

**Submission
No 641**

INQUIRY INTO COAL SEAM GAS

Organisation: Australian Pipeline Industry Association

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29 September 2011

Madeleine Foley
Principal Council Officer, Committees
NSW Legislative Council
via email:

NSW LEGISLATIVE COUNCIL INQUIRY INTO COAL SEAM GAS

Dear Ms Foley,

The Australian Pipeline Industry Association represents all sectors of the transmission pipeline industry in Australia, including owners and operators, manufacturing, construction, design and related services. To this end this industry is closely involved in the CSG industry for the transportation of gas from source to end-user or port for export.

APIA does not intend to comment on any part of the exploration and production process for CSG developments; however, the transportation requirements are an essential part of this industry.

APIA offers the following comments to the Inquiry.

Environmental and health impact of CSG activities

The APIA Code of Environmental Practice (CoEP) provides a clear guide for the construction industry and its relationship with landholders. This industry has an excellent record in its dealings with landholders.

When constructing a pipeline, the period of disruption to individual landholders is typically around two weeks. The route of the pipeline through a particular piece of land is negotiated with each landholder and the route that will cause the least disruption is chosen. All landholder requirements that are raised during discussions are met by the construction team.

The CoEP provides clear guidelines regarding treatment of soil and the remediation practices mean that the soil is returned to its original state upon completion of the construction. There is no long-term disruption to farming activity after completion of the construction of a pipeline.

Notification posts, (required by government regulation) providing an alert that a gas pipeline is buried at that location, are the only permanent changes to the landscape and should not be interfered with. Notification posts are spaced sparingly, with regulation requiring a post be visible to its neighbouring posts.

During discussions with landholders, if there is an indication that deep ploughing might occur at any time in the future, a pipeline is buried deeper than it would otherwise have been to ensure full utilisation of the land can occur..

If practical, a pipeline will be constructed along fence lines, rather than through the middle of paddocks.

Economic and social implications of CSG activities

The pipeline industry has not resorted to legal action against landholders in the past, as negotiations have generally established an appropriate route, with some farms occasionally being avoided by altering the route.

Compensation is available for the landholder.

There is 25,000 kilometres of high-pressure natural gas pipelines in Australia, all operating safely and efficiently. A significant portion of these already pass through prime agricultural land, with close to 4,000 km of high-pressure steel pipelines passing through Victorian farmland. There is no indication of any deterioration of the quality of this land.

The fact that the Australian system is well managed and maintained has meant that these pipelines operate unnoticed, thus leaving the community unaware of their existence. All the pipelines are constructed and operated to the highest possible safety standards.

There is no need for Government to intervene in the planning of pipeline routes. This industry will continue to liaise closely with landholders, provide compensation, and establish appropriate routes for the pipelines. While there has been some argument for new pipelines to be constructed along public easements, mainly travelling stock routes and road corridors, this proposal is fraught for many reasons. Firstly, endangered flora and fauna are more likely to be located on public easements than on farmland. Secondly, there is more public activity - and therefore more disruption - on public easements. It is against all existing industry practice to co-locate high-pressure pipeline infrastructure with transport corridors. The main cause of damage to pipelines, and the highest risk of creating a full rupture, is third-party interference. The primary source of third-party interference is other infrastructure owners. Road and rail corridors are areas of concentrated construction and maintenance activity and present high risks to gas pipelines.

If the Council would like any further information please contact me on (02) 6273 0577.

Yours sincerely

CHERYL CARTWRIGHT
Chief Executive