

**Submission  
No 905**

## **INQUIRY INTO COAL SEAM GAS**

**Organisation:** Kyogle Council

**Date received:** 19/12/2011

---

All communications to be addressed to:  
The General Manager  
PO Box 11 KYOGLE  
NSW 2474  
AUSTRALIA



ADMINISTRATION OFFICE  
Stratheden Street  
Kyogle NSW 2474 AUSTRALIA  
Phone 02 6632 1611  
Fax 02 6632 2228  
International Code (+ 61 2)  
Email council@kyogle.nsw.gov.au  
Website www.kyogle.nsw.gov.au

CONTACT \_\_\_\_\_  
FOR FURTHER INFORMATION

PLEASE QUOTE THIS REFERENCE

14 December, 2011

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

Dear Sir

**SUBMISSION CONCERNING COAL SEAM GAS (INQUIRY)**

With reference to the above and in response to the Parliament of New South Wales' Legislative Council Inquiry being conducted by the General Purpose Standing Committee No. 5 into the impacts of coal seam gas activities in New South Wales, Kyogle Council provides this submission on behalf of the community of the Kyogle Local Government Area.

Council had previously requested (during its presentation to the Inquiry in September) and had been granted an extension of time to lodge its submission to the Inquiry.

Following a request for input from our community, Council received 97 separate submissions from our residents with concerns that they would like Council to raise on their behalf. These concerns are outlined as follows:

1. The process of fracturing which will cause damage to Australia's pristine beauty and ecology.
2. Ongoing damage to underground wells.
3. Methane leaks throughout the mining process.
4. Support for Council's resolution that a moratorium be placed on coal seam gas drilling (not just the issue of licences) until such time as the impact of CSG on water supplies, the environment and personal property and amenity is understood through independent research, funded by government, is carried out.
5. The ability of mining companies to set up drilling on a neighbour's land and then drill horizontally under my land.
6. the devaluation of the property on which mining is operated and also on neighbouring properties.
7. The inability of landowners to decline access to mining companies.
8. The threatening behavior of mining companies when they do not get what they want.
9. Foreign mining companies buying up agricultural land for mining operations.

10. The evidence of the destruction of water already happening in South East Queensland.
11. The fear of what has happened in Tara in South East Queensland.
12. The potential of gas pipelines to crack.
13. The emphasis by the State Government not to care about where the mining companies go as long as they benefit from the royalties.
14. The evidence of water pollution both above ground and to the aquifers.
15. The coal seam gas companies state that they are only assisting in the demand for more cheap and clean energy. We should be concentrating on ways to use less energy – to halt this so called demand for more energy.
16. How is it that coal seam gas from Kyogle can be sent to Gladstone and then on to China where the gas will be bought at a cheaper price than in Australia?
17. The coal seam gas drilling can lead to the release of volatile organic compounds, poly-aromatic hydrocarbons, heavy metals (e.g. uranium, lead, mercury) and other compounds naturally present in the coal seams.. These may be brought to the surface via leaks or in the water associated with the process. Of the compounds typically released, 25% are carcinogenic, 37% affect the endocrine system, 52% affect the nervous system, 40% affect the immune system and 100% affect the respiratory system.
18. The coal seam gas extraction poses serious risks to fresh water aquifers. The huge volumes extracted can lead to major depletions in adjoining aquifers used for drinking water, agriculture, other industries and firefighting.
19. The chemical residues from fracking may cause potentially irreversible contamination to both ground and surface water sources.
20. Food supplies will be negatively impacted by the leaching of toxic chemicals into cattle and the tainting of meat from areas that are affected.
21. Consideration of intergenerational ramifications from an environmental, social and economic perspective is warranted prior to establishing if the industry is viable for this region.
22. Loss and fragmentation of vegetation with associated impacts on native wildlife and biodiversity.
23. Loss of good agricultural land from gas infrastructure.
24. Industrialisation of rural landscapes, with heavy machinery traffic, access roads and pipelines.
25. Risks to human health due to constant high level noise, toxic gases vented from gas wells and compressor stations and chemical contamination of water.
26. Loss of visual amenity with serious negative impacts on the tourist industry.
27. Negative psychological effects of ongoing threats from the industry on land, livelihood and well-being.
28. Conflict in local communities between those for the industry and those against.
29. Fly in – fly out workers who win jobs rather than the locals which can lead to social problems such as increased violence and alcohol related crime.
30. Coal seam gas has a much larger footprint than the industry and government maintains.

Should you require further details on any of these matters, we will readily provide supporting information and/or copies of the submissions received from our residents.

Also attached to this correspondence is a copy of the presentation that was provided to the Parliamentary Inquiry in September by Councillor Janet Wilson.

Council thanks you for the opportunity to provide this submission to the Parliamentary Inquiry on Coal Seam Gas activities.

Yours faithfully,

Arthur Piggott  
**GENERAL MANAGER.**



## Response to the CSG Inquiry of the NSW Government

September 2011

Presented by: Councillor Janet Wilson

Deputy Mayor for the Kyogle Local Government Authority.

