INQUIRY INTO COAL SEAM GAS

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From:"Stuart Read"To:<gpscno5@parliament.nsw.gov.au>Date:06/09/2011 8:45 PMSubject:Coal Seam Gas Inquiry submissionCC:"James Quoyle"

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Subject: Coal Seam Gas Inquiry submission -

General Purpose Standing Committee no. 5 Parliament House Macquarie Street Sydney 2000

Dear Sirs (and we note the absence of females on this committee),

We make a submission on behalf of the Sydney & Northern NSW Branch of the Australian Garden History Society to the current inquiry into Coal Seam Gas (CSG) in NSW.

The Branch makes the following points with regard to the terms of reference:

1. Environmental and health impacts:

It seems self-evident from public health scares overseas (e.g. USA as shown in the TV documentary 'Gas Lands' that there are serious environmental and health impacts both possible and documented from CSG operations – particularly from the invasive practice of hydraulic fracturing or 'fracking'- in terms of air and ground water pollution, soil contamination, respiratory problems, fatigue etc. The committee is encouraged to look very carefully at other jurisdictions' findings on this point and to err on the side of preventative caution rather than risk NSW repeating the 'too slack' and lax approaches to regulation, monitoring and response to problems that have led to such outcomes overseas. We can and should do better here.

The Branch has particular concerns with CSG operations and particularly fracking in areas where agricultural and horticultural use depends on clean ground and storm water supplies, unpolluted by such industrial activities. Important export and domestic food and fibre security for NSW and Australia (indeed, for parts of the world if you are paying attention to which countries are currently and recently acquiring tracts of productive agri/horticultural land to secure 'food security'). Areas such as the Upper and middle Hunter Valley (e.g. viticultural lands), Liverpool, Gunnedah, Narrabri and Moree black soil plains, Central and Mid-West (Dubbo/Wellington/Orange/Mudgee), Tamworth and New England, Casino and the Northern Rivers and the Illawarra should be strictly zoned and controlled to ensure ongoing soil fertility and conservation. Any industrial and extractive industries should be well-guarantined and buffered away from water tables, catchments and predominant winds (in the case of gas mining) from such land uses. Otherwise there is a real risk of jeopardizing both our current food and fibre 'honey pots' for at best short-medium term gain. The extent of apparent hydrocarbon-bearing reserves suggests it may well be possible to do both – but in entirely and widely separated areas – i.e. gas exploration and extraction should not be allowed anywhere near productive agri/horticulture. It interferes directly with water supply, soil and farm management, making this in some cases untenable. Gas pipelines slung across formerly productive farms bring access, operational and management problems and risks that can hamper efficient and flexible land use and access for farmers, let alone other risks of explosions, fires, air, water or soil pollution.

The Branch supports accurate, up-to-date GIS mapping of productive agri/horticultural soils, arable cropping

lands and lands capable of supporting irrigation. None of these in our view should be subject to CSG exploration or extraction. Even if the Committee or Government find it meet to support such activity in or near such areas, there should be a non-negotiable strict regime of buffers, settling ponds, separation of possible storm water outflows, plantings to help screen air pollution and generally generous (e.g. 300m minimum, not 20m) separation between CSG installations of any sort (wells, pipelines, storage facilities) and cropping land, farms, housing or other such sites where people or productive soil could potentially be polluted.

Fracking seems both drastic and unproven as to its efficacy, yield and safety, particularly with regard to its environmental and health safety. It seems to have untold potential to pollute ground water, to alter water tables (removing the water supply of other land uses), changing river and stream flows. This should in no way be allowed anywhere near the catchments of National Parks, Flora Reserves, water catchments for settlements or for productive agri/horticulture.

We do not consider that Travelling Stock Routes should be available for CSG activities either. These are often the only 'nature' left in many regions, and have precious natural and cultural heritage values needing careful stewardship – not simply 'blank canvas' for new gas wells or pipelines – with scant regard to public or environmental safety, monitoring or upkeep. Gas leaks, flares, chemical leaks and ground water changes could destroy the very values for which these routes, linear 'nature reserves' are valuable. Don't let this happen.

The Branch acknowledges that burning brown coal is hardly good for the environment and represents shortterm gain for long-term pain. Clearly gas as an alternative future fuel offers promise and the extent of hydrocarbon reserves in NSW seem to offer potential to tap. We suggest it is vital that this is done strategically and within the bounds of the strictest 'best-practice-internationally' standards, measures and with a mandatory monitoring and regulatory regime – this is way too important to leave it to a voluntary scheme rolled out by the applicants themselves. The rapid rise of what could only be termed 'cowboy' gas exploration companies such as the Sydney Gas Company, their rapid share market mutation etc, mean they appear to be ill-defined, ill-regulated, and most-importantly, ill-accountable to their shareholders, let alone to the general tax-paying non-shareholder public, Is this who should control CSG in NSW?

