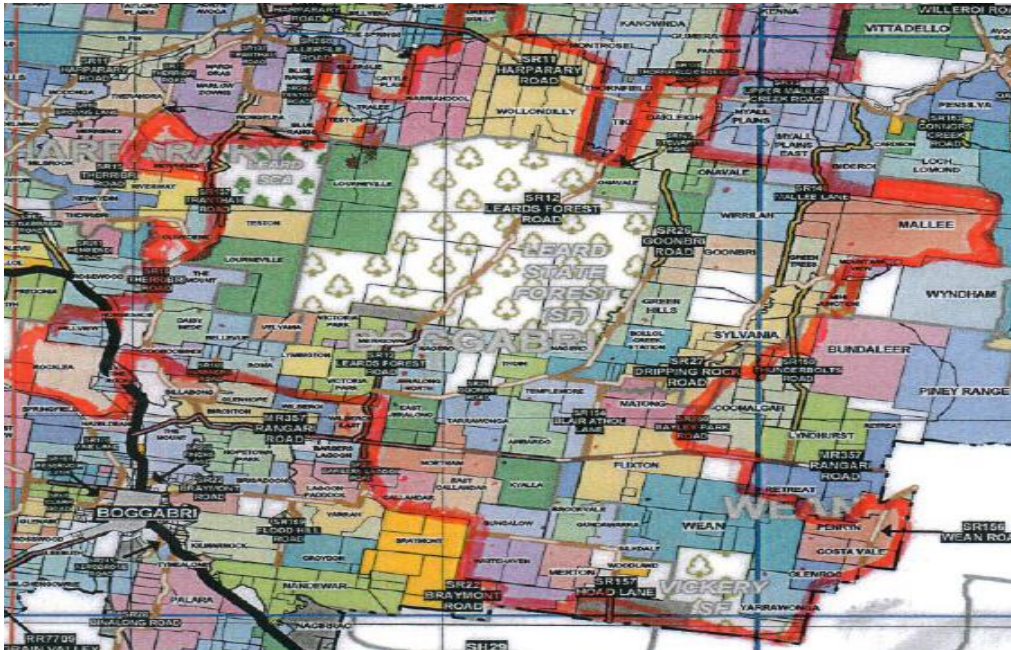


Namoi Water

Submission to Department of Planning and Environment



Picture above Red line around farms purchased in zone of affection at Maules Creek area – approx 60 farms.

State Environmental Planning Policy Amendment (Gas Exploration and Mining) 2014 – Mining

and

State Environmental Planning Policy Amendment (Gas Exploration and Mining) 2014 - Gas Exploration

Namoi Water: Supporting sustainable water use in the Namoi Catchment and representing water users in the Peel, Upper and Lower Namoi Catchment Area.

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Introduction

This is a formal submission to the Department of Planning and Environment on the State Environmental Planning Policy Amendment (Gas Exploration and Mining) 2014 – Mining and State Environmental Planning Policy Amendment (Gas Exploration and Mining) 2014 - Gas Exploration.

Namoi Water commends the NSW Governments efforts to review policies for the licensing and approval of the extractive industries activities.

It is essential that a balanced outcome prevails with balanced consideration between the interests of agriculture and expanding extractive industries impacts.

Namoi Water represents regulated, unregulated and groundwater users in the Peel, Upper and Lower Namoi valley. Our members are major contributors to the sustainability of local towns and the region's economic development. As employers of a significant workforce, collectively our members' contribution is well documented in the multiplier effect in terms of economic value.

General Comments

The proposed amendments will, according to the 'Explanation of the Intended Effect':

- amend the Mining SEPP to remove petroleum exploration activities, including the 5 wells rule, from being development permissible with consent so that these activities are no longer assessed by the Department of Planning and Environment as a development application, but rather are assessed by a relevant determining authority under Part 5 of the EP&A Act;
- amend the Mining SEPP to require a consent authority to consider the Voluntary Land Acquisition and Mitigation Policy in determining applications for State significant mining, petroleum and extractive industry projects; and
- amend the SRD SEPP to remove references to petroleum exploration, including the 5 wells rule, from specified development in Schedule 1 under petroleum (oil and gas) so that it is no longer considered to be State Significant Development (SSD).

It appears that the latest amendment has removed the "5 well" clause; in both the Mining SEPP and the State Significant SEPP. This section was modified in June 2014. Namoi Water submitted an objection to the changes to the way the '5 well' grouping was assessed. By removing this clause and with the stated intent to have this assessed by the relevant determining authority reduces the ability of the public to be both aware of development and changes in their communities. Further limiting the community opportunity to assess and comment on the potential impact of the proposal. By removing the Clause does not address the concerns Namoi Water has on the location of the wells and what amendments and modifications are subject to CSG exclusion zones. The NW Chief Scientists recommendations include specific statements for complete transparency and rigorous compliance. Removal of this clause is a step backward from this recommendation.

The addition to Clause 12 is in relation the land acquisition and mitigation. This spells out the need for the developer to negotiate with affect landholders before submitting an application. This is to be undertaken when the *'consent authorities decide that it is in the public interest to allow the development to proceed, even though there would be exceedances of the relevant assessment criteria, because of the broader social and economic benefits for the development.'* Although the intent is that the landholders does not have to sell but can enter into an agreement, it does not say that if the affected landholder can decide to not negotiate or sell, if they believe the development has an adverse impact on their business and there is no possible method to completely mitigate their concerns. Eg unable to grow a crop as the water is contaminated or the dust levels are too high and have an impact on the quality and price of the product.

Until the Mining Act is modified to have a balanced view including a healthy environment both natural and human as a consideration the landholder will be at a disadvantage. In particular we are concerned the policy may provide a loophole that the 24 hour threshold for PM10 concentrations of 50ug per cubic meter is only applied the 98.6 percentile. This doubles the days that rural areas near mines are exposed to air quality that exceeds the 24 hour limit for particulates from 5 days per year to 10 days. Our experience with local landholders in the Maules creek area is that the conditions are often breached and it is the residents that are in effect are policing the industry. This effectively means the farmer has no choice regarding their right to continue to live on their freehold land, as those within the zone of affectation are living in an area that breeches environmental and health standards.

In regard to the impact of the Voluntary Land Acquisition Policy; it is easy to suggest that landholder can move, but how do you set up a new business that may have taken many decades to establish. How do you assess the value of these established businesses in the purchase price of land value? Decisions around property sale/purchase can be more about more than monitory considerations. The affected land is not just residential but also land used to undertake various businesses that are as profitable to the state and the landholder. The impact of the approx. 60 farms bought out in the Maules creek area has not been cumulatively assessed, we will only see the effects as the school closes and the local activities dwindle as those left to live in the area are reduced to small few that cannot sell or are not affected enough to be purchased outright.

Conclusion

The amendments to the SEPPs and associated regulations appear to allow less community consultation; for example the removal of exploration activities from the SEPP and the application to be assessed by the determining authority rather than the present Department of Planning with the requirement for public notification. The continuation of the bias toward the economic benefit of state significant development rather than towards a sustainable environment that is of benefit to the natural and human communities is of concern to Namoi Water.

The aim of the amendments is to bring certainty to the industry. This should not be at the expense of community expectation that the sustainability of the environment will not be compromised. Community concern of the impacts of extractive industries on other industries and the wider environment requires that propends of this type of development are encouraged to be transparent and the impact clearly stated. Namoi Water cannot support the amendments until the Government provides clarity around the issues raised as they are potentially allowing loopholes.