

**Submission
No 448**

INQUIRY INTO COAL SEAM GAS

Organisation: Bylong Valley Protection Alliance
Date received: 14/09/2011

The Director
General Purpose Standing Committee No. 5
Parliament House
Macquarie St
SYDNEY NSW 2000

14th September, 2011

Dear Sir/Madam,

Submission of the Bylong Valley Protection Alliance Inc to the NSW Coal Seam Gas Inquiry

We thank the Committee for this opportunity to make a submission to the abovementioned inquiry. We will keep our comments very brief.

The Bylong Valley Protection Alliance

The Bylong Valley Protection Alliance Inc (BVPA) is a community group, incorporated as an association, based in Bylong, NSW. Members of the group include local residents and landholders, former residents and landholders and others from the Mid-Western Regional Council area and beyond.

Connection with Coal and CSG Issues

The Greater Bylong Valley area is subject to multiple exploration licences and exploration licence applications for coal, metallic minerals, non-metallic mineral, geothermal substances and coal seam gas.

PEL 468 – held by Leichhardt Resources and being developed by Planet Gas - covers most of the valley area. Exploration is currently underway, with seismic profiling having been completed earlier this year and initial test drilling at one local site completed only recently. Further test drilling is planned for the near future, subject to final approval of REFs lodged with NSW I&I

General Comments

Speaking broadly, the BVPA holds the following basic views in relation to CSG exploration and resource exploitation.

1. A PRECAUTIONARY APPROACH IS NEEDED: Despite assurances from the industry, we believe there is much that is unknown and unproven in relation to CSG and its development and, as such, a genuinely precautionary and evidence-based approach is warranted.

2. **WATER IS PARAMOUNT:** We believe the most critical issue to be addressed is potential impacts on water and water systems, not only with respect to ‘interference’ as classically defined, but also with respect to water usage per se, impacts on other users (broadly defined) and risk of contamination (again, broadly defined). (*We address the issue of water in more detail below.*)
3. **PROPER LAND USE PLANNING IS KEY:** In our view, it is vital that all players recognise the importance of proper, catchment-based land use planning in providing a suitable framework for development of the industry (if, indeed, such development is warranted) in the longer term. The existing essentially proponent-led process is utterly inadequate in terms of assuring anything like optimal outcomes across a range of competing land uses. While the present state government has commenced a process of strategic land use planning we are not – through our own experience – far from being convinced that the process being embarked upon is adequate.
4. **LANDOWNERS NEED MORE SAY:** Current legislation places, in our view, far too much power in the hands of the proponent/developer. Landowners – and, indeed, local councils – must be given a greater say in decisions at all stages of the proposal, exploration and development process.

Impacts on Ground and Surface Water Systems - and the Need to Embrace National Water Initiative Principles

In our view, the time for ‘accommodation’ of the needs of mining and CSG activities outside the framework of the National Water Initiative (NWI) - as currently allowed for in the NSW Intergovernmental Agreement with the Commonwealth¹ - is long past. Mining and CSG should, at the earliest possible juncture, be ‘brought to heel’ within this framework and NSW should participate fully in ensuring this occurs.

The NSW Government has made a commitment to meet the objectives of the National Water Initiative (NWI). The National Water Commission (NWC) has clearly stated that, in order to meet NWI objectives, governments need to adopt a precautionary approach to developments², ensuring the risks to water resources are carefully and effectively managed. The same precautionary principle is espoused in the Environmental Planning and Assessment Regulation (2000).³

Additionally, the NWC has highlighted a lack of integration of mine (and other extractive industry) planning and operations in regional water planning, calling for project approval processes to reflect water management objectives and for mining activities to operate under the same rules and regulations as other water users.⁴

At a minimum such integration requires – as already pointed out by the NWC itself - adequate monitoring and *baseline assessment of surface and groundwater systems*, to provide a benchmark

¹ Intergovernmental Agreement on a National Water Initiative, 2004.

² See, for example, Improving Environmental Sustainability in Planning, Waterlines Report Series No 20, NWC, 2009.

³ Environmental Planning and Assessment Regulation, 2000 – see Schedule 2 cl 8 (1)(a).

⁴ Position Statement: Mining, NWC, 2010.

for assessing cumulative impacts on other water users and water-dependent ecosystems.⁵ In short, detailed water studies of the type currently underway in the Namoi Catchment and called for by us (apparently no avail) in relation to the Greater Bylong Valley Area, should be required in each relevant catchment/sub-catchment before further mining and CSG developments occur in those areas. It is time to embrace a genuinely best practice approach of 'understand first, act only then'.

In Conclusion

Again, we thank the Committee for the opportunity to make this submission and look forward to reading its report and recommendations in due course.

Yours faithfully

CRAIG SHAW

Interim Secretary

Bylong Valley Protection Alliance Inc

⁵ See, for example, Position Statement: Coal Seam Gas and Water, NWC, 2010. (REFs for CSG exploration in the Greater Bylong Valley Area have recently been submitted by Leichhardt Resources/Planet Gas.) The argument is equally applicable to coal exploration and mining development.