

Explanation of the intended effect of the proposed amendment to the *State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007*

Before making any recommendation to her Excellency the Governor on whether an environmental planning instrument should be made, the Minister is to take such steps as is considered appropriate or necessary to publicise an explanation of the intended effect of the instrument and to seek and consider submissions from the public on the matter (section 38 of the *Environmental Planning and Assessment Act 1979* (“the Act”).

This document has been prepared for the purposes of section 38 of the Act and when read together with the attached draft of the proposed *State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) Amendment (Coal Seam Gas Exclusion Zones) 2013* forms an explanation of the intended effect of that instrument.

The proposed SEPP will:

- apply to the State,
- prohibit coal seam gas development on or under land in the following exclusion zones:
 - in and within 2km of a residential zone,
 - in and within 2km of a future residential growth area,
 - within critical industry clusters (CICs),
- define coal seam gas development as development for the purposes of petroleum exploration, but only in relation to prospecting for coal seam gas, and petroleum production, but only in relation to the recovery, obtaining or removal of coal seam gas, and not including:
 - the recovery, obtaining or removal of coal seam gas in the course of mining,
 - exempt development identified under clause 10 or 10A of the Mining SEPP (which includes development such as monitoring equipment, geological mapping and surveying and geophysical surveying that is of minimal environmental impact).
- define residential zone as any of the following zones or an equivalent zone:
 - Zone R1 General Residential
 - Zone R2 Low Density Residential
 - Zone R3 Medium Density Residential
 - Zone R4 High Density Residential
 - Zone RU5 Village
- prohibit coal seam gas development on land zoned R5 Large Lot Residential that meets criteria of land of a village character (these criteria are to be published separately during the exhibition of the proposed SEPP). Councils will be asked to nominate particular areas zoned R5 within their LGA for listing in the SEPP as an R5 village. Nominations will be evaluated by the Department of Planning and Infrastructure and Local Government NSW and recommendations will be made to the Minister for Planning and Infrastructure for inclusion in the finalised SEPP.
- define future residential growth area by reference to a map. In the first instance, this map will only include the North West and South West Growth

Centres, as identified in State Environmental Planning Policy (Sydney Region Growth Centres) 2006. The Department of Planning and Infrastructure is currently compiling information on all future growth areas across the State in consultation with local councils to include in a final map prior to the finalisation of the SEPP amendment.

- define CIC land by reference to a map that, in the first instance, will include the Upper Hunter equine and viticulture CICs. These maps will be reviewed following the completion of a regional CIC verification process currently being undertaken by NSW Trade and Investment and revised as necessary.
- provide that councils can identify areas for removal from all or part of an exclusion zone to enable coal seam gas development to occur, subject to relevant approvals, within the identified areas.
- make provisions for savings and transitional arrangements to the effect that the prohibition of coal seam gas activities within the exclusion zones applies to development applications made, but not determined, before the commencement of the amendments. In the period until the SEPP is made, the prohibitions will be dealt with through administrative processes and any relevant applications for both exploration and development activity will not be approved or, if determined, will exclude any activity within the SEPP exclusion zones.