

Response to the Draft Petroleum Regulations 2021 S.R. No. [insert]/2021

Introduction

Thank you for giving community members such as myself an opportunity to comment upon the *Draft Petroleum Regulations 2021*.

In this Anthropocene Age, setting clear guidelines to control greenhouse emissions is imperative and could safeguard the remaining biodiversity in our environments. While the difficulties in drafting regulations that govern such a multidimensional industry are enormous the interests of the petroleum industry should not be placed above the broader needs of Victorians to achieve zero greenhouse gas emissions by 2050 as per the Paris agreement.

In this document I will make reference to suggestions considered in Parts 1, 6, 7, 8 & 9 in the Draft Petroleum Regulations 2021.

Observations related to

Parts 1,2,3,4, and Part 7

It would appear that the authors of the *Draft Document* acknowledge that the promotion of petroleum exploration and production activities are fraught with danger both during the exploration and drilling phases as well as in the continued use of fuels which have destabilized many of our ecosystems. Greenhouse gas emissions, now at critical levels, largely from the use of fossil fuels, have been implicated in the progression of adverse global weather patterns. Global warming has influenced that delicate balance between temperatures, moisture and wind which already threaten our air, soil and water security.

PARTs 1, 2,3 & 4 — (a) (b) (c) & (d) all refer to harm minimisation. Part 7 Division 2 under Environmental Management also refers to assessment of environmental impact and risks. However, the regulations could be strengthened with the inclusion of guidelines that would:

- limit the number of drilling sites in the state;

- set a quota on production outcomes, based upon domestic requirements; and
- disallow the use of synthetic mud programs and well stimulation.

Part 6 - Royalties and Rent for Crown Land payment

Aside from what is written under number 20 points (1) & (2) and number 21 could include the following statement - if deferment of royalties or rent payments for more than 30 days occurs the company will need to cease their operations.

Part 7- Conduct of Operations etc.

Division 1 - Conduct of Operations

Notice of Operation Plan number (23) under points (f), (g) & (h):

Statements could be extended by including information related to the National Vendor's Declarations (NVD) forms that the farmer must sign prior to selling their produce.

All information entered on the NVD must be supported with **accurate records** in relation to the use of chemicals on the farm. For example, soils and water supplies are tested for potentially contaminated areas. All information entered on the NVD must be exact in relation to the use of potentially harmful substances, particularly if an untoward incident has occurred. The unintended event would also be noted, as mentioned in the Draft regulations, Part 8, Division 3: 41 as part of the requirement for daily drilling reports.

In addition, a petroleum company representative or the Holder of the Authority would need to countersign the NVD forms. This procedure would need to be part of the initial agreement with the farmer prior to exploration, drilling or even decommissioning of the well head ...at no cost to the farmer. This NVD is **legally binding**; therefore, it is imperative that the farmer is aware of all chemicals / materials that are used in the exploration, drilling and collection / transport phases related to the harvesting of gas on their property.

Division 2 Environment Management Plan

Number 35 stipulates that information on consultation with the community must meet certain targets expressed in points (1) (a) through to (f). Notices for intent, tend to get lost in the system and community members are often unaware of exploration and drilling activity until it appears on their doorstep. Therefore, the regulations could be quite prescriptive to ensure genuine community engagement.

For example, the Petroleum company would need to indicate their intentions for exploration and drilling by:

- mailing notices out to all community members and councils, in the target area 36 days prior to commencement of exploration /drilling activity. If the utility companies are able to send out notices regarding disruptions to services the petroleum companies could do the same thing.;
- placing notification in local newspapers for six days in a row; and - through announcements on local radio stations.

The notices should include information related to the name of the company, their goal, and how they intend to maintain future contacts with the community already stated in (a), through to (f). All notification should include a clause warning the public that the ***use of fossil fuels maybe harmful to their health and environment.***

In addition, under (i) Identify Community Attitudes - Stipulate that an independent agency, such as a university, be employed to gather data related to community attitudes, expectations and concerns prior to any exploration or production within six months, prior to exploratory activity. The methodology and results of the research would need to be available in the public domain eg. the local council or library. As per the Draft Regulations, on-going community surveys are a good idea. Exploration and drilling for gas should only be allowed if the landowner agrees and 60 % of the targeted community ***strongly support*** the exploration and mining of gas.

Division 3 Well Operation Management Plan

Under number 22 (a) (i) through (vi) include a statement about the paddock surface. If the paddock for well drilling is soggy, as after heavy rainfalls, the surface of the paddock is destroyed by heavy machinery. The top and sub soils which on becoming mixed destroy the texture and the biodiversity of the microorganism living in the soils limiting future land use for years to come. Top soil destruction is less of a problem when the surface is hard.

In addition, upgrades and maintenance of the roads to and from the well site are critical therefore a statement needs to be made to indicate that the petroleum company will shoulder the costs for the upkeep of roads in and around the surrounding exploration and drilling sites.

Number 36 (1) should also include guidelines for directional drilling. For example, drilling should never occur under a state reserve (onshore or off shore). If directional drilling is allowed from one property to another the landowners must be informed and have the right to veto the process and /or receive appropriate compensation for the drilling activity if they support the process. Note all farmers, who market their produce, are required to sign the National Vendor's Declaration form mentioned in Part 7, division 1 in this document.

Part 8- Information to be Given to Minister

Division 5—Reports regarding decommissioning. Refer to

Number 48 (4) directional well – regulations should be amended to ensure that drilling of this nature does not occur.

Part 9—Administer Matters

Division 1—In addition to clause 51 Pecuniary interests. The regulations should include a requirement for MPs and their staff to disclose contacts with the gas industry executives / representatives and to advise if the discussions were consistent with the goals of the Paris agreement.

Additional comments

I am unsure where to locate the following statements-

- Landowners should have the power to veto petroleum exploration and drilling on their land.

Rationale- Farmers are caretakers of the upper surfaces of property that they own and as such they should have control over activities that have the capacity to interfere with their livelihoods. Australians' exports approximately 70% of their agriculture produce and Victorian farmers could become stranded in the global market place as they face a carbon levy put in place by other countries who import our goods. Overseas governments are looking to trade with Victorians who have clean, green practices in place.

- contractual arrangements between the landowner and petroleum company should be transparent and non-disclosure agreements discouraged.

Rationale- The petroleum companies should encourage unification not fragmentation within the rural /regional environments.

In conclusion, political/legislating bodies, industries and communities need to work together to generate and use less destructive energy sources. Perhaps we could learn a lot from the plants in our environment by developing techniques that are more heliotropic in nature.