

Sent 5 August

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Australian Government

Department of the Environment, Water, Heritage and the Arts

Mr Calton Frame
Resource Manager
Gunns Ltd
PO Box 572
LAUNCESTON TAS 7250

Dear Mr ~~Frame~~ *Calton*

I am writing following our meeting of Wednesday 23 July 2008 and subsequent phone call of Friday 1 August, in which we discussed your letter of 26 June 2008 canvassing the need to clarify certain approval conditions.

As discussed, the Department agrees that Gunns will need to request a variation to the approval conditions in order that the maps provided at Schedule 1 accurately depict the pipeline corridor and mill footprint. I note your advice that Gunns will need to finalise the outstanding easement issues before the new pipeline route could be formally submitted for consideration.

We also discussed the restrictions on underwater blasting and night time work in relation to the ocean outfall. You indicated that Gunns will need to consider the technical and financial implications of alternative approaches that do not involve blasting or night time work in order to comply with current conditions. The Department expects that details of how Gunns intends to proceed on these issues will be resolved in the relevant modules of the EIMP.

EXEMPT UNDER 536

EXEMPT UNDER S 36

In relation to the current status of the modules, I note that whilst the Department has received drafts for most of the remaining modules, these have been submitted later than originally planned and the Department has made substantive comments on a number of modules, including requirements for further information in order to satisfy the conditions. Of particular note is:

- 1.) the need for a rehabilitation and monitoring program to meet the offsets and reserves conditions in Module O.
- 2.) the need for an acceptable underwater noise study in Module FGHK.
- 3.) the need for the Baseline and Operational Monitoring Plan to be attached to module M and restructured substantially to ensure that it adequately addresses all of the conditions of the Commonwealth approval in an appropriate format.

The Department will continue to work cooperatively with Gunns to progress the modules wherever possible, but I note that none of the remaining 12 modules have been finalised to the point where they can be submitted to the IEG for consideration. Given this, and the substantive issues to be resolved, I agree that it is unlikely that the 4 October deadline can be met.

You have sought the Department's view on seeking an extension for approval of the EIMP to early December 2008. Whilst cognisant of Gunns' desire to progress the approval of the EIMP as quickly as possible, I note that some of the additional information required to ensure the modules meet all condition requirements is substantial, and that the remaining modules include some of the most complex for the IEG to consider. When combined with the need to seek variations to the approval, I consider it unlikely that the EIMP can be finalised this year.

I look forward to your further advice on how Gunn wish to pursue the request to vary conditions and clarify other concerns with the conditions.

Yours sincerely



Dianne Mead
A/g Assistant Secretary
Compliance and Enforcement Branch

4 August 2008