

To minimise the impact the proposed HUGS Pipeline might have on land, health, safety, the environment, landowners, occupiers, stakeholders and the local community, Lochard must develop and comply with several impact management plans. All these plans, other than Property Management Plans, will be reviewed and monitored by Victorian regulatory authorities including DELWP and ESV. Construction of the pipeline may only commence once the relevant impact management plans are approved.

The management plans for the HUGS Pipeline will include:

**Property Management Plan:** This is prepared for individual parcels of land with impacted landowners and occupiers, and identifies concerns such as access, amenity, commercial considerations and environmentally sensitive areas.

**Cultural Heritage Management Plan:** This will provide detail of the proposed construction methodologies required to avoid or minimise impacts from construction and ongoing operation on sensitive cultural heritage areas. This plan is prepared in consultation with the relevant Registered Aboriginal Party.

**Environmental Management Plan:** This will identify sensitive environmental areas and detail the construction and operational methodologies to avoid or minimise environmental impacts. This plan includes a HDD Management Plan, should horizontal directional drilling be required.

**Construction Safety Management Plan:** This will detail the systems and processes to be implemented during construction, including hazard alert protocols, incident reporting, safety meetings and hazard analysis processes.

**Operations Safety Management Plan:** This will provide an integrated safety management approach in line with Lochard Energy's existing safety management policies and procedures for pipeline operations.



## Community Engagement

Lochard Energy is committed to effective communication with landowners, occupiers, stakeholders and the local community, and will communicate throughout all stages of the proposed HUGS Project to provide information on timeframes and activities, potential impacts, and to understand and address any questions or concerns about the Project.

During periods of construction, Lochard will work to minimise impacts including noise, traffic, dust or other disruptions that may arise. Relevant work methods and operations will be incorporated to reduce community impact.

Lochard will also draw on its Community Liaison Committee (CLC), convened online or at Iona, for advice and feedback on community and landowner engagement for the Project.

## Independent Advice

Landowners and occupiers impacted by the proposed HUGS Pipeline Project are encouraged to seek independent advice in relation to dealings with Lochard Energy, should any concerns be held regarding the legal implications of the proposed HUGS Pipeline Project and its potential impact on their land.

Pre-defined and agreed reasonable costs associated with obtaining independent advice provided by legal and professional services firms in relation to the proposed HUGS Project will be met by Lochard Energy.

## FOR MORE INFORMATION

If you have any questions about this project, please get in touch with Lochard Energy or one of the relevant Victorian regulators.

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