



INQUIRY INTO COAL SEAM GAS

TERMS OF REFERENCE

That General Purpose Standing Committee No. 5 inquire into and report on the environmental, economic and social impacts of coal seam gas (CSG) activities, including exploration and commercial extraction activities, allowable under the NSW Petroleum (Onshore) Act 1991 (the Act), and in particular:

1. The environmental and health impact of CSG activities including the:
 - a. Effect on ground and surface water systems,
 - b. Effects related to the use of chemicals,
 - c. Effects related to hydraulic fracturing,
 - d. Effect on Crown Lands including travelling stock routes and State forests,
 - e. Nature and effectiveness of remediation required under the Act,
 - f. Effect on greenhouse gas and other emissions,
 - g. Relative air quality and environmental impacts compared to alternative fossil fuels.
2. The economic and social implications of CSG activities including those which affect:
 - a. Legal rights of property owners and property values,
 - b. Food security and agricultural activity,
 - c. Regional development, investment and employment, and State competitiveness,
 - d. Royalties payable to the State,
 - e. Local Government including provision of local/regional infrastructure and local planning control mechanisms.
3. The role of CSG in meeting the future energy needs of NSW including the:
 - a. Nature and extent of CSG demand and supply,
 - b. Relative whole-of-lifecycle emission intensity of CSG versus other energy sources,
 - c. Dependence of industry on CSG for non-energy needs (eg. chemical manufacture),
 - d. Installed and availability costs of CSG versus other stationary energy sources,
 - e. Proportion of NSW energy needs which should be base load or peaking supply and the extent to which CSG is needed for that purpose,
 - f. Contribution of CSG to energy security and as a transport fuel.
4. The interaction of the Act with other legislation and regulations, including the Land Acquisition (Just Terms Compensation) Act 1991.
5. The impact similar industries have had in other jurisdictions.

COMMITTEE MEMBERSHIP

The Hon Robert Brown MLC	Shooters and Fishers Party	<i>(Chair)</i>
The Hon Jeremy Buckingham MLC	The Greens	<i>(Deputy Chair)</i>
The Hon Rick Colless MLC	The Nationals	
The Hon Greg Donnelly MLC	Australian Labor Party	
The Hon Scot MacDonald MLC	Liberal Party	
The Hon Dr Peter Phelps MLC	Liberal Party	
The Hon Peter Primrose MLC	Australian Labor Party	