

NARRABRI GAS PROJECT

SUBMISSION IN OBJECTION

I lodge this submission as an attachment via email to ipcn@ipcn.nsw.gov.au

My submission is lodged as a personal submission

I have previously made a submission via the web form process reference attachment: 200810_Narrabri Gas_Submission.

In order to maintain brevity I have condensed this submission to the points of objection. I accept the detail and reasoning provided by many other submissions against the proposal.

I respond to the revised information released (SSD 6456) on the 14 August 2020 on the IPC website.

Overview

I find it extraordinary that Proponents (DPIE and Santos) being the authors of those revised information submissions, who have steadfastly claimed to be acting in the best interests of the Community/Public, using as claimed the best combination of Skills, Knowledge, Practice, Experience and Advice, have sought privilege to submit revised information. I do understand that it is within provisions of policy for IPC to accept modified proposals. .

Importantly in the consultation and examination process, the first round of comment closed on 10 August 2020. The revised information released was provided to the Commission as stated on the 10th and 14th August.

Procedural fairness appears to be a casualty of the ability of the Proponent and DPIE making revised/additional submissions with a much longer period to prepare a response than the 1 week provided to the Public as part of this extended process.

Furthermore consideration is restricted to personal submissions from the person submitting the comment, seemingly eliminating organisations who advocate on behalf of larger concerned bodies.

That also inherently compresses time for IPC in the review and reporting process.

Considering preparation, editing, collation, approval and signature times, and the respective dates of the Additional Information submissions, it would be highly unlikely that some of the Phase 1 Public submissions would have been able to be incorporated into the scope of the responses. There does not seem to be a process which addresses this aspect.

Ostensibly the information appears largely centered around deficiencies found in the IPCC hearing examinations of the original documents. It will not be all encompassing of all respondents to the IPC consultation in Phase 1 (Closing 10 August 2020) as Public responses later in the consultation process would not be able to be considered and incorporated.

The submissions of Additional Information seek to portray the Project in a better light than the original submission.

Inherently this raises the issue of Trust.

- There are very significant risks to the Environment, Water supplies in terms of both demand and damage, the Wider Great Artesian Basin, Greenhouse Gas emission and the inherent volatility of the Product. The consequence of these risks falls into an extreme/catastrophic category. It is the expectation that those in a position to manage these risks both operationally and regulatory (including the approval process) remain mindful of the potential outcomes and use their absolute best endeavors.
- An essential element of building Trust is that the necessary “Competency” is demonstrated.
- As we are at the approval stage of the Project, assessment of the ability of the Proponent and the Regulators to complete the Design, Construction, Operation’ Regulation, Decommission, Remediation phases can only be based on past actions leading to this Assessment for Approval process.

As the submission and regulatory assessment previously submitted now need modification, how much of the following phases will need modification Post Approval. Should IPCC consider approval justified, what conditions/processes will be put in place to ensure that future deficiencies are not resolved in favor of the Proponent to the dis-benefit of the Community/Public.

Lodgment of Proposal submissions at such a late date does not auger well for the very important aspect of Community Engagement which is both a regulatory and social licence aspect of the Project.

The need to submit revised information in my view portrays the attitude of the Regulator and Proponent at this very early stage of the Project. Clearly this does not augment well for the future.

The tone of the submitted amendments appears more to be a “whatever it takes” approach.

Lower Gas Prices

- Whilst the modification submitted seeks to convince that lower gas prices (than those originally submitted) will ensue, that is a very big call in the current Covid scenario, there are no caveats or guarantees submitted and long term practice has invariably been that a case for increase is lodged and very usually approved. I would expect that if the Proponent(s) are quite genuine there would be some form of irrevocable guarantee in this aspect. As we are well aware it is very easy for Proponent(s) to opinion shop a report.
- The issue of pricing remains that Australia is still/will continue exporting gas at contract prices below domestic prices. The Proponent is part of this scenario. Supply is possible by invoking domestic supply provisions under these Export provisions, albeit that seemingly there is no appetite of the Government to invoke these provisions

Gas Demand

- Reference is made to the Proponent’s submission Appendix A 2.2
- Looking at this as presented it appears to show that the industrial/residential demand for gas remains relatively constant.
- I am unable to reconcile the need for the Narrabri Gas against this information.

Salt Disposal

- Refer Proponent's Submission point 7.
- Whilst such facilities may be approved for Saltwaste disposal, certainly the public facilities will be impacted through any additional quantity taken over and above their normal intended basis (ie local town needs). The additional load from Narrabri Gas will no doubt be focused on nearer locations due to the economics of transport.
- As such, whilst there may be commercial advantages to communities arising there remains the issue that such communities will also be responsible for costs associated with an earlier need to construct additional volume or new tips.
- It is noted that the resolution of this issue is simply deferred to Phase 2 of the Project.

Economics

- A lower Gas price equates to a lower return for the Proponent
- Based on figures I can see achieving operation comes at a cost of \$1.5b to date (which has been written down) and a further \$3.5b construction spend. At Proponent's report Appendix A section 6 there is a reported \$12.7b economic benefit 2021 to 2046. This can hardly be seen as an outstanding return on an investment of \$5b and the very significant water and GAB risks.

Damage to Water Supplies and GAB

- The GAB is a unique water source which once compromised will not be able to be rectified
- We have already been advised there are no guarantees able to be given
- The issue remains un-resolved and the specifics of any environmental risk or Insurance coverage are not included in the DPIE Recommendations Chief Scientist and Engineer Review point Table 2 Point 9 Appendix A

Warranty

- The issue remains from my previous submission.
- The revised proposals do not further address this issue.

Thank you for considering my submission.

Peter Gill