

Level 7, 134 Macquarie Street, Hobart TAS
GPO Box 1550, Hobart, TAS 7001 Australia



Enquiries: Wes Ford
Ph: +61 3 6165 4523
Email: Wes.Ford@epa.tas.gov.au
Web: www.epa.tas.gov.au
Our Ref: (EN-EM-PE-SM-251570 | H905450)

16 July 2018

Mr Mark Ryan
Chief Executive Officer
Tassal Group Ltd
GPO Box 1645
HOBART TAS 7001

Mr Ruben Alvarez
Chief Executive Officer
Petuna Aquaculture
134 Tarleton St
DEVONPORT TAS 7310

Dear Mr Ryan and Mr Alvarez

ASSESSMENT OF RE-STOCKING REQUEST LEASE NO. 266, JULY 2018

I have received Mr Ryan's letter dated 29 June 2018 requesting re-stocking approval on MF266 for 2018YC smolt under new Joint Venture arrangement between the Tassal and Petuna Aquaculture.

I have evaluated the information provided by Tassal and Petuna to accompany this request including:

- MF266 Stocking Plan which includes details of the proposed stocking plan for MF266 during the period July 2018 – April 2019, an overview of the lease management approach in Macquarie Harbour under the Joint Venture arrangement, overview of environmental survey results, overview of alternative options analysis;
- Forecast biomass and feed input data which shows substantially reduced inputs for the 2018YC when compared with previous production on this lease;
- Preliminary depositional modelling;
- Comprehensive post-harvest and post-fallow environmental survey reports (May 2017, January 2018, April 2018);
- Pre-stocking visual survey results (June 2018).

I have also considered the following additional information:

- Recent compliance survey results for MF266;
- IMAS advice regarding a review of the Tassal environmental survey reports and an overview of IMAS research in relation to recovery at MF266.

Decision

I am satisfied that it is appropriate to approve commencement of re-stocking in accordance with the proposed stocking plan provided by Tassal for MF266 and subject to conditions.

In accordance with Management Control 3.0.1 of the *Macquarie Harbour Marine Farming Development Plan 2005*, (as approved 28 May 2012), I hereby provide approval to stock MF266 with 2018YC smolt only for the period 9 July 2018 to 31 May 2019, and only on the proposed two new 20 pen bays grids located within the areas bounded by the following coordinates:

North East Grid (Pen Bay IDS NG1-20):

Grid corners	Easting	Northing
a	369,251.58	5,311,513.00
b	369,353.35	5,311,445.77
c	368,907.11	5,310,963.13
d	368,996.72	5,310,901.52

South West Grid (Pen Bay IDS NG21-40)

Grid corners	Easting	Northing
e	368,673.95	5,310,926.50
f	368,776.64	5,310,861.14
g	368,331.80	5,310,385.50
h	368,430.76	5,310,318.74

Further to this, I impose the following conditions on Tassal as the licence holder, noting these will transfer to Petuna upon completion of the approval of the sub-lease and granting, then transfer of the Environmental Licence.

Conditions

1. Only the pen bays within the proposed new grids are approved for stocking (as defined by the grid boundary corner coordinates above).
2. All other areas of the lease to remain under fallow direction and must not be re-stocked without approval.
3. Any additional areas of the lease (including A positions on proposed new grids) would require pre-stocking assessment and approval from the Director, EPA prior to stocking.
4. Stocking approval is only granted for the period 16 July 2018 to 31 May 2019.
5. A maximum biomass limit of 3000 tonnes will apply for the lease for the above period.
6. A total feed input limit of 4500 tonnes is set for the July 2018 – May 2019 period.
7. Monthly reporting of feed input in kg per pen bay and feed type including provision of feed size and composition information for each feed type used on the lease.
8. Monthly reporting to EPA of total biomass per pen bay on MF266.
9. Visual compliance monitoring at designated compliance points to be undertaken and submitted to the EPA monthly (monitoring plan and site specifications to be issued separately).
10. Full routine compliance surveys to be undertaken in September 2018, January 2019 and May 2019, as per existing licence requirements.

Consideration of pre-stocking suitability and monitoring requirements

The sediments within the proposed new grid locations satisfy the conditions for stocking in relation to licence condition 1.2 of Schedule 3 of the current marine farming licence for MF266. Recent benthic infauna and sediment chemistry environmental surveys have shown some promising signs of recovery, however I recognise that some other environmental indicators are variable. Based on lease history, Tassal's environmental and compliance surveys on this lease, and the review provided by IMAS for this assessment, it is evident that the sediments in the vicinity of MF266 are highly responsive to organic input and that assimilative capacity is also constrained by broadscale drivers of dissolved oxygen. Organic load to this lease must therefore be carefully managed within the assimilative capacity of the environment, requiring increased monitoring of benthic condition and lease performance throughout the proposed production cycle. This will include visual surveys at increased spatial and temporal coverage, and I may also consider other monitoring options including infauna, sediment chemistry and hydrodynamic (water current) monitoring. I will issue a specific lease monitoring plan following consultation with IMAS and liaison with Joint Venture representatives.

I note that the MF266 Stocking Plan has identified a contingency plan of relocation of cages to MF213 should this be required in relation to signs of adverse environmental impacts. I would expect Petuna to implement this contingency plan if it is required, without the need for a formal management control direction to be issued.

This application has been submitted by Tassal, but I understand that the intention under the Joint Venture arrangement is for the lease to be transferred to Petuna via a sub-lease arrangement, and that the Environmental Licence (once granted) will be transferred to Petuna. I require evidence of an approved sub-lease arrangement and management arrangements to be provided to me as a matter of urgency in order that the Environmental Licence can be transferred to Petuna as the intended operator of the lease.

I advise that I intend to make the information provided by Tassal and Petuna as part of this application, in addition to other relevant information evaluated as part of this assessment, publically available.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Wes Ford', enclosed in a thin black rectangular border.

Wes Ford
DIRECTOR, ENVIRONMENT PROTECTION AUTHORITY

Cc: Mark Ryan (Mark.Ryan@tassal.com.au)
Ruben Alvarez (ruben.alvarez@petuna.com)
Sean Riley (Sean.Riley@tassal.com.au)
Richard Miller (richard.miller@petuna.com)