Submission for guidelines on economic assessment for mining and coal seam gas proposals.
Submitted on behalf of 350.org Australia

Dear Deputy Secretary,

350.org welcomes your efforts in seeking higher resolution environmental and economic impact assessments on local areas in relation to future mining and Coal Seam Gas (CSG) proposals. As our name suggests, 350.org is grassroots organisation committed to reducing carbon dioxide (CO₂) concentrations from their current level of 400 parts per million to 350 ppm, the threshold needed to remain under two degrees celcius of global warming. We hope this process yields a consistent and rigorous approval process that fully recognises and incorporates the significant environmental concerns local communities, both rural and urban, facing these expanding industries in our state of New South Wales.

However, we submit that the environmental concerns, particularly their contribution to global climate change, of mining activities and coal seam gas extraction outweigh any proposal for further expansion of these industries in NSW. This is because they are not only detrimental to the future economic security of the local communities concerned, but to that of NSW and Australia as a whole.

Coal Seam Gas is of particular concern to us. In addition to its toxic impacts on groundwater supplies and the productive capacity of our nation’s food bowl, CSG production results in the release of substantial quantities of methane, a greenhouse gas that is 72 times more potent than CO₂. A recent CSIRO study of fugitive emissions from CSG wells, found each well produces an average of seven cubic meters of methane per day, which is additional to the vast commercial quantities of greenhouse gas each generates. Our concern is magnified when extrapolated to include the 238 currently active wells in NSW, a figure that is projected to grow in the coming years.
Secondly, if we are to remain under the two degree celsius threshold, humanity can collectively produce a further 565 gigatonnes of CO₂, a fifth of the total emissions, 2795 gigatonnes, current discovered reserves of fossil fuels would produce. This requires us to leave carbon intensive fuels, like coal, in the ground, unburnt and shift to renewable energy sources. This would prove in line with the preferences of the voting public as coal is now tied with nuclear as our least preferred energy source. Climate change is already exacting a heavy economic burden on Australia’s and NSW’s economies, and will increasingly do so over the coming decades. Nationwide, over $226 billion of property, primarily in coastal cities such as Sydney are at risk from erosion and flooding, while from 2020 onwards, increasingly frequent drought events will cost our economy $7.3 billion annually, resulting in an annual GDP reduction of 1%. Coupled with the threat to water reserves and aquifers posed by CSG and Mining activity, the former using 300 gigalitres of water annually, it will prove a further burden to our valuable agricultural sector.

In conclusion, we welcome your efforts to further incorporate community concerns, both environmental and economic into the Guidelines for Mining and Coal Seam Gas proposals. However, we stress that these concerns, while valid on their own, should be considered in the context of Global Climate Change and the vast impacts it is having, and will increasingly do so, on our environment and economy at a local, state and national level.