Council applauds the State Government for responding to the Coal Seam Gas Industry issues raised by the Kyogle community and other communities within this state. Council has taken the view that it has a strong role to play in advocating for residents at the State Government level and the appearance today at this enquiry is to undertake this role.

The presentation today will focus on:

**Terms of reference 1:** The environmental and health impact of CSG activities.

**Terms of reference 2:** The economic and social implications of CSG activities.

The Kyogle Council, Extraordinary meeting of Monday 12 September 2011 resolved:

1. "That Council re-confirms its request to the State Government for a moratorium on Coal Seam Gas (CSG) drilling (not just the issue of licences) until such time as the impact of CSG on water supplies, the environment and personal property and amenity is understood through independent research, funded by government, is carried out.
2. That Council advises the Parliamentary Inquiry that it supports the many genuine concerns of a large proportion of its community with regards to the Coal Seam gas Industry and the proposed pipeline along the Lions Road and their potential impacts on our Council area. In particular we note the potential for adverse impact on the headwaters of the Richmond River from which a majority of our community depends upon for human use, irrigation and stock use.
3. That Council advises the Parliamentary Inquiry that the Coal Seam Gas Industry should be subject to the same process as any other development. That is via a comprehensive EIS which addresses all the issues, provides for Community input and places the onus on the industry to provide scientific proof of the safety aspects. Not the reverse as recently suggested by the Minister.
4. That Council provides a further written submission to the Parliamentary Inquiry which outlines in more detail the community concerns as expressed in resolution no. 2."

## ***PRESENTATION***

### **RESOLUTION 1**

Confirms council's commitment to a moratorium on CSG licence allocations and drilling. It is Council's view that the community is not satisfied that independent research to support this industry and the legislation and regulation which underpins the industry, provides sufficient controls to ensure that the Coal Seam Gas Industry, operating in its current form, will not adversely impact on their lives, work and the lives of future generations. It is Council's view that a moratorium should stay in place until there is sufficient and adequate independent research available to satisfy the concerns of residents in relation to environmental, health, economic and social impacts of the industry.

The lifespan of a CSG site is projected to be about 30 years and residents are worried about current practices that could have long term effects on the future productivity of the land used by the industry. Water, quality of water, remediation of sites, salination, heavy metals and fracking chemicals which may be stored in evaporation ponds are key issues raised by residents.

Council has undertaken conversations with Metagasco about the concerns of residents and this company has provided a written response which I have provided to the enquiry today. Whilst Council is pleased to have this information, it is based on mining industry research and Council supports residents in their call for independent research which can only be carried out by government. The industry points to practices and processes which have been in place for many years as evidence that the industry practices are safe and environmentally sound. Residents are not satisfied that this approach will work for the future. Council is of the view that it is the role of the State government to seek independent research on the Coal Seam Gas industry which includes how it is regulated, the technologies used and the way in which the Mining Act supports sustainability, the rights of residents as landowners and custodians of the land, which is used for exploration and mining. (Appendix 1)

An information sheet produced for the residents of Gloucester, "Gloucester Coal Seam Gas Project" (Number 5, September 2008) raises more questions than it answers about the impact of CSG on water, water quality and remediation of sites. This leaflet refers to emerging technologies as alternatives to evaporation ponds. It is clear from this information that the alternatives, such as desalination technologies and reverse osmosis, are not employed by the industry and are only being investigated at this stage. This document also refers to the challenges of what to do with the waste stream and recognises that at this stage there are no answers. However, it does refer to the possibility that the salt produced may be able to be harvested for some applications such as stock feed. This document highlights the issues the industry faces and the issues that are as yet, unresolved (Appendix 2)

Council has taken the industry information on board but agrees with residents that the scientific research about the environmental consequences of the current CSG industry practices is not yet conclusive.

## RESOLUTION 2

Is important to Council because it reflects the key issues residents have raised about the impact of coal seam gas drilling and an unplanned approach to licence allocations on their lives and the lives of future generations within the area. The Kyogle LGA is a rural community dependent on agriculture, horticulture, forestry and animal husbandry for its livelihood. Residents are worried about food production and the need to support food production, as the Kyogle LGA is a major producer of food in the region. Kyogle Council seeks to support the residents in their demands for improved information, accountability and independent research about how the CSG industry operates and contributes to the overall well being of their community.

**Of particular concern is the Lion's Road which is a cross border road into Southern Queensland. This road traverses National Parks and pristine world heritage areas and was proudly redeveloped by Council in partnership with the Lions Club. The partnership continues today and this road provides access to Brisbane and Southern Queensland for residents and tourists. This road is not on the State register and it is not funded by the State Government. Council has serious concerns about the appropriateness of this road as a pipeline route into Southern Queensland for safety and environmental reasons. Disruption to the carriageway would impact on the lives of people who live along the road and residents who use it to access markets and work in Southern Queensland. Further research and discussion with Council as the owner of this road needs to be undertaken by the State Government.**

The Lion's Road is also an area where food is grown and livestock raised. Council supports residents in their attempts to look after this special area which is the site of a proposed pipeline into Southern Queensland. Residents point to the danger of landslips and erosion in the longer term and to disturbance to the water and eco systems during the building and life span of a pipeline, which in turn, will impact adversely on their ability to earn a living. The community, through the Lion's Club has allocated \$100,000 this financial year for work on this road and council has a responsibility to ensure that the community investment is protected.

