



Submission

INDEPENDENT PLANNING
COMMISSION NARRABRI GAS PROJECT
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Contact:

Agriculture and Environment Committee

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1. Introduction & Background

The Country Women's Association is the largest women's organisation in Australia. It aims to improve conditions for country women and children. The CWA does this by advocating for its members, helping local communities, creating a network of support and meeting together in towns and cities across Australia. The CWA of NSW has thousands of grassroots members and hundreds of branches across the state. Our members have a strong interest in policy decisions that affect communities, families and country people and can be viewed as an important stakeholder of government at both state and national levels. A key aim of the CWA of NSW is to improve the conditions of families especially in country areas, as well as enhance the value of country living.

The CWA of NSW is also NSW's largest rural issues advocacy group. With well over 8000 members and close to 400 branches across NSW, there is no other member-based organisation that has the breadth and depth of membership on matters affecting country people. Our policy positions and prioritised advocacy areas are determined by our grassroots members, via a democratic process.

The CWA of NSW ("CWA") has a vital interest in the protection of agricultural land and water and as such, holds a strong interest in the Narrabri Gas Project. The CWA holds representation on the Community Consultative Committee (CCC) associated with the project, as well as being consulted on the NSW GISERA Project.

We were disappointed that despite the NSW Government taking years and months to progress the Narrabri Gas Project to the next stage of the planning process, that the important Independent Planning Commission hearings will now be taking place during a global health pandemic. Our view was that the Commission's inquiry process could have been postponed until such time as full face-to-face hearings are permitted rather than virtual hearings, which can be limiting to people without sufficient internet connection, and also limit full and open community participation. This is especially important given the major overhaul of the Independent Planning Commission's process as announced and confirmed by the Planning Minister in February 2020.

The CWA submitted to the project's Environmental Impact Statement (EIS) consultation process in 2017. In this submission to the IPC we reiterate many of the points raised in previous submissions, as well as the addition of a newly confirmed CWA policy position on unconventional gas, as well as more issues and details that have risen to importance as information (or lack thereof) unfolds in relation to this project.



2. CWA of NSW policy on coal seam gas extraction

The CWA of NSW objects to any adverse environmental and social impact resulting from coal seam gas activities and infrastructure, including the impact on property rights and just terms compensation.

In addition, the CWA of NSW supports positive action on climate change. We are calling for and supporting the implementation of a plan for transforming regions, communities and workers from fossil fuel extraction, processing and burning sectors to new, inclusive and sustainable economies. We encourage the use of strategically planned renewable energy resources in order to reduce greenhouse gas emissions.

It is also the Association's position that we support research, development and investment into renewable energy in rural Australia as a way of adapting and reducing the risk of climate change in rural areas while scoping and establishing additional, yet sustainable, productive industries for rural populations.

In 2017, delegates at the Association's AGM passed the following policy position which is of importance for the project at hand, being the proposed only coal seam gas project in the state of NSW:

“That the policy of CWA of NSW shall be to support a ban on unconventional gas exploration, extraction and production”.

Since submitting to the EIS for the Narrabri Gas Project, our members have moved from a position of being protective of agricultural land and water from CSG activities, to actively supporting a ban on unconventional gas exploration across the State. This position, as well as the CWA of NSW policy on other extractive and renewable energy sources, are all well-grounded policy positions that have been discussed and debated within our membership. These positions are supported by a majority of members. We ask that the IPC consider these policies be given when deciding on the suitability of the Narrabri Gas Project. The CWA of NSW objects to the Narrabri Gas Project.

3. Environmental impacts

Environmental impacts of concern to our members include water (including contamination concerns), soil contamination, and air quality impacts (including particulate matter as well as non-particulate emissions such methane and a range of substances of harm to human health).

We believe that the Draft Conditions recommended by the DPIE are insufficient to adequately protect human communities from the health harms evident in research from Queensland about living in or near a gasfield.



