

MEETING NOTE

Meeting with Queensland Government	
Meeting note taken by David Koppers and Matthew Todd-Jones	Date: Tuesday, 6 June 2017
Project: Coal Seam Gas	
Meeting place: Level 3, Riversleigh Room, 400 George Street, Brisbane	
Attendees: PAC Members: Lynelle Briggs, Robyn Kruk, Roger Fisher, Andrew Hutton, Ross Carter PAC Secretariat: David McNamara, David Koppers and Matthew Todd-Jones Queensland Government: Hamish Butler – Director Petroleum and Gas Rachel Burgess Dean – Director Resources Sector Regulation and Support Clancy Mackaway – Manager (Compliance) Phil Wilkinson – Manager (Assessment)	
The purpose of the meeting was for the Commission to discuss the experience of the Queensland Government with the Coal Seam Gas industry and lessons learned from projects.	
<p>The meeting commenced with introductions and an explanation of the respective roles / responsibilities of the QLD and NSW organisations represented. The Commission clarified that it was yet to formally consider a large CSG project but it will likely be required to do so later this year or early next year for a project near Narrabri in Northern NSW.</p> <p><u>What worked and lessons learnt along the way</u></p> <ul style="list-style-type: none">• Some of the key issues raised by stakeholders circa 2010 included concerns about:<ul style="list-style-type: none">○ Comparisons to shale gas extraction;○ Co-location issues;○ Fracking; and○ effects on groundwater.• High volume of submitters – processes needed to track and summarise issues and std responses.• A lot of indirectly affected parties objected, many from SEQ and not CQ where the LNG projects are.• Concerns were raised with the lack of baseline data for matters such as surface and groundwater, gas and air and that there was a lack of knowledge about the CSG industry. Government prepared standard responses for various issues.• Groundwater is more complicated issue in QLD due to multiple projects and operators overlapping and utilising the same alluvial resources.• Their approach was (and still is) to address certain matters was through adaptive management conditions, but the community hasn't really accepted this approach.• There were 1800 conditions in Coordinator General's report for the GLNG project. The gasfield, pipeline and LNG facilities were all packaged under one approval.• For current large projects, there have been 80-100 pages of conditions, with 10-12 conditions per page.• It is a good idea to prepare model conditions to ensure consistency for proposals as you need to create a level playing field for applicants, inconsistency in conditions has caused QLD problems.	

- The applicants did not give the Government the precise location of wells, more like micro siting.
- When drafting conditions, you should identify the level of impact you will accept and set a cap on disturbance levels otherwise the company may chip away with modifications.
- There needs to be a good relationship between Government and the applicant post approval as this will help with gathering information and data, such as for compliance, when required.
- It is also a good idea to build up relationships with health authorities, as health issues are becoming more prominent in people's objections to these developments. Some community member perceptions are all health-related issues are the result of CSG development.
- Discussing with various agencies and groups (at an early stage) what their most prevalent issues are will also be helpful.
- Action groups are active everywhere and the same ones for Queensland projects may take an interest in NSW projects.
- There is a CSG Compliance Unit which are an independent group that talks to landholders and can be facilitators in negotiations with companies. Important to have a clear first point of contact for the community (within government) for any regulatory matters or complaints.
- Many companies are not very good in approaching landowners for access, they are getting better but it's still an issue raised.
- An issue to consider when providing conditions is the monitoring of infrastructure maintenance. It is important to keep on top of this as, for example, road access issues can generally become surface water management issues where water diversions have caused problems. Government compliance has dealt with this issue very well, especially as gas fields have massive amounts of high use infrastructure.
- Government seeks internal and external expert advice on issues.
- There are occasions where there can be a lack of expertise in compliance teams.
- As a whole, the industry hasn't conclusively figured out what they will do with salt produced as a by-product from water treatment. They may be resistant to having prescriptive conditions for this from the start which prevents alternate options being adopted over time.
- Government is looking at a whole of industry approach to regulation and re-use opportunities as a project by project approach isn't going to be sufficient.
- For rehabilitation Government looks for land to be returned to a pre-developed state.
- Conditions should be clear about rehabilitation expectations, what you want and when. Calculation of rehabilitation bonds has sought to incentivise adopting a progressive approach to rehabilitation.
- Government is currently holding \$1.2 billion in financial assurance from projects across the State
- Government referred the Commissioners to a recent New Acland project decision which was recommended refusal to the expansion of a coal mine.
- Government spoke of the issue of coexistence of gas and coal industries where petroleum production and exploration and coal exploration licences overlap.

Queensland Regulatory Framework

- There are similarities between the Coordinator General approval process to State significant development.
- Under Petroleum and Gas Act companies have a statutory right to can take as much water as they like as long as it is used for the development and they must make good. By comparison NSW requires licences to take water but has less rigour around make good (at this stage).
- The Environmental Protection Act 1994, Division 3, Section 126 relates to CSG.