

Submission
No 458

INQUIRY INTO COAL SEAM GAS

Name: Name suppressed

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Partially Confidential

Submission to the NSW Legislative Council Standing Committee No.5: Coal Seam Gas Inquiry

To whom it may concern,

Introduction

I am an environmental consultant with eight years experience specialising in contaminated land, and as such mainly deal with soil and groundwater contamination issues across a wide variety of industries. I work for a company that has had substantial involvement in the preparation of environmental assessment (EA) documents for coal seam gas (CSG) projects within Australia. I wish to make it clear that this submission is my personal opinion based on my professional experience in the environmental consulting industry, and not made on behalf of any organisation.

Based on what I have witnessed while working as a consultant and my review of EA documents for two CSG projects in NSW I have concern about the EA process. It is my opinion in these cases that the consultant has failed to adequately identify or thoroughly assess what I consider to be one of the critical risks posed by the CSG industry; the potential for groundwater contamination. A number of government departments would have had the chance to comment on the level of assessment provided in these documents and request further information before the project went to the minister for consideration. It appears from the decisions made to approve these projects that either the government did not have the skills or resources to adequately review these assessments, or it was a political decision that chose to ignore the failings in the documents.

Examples of insufficient and unsubstantiated assessment

Specific examples of assessment deficiencies are provided below

Why is there no mention of potential chemical impacts? Given that fracking fluids can contain hazardous chemicals (such as known carcinogens, endocrine disruptors etc.), why has the potential risk of chemical groundwater contamination been barely mentioned in the EA?

The EA barely mentions let alone details the possible proposed use of chemical additives, except for these vague non-specific statements:

The information provided above sounds like something that would come directly from a gas company pamphlet, not a technical specialist. It also neglects to mention the numerous other chemicals often typically used in fracking fluids that are more toxic than those listed above. It concerns me that this EA does not even confirm whether or not additives will be used (only that they 'may') and the actual chemicals that would be used are not disclosed.

No justification is provided in the report of why this seemingly high level of chemical injection presents only a "minimal risk" that does not require more detailed assessment.

Lack of Objectivity

I would also like to note that in addition to the inadequate level of assessment demonstrated by consultant and the regulator for these projects, I have also witnessed, via track changes in documents sent to CSG clients, requests by clients to change and re-word EAs with the specific intent of changing the tone of the document and re-interpreting available data to make it more favourable to an outcome of project approval.

Below is a summary of what I consider could be the issues that facilitate a dysfunctional EA process as it relates to the role of both the consultants and the regulator:

The Environmental Consultants

- There is a fundamental systemic flaw in a proponent paying a private company to do an environmental assessment on their behalf. Of course the assessment will be stacked towards achieving client objectives, as the client ultimately dictates what product results from their fees; and
- Environmental consultancies are not being held accountable for insufficient assessment.

The Regulator

- The problems with environmental consultancies are a direct result of a problem with the regulator i.e. government. I believe we pay taxes and elect a government to be the risk assessors for the community as a whole, however in the case of the developing CSG industry, the regulator is accepting the advice of consultancies instead of holding them to account for the quality of their work. Specifically in relation to CSG, there are three main problems with how the regulator has acted:
 - 1) The industry is a developing one, and the regulator is currently ill-equipped in terms of expertise and legislation, to deal with managing the environmental and social impacts of these projects. Yet the government is approving the projects, instead of demanding evidence that the risks can be managed prior to giving these approvals. I actually believe that gas companies are taking advantage of this situation and trying to push projects through before the regulators get up to speed with what's happening.

- 2) As discussed earlier, EA documents are neglecting to provide an adequate, substantiated and balanced assessment of some of the key risk areas e.g. chemical contamination of groundwater. The regulator should have undertaken a peer review of these documents, and rejected the EAs and requested further evidence that these risks were acceptable, but instead it largely accepted the EAs and approved the projects with only minor conditions.
- 3) Perhaps most alarming of all, the contents of the EA is determined by the Director General's Requirements (DGR). **Because the DGRs did not identify these issues as potential risks requiring assessment the consultant had no legal requirement to identify or assess them in the EA.** In this situation, all the consultant can do is make a recommendation to the client that they include these risks in the assessment as best practice.

Possible Solutions

It is my personal opinion that issues identified above could be addressed through

- Improvement to government skills and resources;
- Tighter, more prescriptive environmental regulation; and
- Some kind of accredited auditor system for environmental planners, like exists in the contaminated land practice, to make it easier for regulators to get documents independently peer reviewed and strip consultants of their accreditation if they fail to conduct an adequately thorough assessment for a project.

Thank you for this opportunity to present my perspective of these issues.

Kind Regards,