Our members are particularly concerned about the potential for the project to cause major damage to water systems, particularly the underground aquifers. Questions also remain about the treatment and handling of produced water during and post the extraction period. We must be assured that this contaminated water won't make its way back into the uncontaminated aquifers. We are highly concerned with the notion of disposing of produced water into nearby water sources such as the pristine ephemeral Bohenia Creek, which is a tributary of the Namoi River. We do not believe that the Draft Conditions are able to properly regulate the timing of such discharges, nor the impacts, and we furthermore object to such matters being determined by a management plan whose implementation is not transparent.

Our members are concerned with the impact on the Southern Recharge of the Great Artesian Basin, the Gunnedah Oxley Basin and the overlying alluvial aquifers. We are concerned about the potential contamination via the accidental release of chemicals used in the drilling and extraction process as well as the cross contamination from naturally occurring toxins within the coal seam water. Santos estimates the long-term average volume of produced water to be approximately 4 mega-litres per day. The estimated total volume of produced water is 37.5 gigalitres over the 25-year assessment period. The project proposal contains ultimately four scenarios of where the produced water and its salts will end up, after processing through the Leewood central water management facility: 1. Irrigation (agricultural), 2. Construction, dust suppression, drilling and stock watering, 3. Bohenia Creek managed release, and 4. Licensed landfill.

Worryingly, the Conditions fail to implement a cap on the water extraction, and allow for more than 37.5 gigalitres to be lawfully extracted, without penalty, at the discretion of the DPIE. This is unacceptable.

Our members hold concerns with each of these scenarios and do not believe the risks have satisfactorily been determined. In relation to option 4, we question whether the volume of salts (average of 47 tonnes of salts per day over the life of the project) can legally and safely be disposed of or stored in the relevant landfill sites.

Whilst the EIS provides an indication with flexible management options, overall, we do not believe that the proponent has provided a clear answer or breakdown of exactly how specific quantities of produced water will be dealt with. In addition, there appears to be little in the way of a risk assessment in relation to produced water management.

4. Economic and social impacts

Santos is a signatory to the "Principles of Land Access" document, which reinforces that when placing wells, land access will not be forced upon unwilling landholders. The CWA is also a signatory to this document. This initiative is a welcome one. What is not covered in this



agreement, however, are infrastructure and easement issues associated with a gas field of this size.

This issue is particularly concerning when considered in conjunction with the proposed Field Development Protocol ("FDP"). Santos states that the FDP will be developed further as an iterative and ongoing activity. This is unacceptable. Landholders and the community need certainty and specific information about where infrastructure is to be placed and how the linkages between infrastructure sites are to be established.

Landholder rights must be respected at all times when designing the layout of the field. These rights extend not only to access issues but also to the right to have private land values protected. We do note that Chapter 17 of the proponent's original EIS covers the issue of land access and property management plans, however it is very important that landholder impact issues in relation to the layout of the field are covered specifically. As we submitted during consultation on the proponent's EIS, to not do so demonstrates a lack of genuine understanding of the potential impacts on landholders, their concerns and their questions.

Santos estimates that the Narrabri Gas Project will create up to 1300 jobs during construction and 200 ongoing positions. Santos estimates the royalties to be generated to be in the order of \$1.2B, along with \$120M dedicated to the Regional Benefit Fund (now called the Narrabri Community Benefits Fund), which is a 'voluntary' contribution made by Santos. This voluntary contribution, is in fact deducted from the project's royalty obligation, essentially foregoing some of the benefits to the NSW tax payer. It is imperative that the Community Benefit Funds projects will actually benefit the local community. Previous schemes, such as 'resources for regions' programs, or the like, have seen royalty monies dedicated to areas or communities which are not directly impacted by the particular activity in question.

The CWA of NSW in its position on the CCC has provided this feedback to early designs of the Narrabri Community Benefits Fund. It is of fundamental importance that this relatively small portion of the overall royalty monies is spent locally, on projects that are embraced by the local community and truly benefit local people, and truly benefit the people who are impacted by this project specifically. It is also crucial that this fund is not used to mitigate and manage the negative impacts created by the Narrabri Gas Project. All mitigation and management strategies to address the negative impacts of the project must be fully funded by the proponent, completely separately from the Benefits Fund.

