

**[Redacted]**

## **Submission – Proposed Petroleum Regulations 2021**

We appreciate the opportunity to provide an officer submission on behalf of **[Redacted]** regarding the proposed *Petroleum Regulations 2021* (the Regulations). While Council has not considered the matter in the chamber, the feedback we have provided below is consistent with **[Redacted]**'s recent resolution on **[Redacted]** and previous **[Redacted]** resolutions opposing the exploration and mining of unconventional gas within the shire (**[Redacted]**) and opposing plans to drill for oil in the Great Australian Bight (**[Redacted]**). Our comments also reflect strong **[Redacted]** community opposition to oil and gas exploration and development in the past and growing community concern about the proposed level of petroleum exploration and development in the Otway Basin.

### Focus of consultation too narrow

We acknowledge Earth Resources Regulation's efforts to engage stakeholder and community members about the proposed Regulations and related Regulatory Impact Statement (RIS). **[Redacted]** officers attended both the initial stakeholder briefing about the pending Regulations on 8 June 2021 and the public information session on 12 August 2021. Earth Resources staff advised community members at the public session that as the *Petroleum Legislation Amendment Act 2020* provided for the 'orderly restart' of conventional gas exploration and development, the question of whether Victoria should be facilitating further gas exploration and development was not within the consultation scope.

Community feedback at that session however, consistently highlighted and questioned the appropriateness of ongoing reliance on fossil fuels, especially in light of the latest IPCC report. The need to focus on renewable energy rather than gas development was also repeatedly raised. These questions and concerns are very much 'in scope' for our community. There was also strong community feedback regarding the importance of meaningful engagement with Traditional Owners. Council's opposition to oil and gas exploration is consistent with its climate emergency declaration on 27 August 2019 and Council's Climate Emergency Corporate Response Plan 2021-2031. The plan includes objectives to reduce corporate greenhouse gas emissions and phase out fossil fuels at Council, as well as supporting our community to transition to renewable energy sources and reduce emissions. The plan also identifies a number of advocacy priorities for Council, including support for:

- transitioning to a net zero emissions economy and achieving strong state and federal emission reduction targets before 2050;
- divestment from, and discouragement of, new fossil fuel related projects and institutions;
- environmentally sustainable tourism in the **[Redacted]**.

We note that collateral material provided in relation to the consultation does acknowledge the need to address emissions and highlights that the Victorian Government is currently developing a Gas Substitution Roadmap which will investigate increasing gas efficiency, electrification and increased use of hydrogen and biogas.

### Feedback on proposed changes and new regulations

We understand that the advice of the Victorian Gas Program stakeholder advisory panel helped inform changes to the Regulations. In particular, the panel recommended improvements to provide genuine engagement opportunities and to enhance project transparency, with more information provided about industry activity. We support these recommendations.

Consistent with **[Redacted]**'s resolution regarding the federal 2021 Offshore Petroleum Acreage Release, the Regulations should:

- consider climate;
- ensure genuine and effective consultation with Traditional Owners and local communities that may be impacted;
- ensure appropriate assessment of environmental impacts and risks, including cumulative impacts (the key mechanism for this in the Regulations appears to be the environmental management plan).

#### Need to consider negative economic impacts

In reviewing the Regulations, the RIS and the consultation material, economic considerations appear to be limited to the benefits of bringing more gas to market. In evaluating the cost benefits of the Regulations, there doesn't appear to be any consideration of the potential negative economic impacts from facilitating petroleum exploration and development.

The **[Redacted]** is a major lifestyle and visitor destination that is among the fastest growing regional municipalities in Victoria. Located at **[Redacted]**, our shire's proximity to Melbourne, many recreational opportunities, major events and beautiful natural environment make it a tourism drawcard. During 2018, the shore attracted over 2.49 million visitors, generating over \$544 million in tourism expenditure. Tourism is the largest source of employment for the **[Redacted]**. (Source – **[Redacted]**).

**[Redacted]** is also home to some of Victoria and Australia's most iconic events, including **[Redacted]**. With its spectacular coastline, surf breaks and extensive trail network, the region is particularly renowned for its surfing and ocean sports events, and adventure activities such as trail running and cycling. Reflecting the natural beauty, events held in **[Redacted]** have a distinctive environmental focus. Collectively, annual events generate over \$100 million expenditure in the **[Redacted]** (**[Redacted]**).

Petroleum development could negatively impact this significant local and broader regional visitor economy. While current proposed offshore petroleum exploration and development is outside our shire, several current projects are adjacent to international tourism drawcards like the **[Redacted]** which attract visitors to our shire. Any consideration of the cost benefits of the Regulations and petroleum exploration and development the Regulations support, should involve consideration of the potential adverse economic impact on this regional multi-million dollar visitor economy.

**[Redacted]**

Yours faithfully

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