Submission No 223

INQUIRY INTO COAL SEAM GAS

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The Director
General Purpose Standing Committee No. 5
Parliament House
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Submission to Coal Seam Gas Inquiry

I have sought to inform myself of both sides of this debate, including by reading widely and attending an event run by Dart Energy on 23 August at Williamtown in relation to its proposed pilot CSG wells near Fullerton Cove, where my wife and I talked for more than 90 minutes with their principal geologist. On balance, I have concluded that there are too many actual and potential negatives associated with CSG production for it to be sensible for it to be allowed on any significant scale in NSW.

I make this submission in relation to some of the specific terms of reference for this Inquiry, as follows:

ToR 1. The environmental and health impact of CSG activities...

I submit that CSG mining represents a serious threat to water resources due to the potential for drawdown and contamination of groundwater aquifers, including major cumulative impacts – no-one seems to be able to give firm re-assurance on this issue. This is an issue of particular concern to us locally for the large areas of PEL 458 involving the Tomago sandbeds (proposed Fullerton Cove and Grahamstown pilot wells).

No-one seems to be able to give convincing assurances that contaminated production or waste water or highly saline brine extracted in the process of CSG mining can be disposed of or used without a significant risk of pollution of either surface water systems or aquifers.

Coal seam gas (CSG) is a carbon fuel and a significant source of greenhouse gas pollution. Whilst it may be a cleaner fuel than coal (expert opinion still seems divided on this on an overall life cycle basis) coal seam gas, when used as a fuel, would still make a major contribution to global warming, particularly when fugitive emissions and any liquefaction prior to export are fully considered.

The potential for fugitive emissions – of the highly polluting methane – appears significant, and poses an unacceptable risk.

ToR 2. The economic and social implications of CSG activities ...

CSG mining is likely to impact negatively on a whole range of other land uses and industries such as organic farming, tourism, vineyards and orchards, some of which are of particular value here in the Hunter Valley.

Local Government and local communities are currently largely excluded from the planning approval processes, particularly for exploration and pilot production of CSG, and there is grossly inadequate opportunities for public participation in these decisions. Once pilot production is allowed, the mining

companies and their investors have expectations which it will then be difficult to resist. Environmental assessments, and their public release, come too late in the current planning processes to properly serve on of their intended purposes; i.e. to assist decisions about whether to allow drilling in the first place.

ToR 3. The role of CSG in meeting the future energy needs of NSW ....

I submit that coal seam gas is not required to meet the future energy needs of NSW. Most gas in NSW is and will be extracted for export, not to meet local energy needs. I understand that CSG, when used for electricity generation, yields more than 40 times the amount of greenhouse gas per unit of energy generated than solar or wind. NSW urgently needs to move speedily towards a future where renewable energy supplies the bulk of our electricity. There are more than sufficient renewable resources in NSW to make this a viable alternative within a decade, including vast solar thermal resources in the major areas where CSG is now proposed. A massive expansion in coal seam gas production would delay the transition to renewable energy alternatives.

To the extent that gas might play a part in meeting future energy needs, surely it makes sense to leave it in the ground until all of the adverse social, environmental impacts have been adequately addressed. As a resource it can only become more valuable if left as an option for future generations, when and if the threat of carbon pollution and global warming has been averted.

ToR 5. The impact similar industries have had in other jurisdictions.

I understand that experience of CSG mining both in Queensland, and overseas, support many of the concerns which I have expressed in this submission.

I call on the Committee to recommend much stronger safeguards and to in effect reject coal seam gas as a significant part of NSW's energy future – it is not needed and has too many risks associated with it as an industry.

Yours sincerely

Nigel Waters