The **headwaters of the Richmond River** are important for all of us in the region as this river traverses the region and supplies water to many villages, towns and rural activities. The impact of CSG drilling, and the proliferation of gas wells for production of CSG on water quality, lifestyle amenity and future land production after the life of a well, is the paramount concern expressed by the residents of the LGA. Residents need to know that this technique is safe, sustainable and will not impact on their lives or the lives of future generations.

People buy into the Kyogle LGA seeking a lifestyle related to retirement, telecommuting for work and internet home based industries and these are growth areas in economic and social activity in the LGA. They have come to live in the LGA because it provides access to wilderness areas and a rural lifestyle in a natural and built heritage environment. These residents need to know that industry will not adversely impact on their life and express concern at the proliferation of licences which may lead to property devaluation at best, or them having to leave the area at worst, so that they can achieve the lifestyle they

seek to support their current needs. The Kyogle LGA needs this new social and economic activity to be supported by Government policy to continue to build wealth within the local economy.

### RESOLUTION 3

Raises the need for the **CSG industry to be subject to the same controls as any other development** which is undertaken within a Local Government Area. Community standards are usually applied through environmental impact statements, community engagement requirements, consultation, review and evaluation to address the issues which arise when an individual or business wishes to undertake a development. Council respects and supports residents concerns that the current legislative framework around the CSG industry is lacking in relation to meeting acceptable community standards for development.

A recent independent review, ("Peer review of Cedar Point Quarry assessment report" prepared by Umwelt (Australia) PTY. Ltd, on behalf of the Panel secretariat of the JRPP, Appendix 3), of an extractive industry development in the Kyogle Local Government area applied the standards of the EPA to the development. Section 4.7 and section 4.8. refer to standards required for this project and Council raises questions about the parallels between the decisions in relation to this project and to CSG developments. The standards identified in this document for water represent the State minimum standard for an extractive industry. Council questions why these standards would apply for a quarry and not a CSG activity.

Council is of the view that the regulatory framework should be urgently **reviewed by the State Government and appropriate development controls to meet modern expectations and standards should be introduced**. Council also wishes to make clear that it is the responsibility of government, in this case, the State government, to clearly place the onus on the industry to provide scientific proof in relation to the activities they carry out which can be measured by the standards of independent research which has been built into legislation and regulation.

Council notes that there is work being undertaken in other States and in particular, the Queensland Government has enacted the "**Queensland Coal Seam Gas Water Management Policy**" (June 2010). (Appendix 4) A Statewide policy approach in NSW in relation to the CSG industry is needed as a matter of urgency. The current practice of mining companies approaching individuals and individual communities does not provide sufficient protection for heritage, environment and people within a legal framework which supports current community expectations.

Submissions by residents involved in "watchdog" activities around the CSG industry frequently refer to the **Commonwealth Government Senate Standing Committee on Environment, Communities and the Arts**. This committee presented its findings on the impacts of CSG mining in the Murray Darling Basin in 2009 and referred to the lack of understanding at this time( due to the emerging nature of the industry ) about the impact of seam methane extraction on water connectivity. The Senate standing committee recommended as follows:



- “as a matter of priority and preferably prior to the release of future Mineral Exploration Licences, state governments establish regional water plans in areas potentially subject to mining or extractive industry operations.
- The Commonwealth Government works to ensure the prevention of new mines or extractive industries in the Murray Darling Basin if their impacts on water resources are inconsistent with the Basin Plan.”( Appendix 5, “ Six degrees, coal and climate Campaign”)

In conclusion, **in relation to the terms of reference 1**, Council is of the view that it is the role of the State Government to undertake substantial research into the environmental and health impacts of the activities of the CSG industry. This research should provide a benchmark by which technologies employed, and activities undertaken, can be measured. These measures should be reflected in policy, legislation and regulation.

**In relation to terms of reference 2**, Council recommends that the State Government should review the Mining Act to provide legislation and regulation which will underpin future CSG mining activities and reflect modern social, economic and environmental standards.

**Council has serious concerns about the Lions Road being used as a gas pipeline route. The proposal to use the Lion’s Road as a pipeline route should not proceed until further research, legislation and discussion occurs with council.**

Local Government is a key player in infrastructure and development control. In relation to the **role of Local Government, council recommends that a State policy should be developed in relation to water management and the coal seam gas industry.** This would enable further discussion and research on how the CSG industry will impact on the role of local government in the future.

The Kyogle Local Government Authority will provide a written submission to the enquiry to provide detail in relation to the matters raised today. This submission will be later than the deadline set by the enquiry, however, Council requests that the submission be accepted by the enquiry in good faith.

Thank you for the opportunity to appear on behalf of the residents of Kyogle council as represented by the Kyogle Local Government authority.