



# Heytesbury Underground Gas Storage (HUGS) Pipeline

## Attachment E



Native Vegetation Offset Assessment

14 November 2023

**Lochard Energy**

c/- MVC Services

tim.vesey@mvcservices.com.au

To whom it may concern

**RE: Quotation for the supply of native vegetation credits**

Vegetation Link is an accredited offset provider with the Department of Energy, Environment and Climate Action (DEECA). We offer a specialised brokerage service to enable permit holders and developers to identify suitable native vegetation credits to meet their planning permit offset requirements.

Based on the information you have provided; I understand you require the following native vegetation offset:

Offset type	Vicinity	General habitat units (GHU)	Min. strategic biodiversity value (SBV)	Large trees
General	Corangamite CMA	0.050	0.283	2

To meet your offset requirements, you can purchase native vegetation credits from a third party as per the option quoted below<sup>1</sup>. This quotation is valid for 14 days, subject to credit availability.

**3-Party CTA pathway - offset site located in the Corangamite Shire area** (approx. 3-6 week turnaround from acceptance of quote)

Native Vegetation Credit Fees – Invoiced by DEECA	
Cost of native vegetation credits (ex. GST)	\$5,750.00
Broker Fee – Invoiced by Vegetation Link	
Cost of broker fee (ex. GST)	\$1,250.00
Total Credit Trade Fees	
Subtotal Cost (ex. GST)	\$7,000.00
Total GST applicable	\$700.00
<b>Total Cost (inc. GST)</b>	<b>\$7,700.00</b>

<sup>1</sup> Note that the broker fee includes the NVOR transfer and allocation fees when an allocation is done at the time of purchase.

If you would like to purchase credits, let us know that you accept the quote and return the attached **purchaser details form** by email. Upon receipt of the form, we will begin the trade process. Further details of the process for credit allocation are in the FAQ below.

Should you have any queries, please do not hesitate to contact us on 1300 VEG LINK (1300 834 546) or email [offsets@vegetationlink.com.au](mailto:offsets@vegetationlink.com.au).

Sincerely,



**Shannen Hunter**  
Biodiversity Offset Broker

## FAQs

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### What is a third party offset?

A third-party offset is an offset site owned by another landowner who manages and protects native vegetation on their land. Landowners who establish these offset sites are required to:

- Enter into a Landowner Agreement for the specified offset site. A landowner agreement is in perpetuity and is binding upon the current and future landowners of the site. It permanently restricts use of the site for many purposes.
- Implement a detailed 10-year Management Plan endorsed by the DEECA Native Vegetation Offset Register to manage and improve the biodiversity values of the site.

### How is the price of native vegetation offset credit (GHUs, GBEUs etc.) determined?

Landowners who own offset sites set their own price for native vegetation credits. They determine the price based on numerous factors. This includes but not limited to site establishment, the cost to manage the site in perpetuity (e.g., maintain fencing, control pest species), foregone use cost, and administrative costs. Depending on how the site is registered, the credit fee may be paid to either DEECA or directly to the landowner.

Further information about the work some of our landowners are doing can be found on the [Vegetation Link website](#).

### What is the process after I accept the quote?

After you accept the quote and return the purchaser table, the following steps will be undertaken:

1. We will set up a contract between the parties involved and send the contract out for signing by all parties.
2. Once the contract is signed by all parties, invoices will be issued for the fees listed in the quotation. We will send you two invoices, one for our transaction fee invoiced by Vegetation Link and one for the credit fee, usually to be paid to DEECA or the landowner. We recommend providing remittances for your payments.
3. Once payments are received, Vegetation Link will send you an allocated credit extract from the Native Vegetation Offset Register and your executed contract as evidence that you have purchased the offset.

### How long will the process take? When will I get my credits?

Generally, the process from quote acceptance to having evidence of allocated credits takes between 2-6 weeks. This is dependent on a range of factors including the type of landholder agreement, contract types and organisational workflows. We work as quickly as possible to get your credits to you within this time period.

We note that you **cannot** remove vegetation until you have been given permission by the Responsible Authority (usually the council that has issued your permit).

## What happens if I don't have a permit yet?

When people are buying credits before a permit is issued, the following three options are most common:

- You can pay for the offsets before the planning permit is available, and then the offsets are allocated to the permit when it is available. This will incur an additional \$50 fee from DEECA. When considering this option, it is important to realise that your estimated offset requirements may be different than the actual permit requirements.
- You can wait for the planning permit to be approved first and then request a quote to meet the requirements in your permit. Should credits be available, you can then start the offset purchase process. We then use the planning permit number for allocating the credits. Allocating credits to the permit is evidence that you have purchased your offset.
- You can request a quote to confirm availability and to get an idea of the cost of offsetting before you apply for a permit. Once you receive the planning permit you can request an updated quote. It is at this point that you can then go through the offset purchase process.

We cannot guarantee credit availability until a) contracts are executed, or b) credits have been held via a pending trade lodged with DEECA Native Vegetation Offset Register.

We cannot guarantee price until a) a quote has been accepted within 14 days, and b) a Credit Trading Agreement is signed within 21 days, and c) the invoice for the credits is paid within 28 days of the date the invoice is issued.

## If I sign the contract, does that mean I MUST pay for the credits?

Yes, you have entered into a contract agreeing to pay for the offset credits therein and are required to pay for those credits. The credits must be paid for within 28 days of the date of the invoice.

## Can you hold the credits for me, as I want to pay later?

We are unable to hold credits for later payment. Please also see 'What happens if I don't have a permit yet?' above.

For further information, see [our website](#), the [DEECA website](#) or call us any time on 1300 834 546.