

28 July 2020

Mr S OConnor
Office of the Independent Planning Commission NSW
Level 3 201 Elizabeth Street
SYDNEY NSW 2000

Dear Mr OConnor,

RE: MOREE PLAINS SHIRE COUNCIL'S POSITION IN RESPECT OF COAL SEAM GAS, COUNCIL SUBMISSION POSITION IN RESPECT OF THE SANTOS NARRABRI GAS PROJECT

Please find following a submission from Moree Plains Shire Council providing Council's position in respect of the Narrabri Gas Project.

Council's Policy Position

Council's policy position is that agricultural land provides a key ongoing economic benefit to NSW and Australia. Pressures on agricultural production will increase, including as a result of significant increases of demand from Asia over the short to medium term. Properly managed, agriculture represents a sustainable, ongoing productive resource. Extractive industries represent, in contrast, "one-off" resource exploitation. Once the resource has been extracted, it is gone forever. For this reason, when considering competing demands on land it is Council's position that agriculture should be given higher weight. In this respect water resources are the most critical resources to support agriculture and, in particular, to provide resilience in times of drought. This has become very evident through the most recent drought event. Accordingly, the need to completely fully and comprehensively protect key aquifers is a vital component of supporting agriculture even if the land proposed for development are not utilised for agriculture, as is substantially the case with the Santos proposal.

The strongly mixed record of resource extraction in Australia confirms the need for the highest levels of caution when extracting resources in areas of agricultural production, or where water resources critical to agricultural production exist. The precautionary principle needs to be fully applied. For this reason, Council continues to seek a properly resourced and competent aquifer evaluation and also agricultural impact assessment for each and every extractive resource project that impacts on agricultural lands, whether or not those lands have been identified as strategic agricultural lands.

Aquifer Interference

Council strongly supports groundwater assessment (in particular) being thorough and scientific. Further, Council (while accepting that aquifer protection is theoretically possible) still does not have confidence that, in practice, aquifer protection will occur. Council has viewed with substantial concern the impacts of coal seam gas operations in Queensland and also a number of other operations around the world, including the USA. While regulatory regimes differ and NSW has its own regulatory regime the overall track record of the industry is not strong.

In particular, once an aquifer is polluted it is impossible to reverse this. This means that again the precautionary principle needs to be applied as unless and until the industry develops and demonstrates a clear track record in areas where risks to aquifers and associated agriculture are less significant, Council continues to oppose coal seam gas extraction.

Cost Benefit Analysis in mining and coal seam gas proposals

Council considers that the cost benefit analysis is a key informative tool for decision making and supports requirements that these be carried out by prequalified consultants and be subject to independent third-party peer review. This avoids the situation where work is being done on behalf of proponents rather than in an independent and neutral fashion. As an example in another field, the Commonwealth Government is currently undertaking cost benefit analysis work around business cases for infrastructure to connect to Inland Rail. This shows that independent work by Government is occurring and that full independence from development proponents is possible. Again, Council considers this essential element of a precautionary approach.

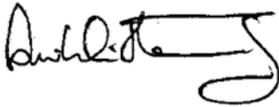
Council notes that contingent valuation or stated preference models, if properly conducted, can be effective in dealing with otherwise unpriced values noting the limitations of price-based revealed preference models. Unpriced values are, in Council's submission, an important aspect of understanding community and social impacts of proposed resource extraction development. This approach ensures that these values are appropriately and properly considered as part of the overall Cost Benefit framework.

Conclusion

Given the current "state-of-the-art" with respect to this type of extractive industry, Council does not support the development as proposed.

Council would like to thank the Commission for the opportunity to provide a submission for consideration on this matter.

Yours sincerely



Angus Witherby
DIRECTOR
PLANNING AND COMMUNITY DEVELOPMENT