2. Economic and social implications:

The branch supports a review of the a-priori rights of exploration companies under the Petroleum Exploration (sic) Act to go onto private land and explore without the express consent of the land title holders. Treating below-ground minerals and gases as potentially public goods is rather contradicted by immediately privatizing them to private exploration/extraction companies, often at paltry State Government taxes/costs (i.e.negligable return to the tax-payers), who no doubt are then expected to pick up the tab of cleaning up the messes the private companies make when something goes badly wrong – such as a gas, chemical leak, ground water or air pollution, bush or grass fire etc. Who should pay for such muck ups? The private company and its shareholders of course!

The Branch considers that food and fibre security and securing our water supplies (both surface and ground water) into the future are far more important than the short-term benefit of extracting hydrocarbons such as coal or gas.

There were riots in 33 countries in 2008 over skyrocketing food prices and shortages – these are also considered to have contributed to Northern African instability and rebellion this year, when food prices escalated.

With global population expected to exceed 9 billion by 2050, an estimated 6 million extra hectares of farm land is needed annually for the next 20 years just to keep pace. Australia and NSW will have to pull their weight in catering to world food demand. If we grant all this to mining interests where will our future food supplies come from? And why are we even considering granting some of our

best farmland for CSG or coal mining? Open cut coal mining at least pay big figures for large buffer zones. Long wall mining and CSG extraction don't require buffer zones and interfere directly with agriculture, water, farm management. Is this wise, sustainable land management?

Obviously gas is preferable as an energy source to brown coal. However neither is preferable to ongoing food and fibre supplies. There are indeed other less-environmentally or socially damaging sources of energy – such as wind, wave and solar energy. The NSW Government does not seem to be 'opening up' these industries' march into expanded, cheaper production without much regulation – to any extent comparable to that available currently to CSG firms!

CSG will offer some economic and employment benefits to regional NSW, as indeed will any activity – including coal mining and agri/horti/viticulture, thoroughbred horse breeding (a known international money-spinner and fairly labour-intensive) etc. Favouring one industry over others is what we draw the committee's attention to – while gas mining has a place and should be encouraged in the right areas, so equally should expanded food and fibre production and other energy farming from solar, wind, wave and other non-polluting, sustainable sources. When will that happen? When will that inquiry be held – during the life of this committee? Or this Government?

We suggest that NSW should drive hard bargains to ensure private gain from CSG delivers strong, measurable regional and local benefits to communities across NSW. Areas bearing the risks should see the benefits, not simply see all the money disappear to shareholders or distant executives in city offices. How is that helpful locally? Infrastructure upgrades or delivery for regions and local Councils struggling now to fix kilometers of roads, local water supplies or waste management services...

The Branch considers that Environmental Impact Statements for CSG exploration license applications and extraction applications should be subject to far more careful and slow public consultation and review, before any decision to approve them is taken. This should include: a) long public exhibition periods – 14 or 21 days is inadequate;

b) actual public meetings and stakeholder consultation – workshops in affected community halls or venues close to residents, at times that suit them (not the applicant/regulator(s), and actually explaining what is proposed, what it may mean for them (good and bad) and giving ample opportunities to get facts across and discuss issues calmly and up-front – not in last-minute paper/email submissions subject to tight deadlines with no real consultation. This will lead to greater understanding of the industry and its benefits and risks, better-informed debate and greater community ownership of any decisions, and their outcomes.

3. The role of CSG in meeting NSW's future energy needs:

CSG has a role in helping meet some of NSW's future energy needs, particularly in competition with (or taking over from) brown coal. We would encourage equal levels of resources to be devoted to non-polluting, more-sustainable energy farming from the sun, wind, water and methane production, among other means. These too have huge untapped potential here.

4. The interaction of the Act with other laws, regulations including the Land Acquisition (Just Terms Compensation) Act 1991:

Any land holder having to 'move over' for CSG exploration and extraction should be justly compensated for the loss of income, land value, any and all pollution or damage done to their persons, property, soil or water supply. This should be non-negotiable and the simple entry price and just terms-of-operation of any CSG company.

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

The committee's attention is drawn to the TV documentary '*Gas Lands*' from America about diverse and alas, wholly negative impacts (environmental, health, social and economic (in terms of pre-CSG

existing land uses/industries' incomes/sustainability) of coal seam gas drilling, in particular the practice of 'fracking'. Inadequate health and environmental precautions, knowledge, monitoring and resourcing and tardy or absent responses to public health issues and warning bells give a scary precedent to what appears to be a 'cowboy' industry, running way ahead of regulators in what are little-known or well-understood areas of endeavour. It appears from this documentary that several areas of gas fracking are now useless for their prior land uses or indeed for almost any land use (bar gas production) into the future. Is that 'sustainable' once the temporary, short-term benefit of gas fuel is exhausted. What next? Remediation – paid for by whom? The gas company/ies?