In terms of human health impacts, the Chief Scientist of NSW has recommended that the NSW Government review in more depth the available information about human health impacts of the CSG industry. This work has not yet been completed.



An Australian Government Select Senate Committee inquiry into unconventional gas mining¹ raises many questions about potential health impacts of the industry including headaches and migraines, nosebleeds, fatigue, nausea, skin and eye irritations, and rashes (using Queensland gas fields as examples). This is in addition to the potential mental health and other social impacts. In our view, none of these potential risks have been adequately addressed by the regulator. For example, in the instances that the Senate Committee explored, there had been no baseline testing, and no health impact assessment done, in order to more accurately determine and therefore respond to, any health impacts.

The Department of Planning, in its presentation to the IPC on Monday 20th July highlighted that the Narrabri Gas Project would not create downward pressure on gas prices on the east coast of Australia, and therefore would not help alleviate the high price of electricity for many of our members. Without this justification for the project and with the range of concerns that we have highlighted, we recommend that the IPC reject this project.

4. Chief Scientist and Engineer 'Independent Review of Coal Seam Gas Activities in NSW'.

The CWA of NSW is highly concerned that the NSW Government has not yet implemented the recommendations of the Chief Scientist and Engineer of NSW in relation to safely managing CSG extraction in this State. In its final report, the NSW Legislative Council Portfolio Committee in February 2020 found that²:

- In the five years since the release of the NSW Chief Scientist's report, public communication and access to information about coal seam gas activities has not improved.
- Despite claims by representatives of the NSW Government (and industry) that all recommendations were implemented, this is not in fact the case.

Important recommendations not yet implemented include mechanisms for developing a clear regulatory framework, a clear signal to industry that high performance is mandatory, ensuring openness about CSG processes in line with an open access approach; publishing all relevant approval requirements, decisions and responses, and compliance and enforcement outcomes on appropriate government websites and making CSG data from companies, Government and research organisations available through a centralised Government data repository (part of recommendation 2).

¹ Chapter 4: https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Gasmining/Gasmining/Interim%20Report/c04

² Legislative Council Portfolio Committee No 4- Industry *The implementation of the recommendations contained in the NSW Chief Scientist's Independent Review of Coal Seam Gas Activities in New South Wales* February 2020 available <https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2557>



In our view, and the general consensus by the Government at least at the time, was that the progress of the CSG industry in this state is contingent on the Chief Scientist's recommendations. The Chief Scientist claimed that the risks can be managed through the implementation of the steps outlined in the final report, which was the result of a thorough study and analysis. The community cannot gain any confidence in this industry without at least these recommendations satisfactorily operating.

5. Insurance

The CWA of NSW is highly concerned about the insurance implications of this industry for directly or closely impacted landholders. The Chief Scientist has looked into this issue in detail, and did find serious gaps. The Chief Scientist has recommended that the Government consider a robust and comprehensive policy of appropriate insurance and environmental risk coverage of the CSG industry to ensure financial protection short and long term.

The Chief Scientist went on to recommend that the Government should examine the potential adoption of a three-layered policy of security deposits, enhanced insurance coverage, and an environmental rehabilitation fund³. Whilst the NSW Government claims that this item is "in progress", the Legislative Council⁴ found that there is still no option for insurance against future risks, including financial loss as well as environmental damage, potentially leaving landholders to carry this risk.

6. Conclusion

It is the view of the CWA of NSW that there are still too many unaddressed uncertainties, in relation to both the Narrabri Gas Project and CSG in NSW in general. A lack of attention to this detail has further fueled community angst and opposition to projects like this, as is evidenced by our updated policy position in opposing unconventional gas. We strongly request that our concerns in relation to the project be taken into consideration. Our comments reflect the concerns of our members, which are based on a genuine understanding of and empathy for rural communities.

³ Chief Scientist of NSW *Independent Review of Coal Seam Gas Activities in NSW* 2014 Recommendation 9

⁴ Above n 2, page 29-30.