

This submission is made BY STOP CSG ILLAWARRA.

Stop CSG Illawarra, a community group representing over 3,000 registered supporters and a much larger general community support base, is dedicated to informing the public about the risks of CSG mining (which the industry and our government has failed to do)and to ensure the government behaves in the public interest on this matter, based on scientific research rather than purely commercialism. More information about the organisation, its goals and its research based concerns regarding CSG mining, can be found on our [website](#)

Stop CSG Illawarra opposes this application for the following reasons:

1. GENERAL CSG RISK CONCERNS:

- The risks of CSG mining are now well [documented](#) and relate to :
 - ✓ [Threats to water](#)
 - ✓ [Leaking methane](#)
 - ✓ [Health impacts](#)
 - ✓ [Industrial footprint](#)
 - ✓ [Seismic Activity](#)
- The extraction technologies being deployed are very invasive and were designed for deep earth (i.e. 3-5 kilometres beneath the surface) oil and gas extraction where there are many, many, layers of geological protection. In NSW CSG lies much closer to the surface, and in some parts of the Illawarra seams reach the surface.
- Current NSW CSG control legislation is inadequate for managing this risk - The NSW Premier himself confirmed this only recently in a broadcast interview with Alan Jones. We consider that:
 - i. The current Petroleum Act was not designed to deal with gas deposits close to the surface, or as dispersed as CSG and is quite unsuitable for the purpose.
 - ii. The Responsibilities for the various CSG approvals are strewn across different departments with poor connectivity, interaction and information consolidation.
 - iii. Important government agencies (such as the Sydney Water Catchment authority, NSW Environment and Heritage and local authority planning departments) are stripped of their full powers
 - iv. Ministerial approval (originally installed under Part 3A of the NSW Planning Act and not amended by the current government) overrides many of the

reasonable and precautionary processes normally applied to such matters – such as independent environmental analysis, the rights of the land holder, the policies of local authorities and public consultation.

- The risk assessment process for exploratory drilling only considers the risk associated with that exploration activity, when it is understood that the risk is greatest during production. For example APEX's Energy's [production CSG plan](#) turns the 16 exploration wells in PELS 442 and 444 (all of which are in or around Sydney Catchment Authority ["Special Areas"](#)) into 150-200 production wells. This is consistent with what has occurred in [Queensland](#) and the [USA](#) during the production phase.
- Environmental assessment and public consultation can be minimised and circumvented using the NSW Part 3A Planning laws for projects considered of state significance.
- The Strategic [Regional Land Use Policy](#) released this week [fails to provide adequate protections](#), especially to water resources, conservation areas and prime agricultural land. In fact it represents a [breach of Premier O'Farrell's commitments](#) on this matter.
- Because of this situation **Stop CSG Illawarra is calling for**
 - i. A freeze on all CSG activities, pending the outcome of a Royal Commission;
 - ii. A ban on fracking, based on the risks already identified; and
 - iii. A ban on all CSG development in water catchment areas.

2. CSG RISKS IN SPECIAL AREAS OF THE NORTHERN ILLWARRRA AFFECTED BY APEX ENERGY'S APPLICATION TO EXTEND DRILLING DEADLINES:

In addition to the above Stop CSG Illawarra considers that:

- The area of the drilling proposal is completely unsuited to CSG mining consisting almost entirely of Sydney Catchment Authority ["Special Areas"](#) and dams, [National Parks](#) and other environmental [conservation areas](#).
- The Illawarra Escarpment is a high risk bush fire area, exacerbated by its highly combustible peat base. As recently as August 2012 [a bush fire](#) ran across from Bulli Tops burning out APEX CSG drill sites AI09 and AI10 (see photos attached).
- The area covered by this application contains unique and highly [sensitive upland swamps](#). Production CSG mining will permanently damage and change forever, the delicate and vital ecology of these lands.
- The raft of new government policies do not adequately protect drinking water catchment areas such as these. In fact, they are not even mentioned. The drinking

water catchments developed under this application provide Sydney's most reliable drinking water supply. Worse still, the new regime [removes the ban on fracking](#), an extraction technique linked to fugitive gas migration, [contamination](#) and [seismic events](#). The upper Illawarra escarpment is already geologically unstable and subject to subsidence and land slips.

- The area is already under threat from massive coal mine expansion using long wall mining technologies. By way of illustration we understand that in the case of the [Gujurat mine](#) at Bulli the scale is up to 10x and almost 3x at the Helensburgh's [Metropolitan Colliery](#).
- The Warratah Rivulet that feeds the Woronora Dam has already been [damaged by long wall mining by the Metropolitan Colliery](#). Eighteen months of remedial work has failed to resolve the problem.
- The risks associated with CSG mining are being layered on top of the existing impact of extensive coal mining in the area, with no combined impact study yet undertaken!
- Four local councils in the area responsible for local planning regulations in the areas affected by APEX's PELs (Wollongong, Wollondilly, Campbelltown and Sutherland) have all voted against CSG mining.

3. APEX ENERGY AS UNSUITABLE PEL HOLDERS:

- The company is undercapitalised for its task and social responsibility. It is already dependent upon the drip feeding of funds from its Joint Venture partner Ormil Energy, a company itself inadequately capitalised and attempting to raise funds for its NSW joint venture with APEX Energy – as well as another CSG acquisition in Botswana. We ask the question; **what financial (or engineering) capacity do they have to rectify any damage that might occur?** Currently, almost none.
- APEX Energy have already shown their incompetence and unsuitability by allowing PEL 442 to lapse, as a result of an ["administrative over-site"](#). **What if the result of the next "oversight" is contamination in our catchment**, or environmental conservation areas?
- The lapsed PEL cancels all current APEX CSG development approvals. Therefore, at the very least, no consideration should be given to extensions or any other type of approval for APEX until the matter of PEL 442 is resolved, as we understand the Aboriginal Land Council has also applied for A new licence over the same area.
- APEX Energy did not enter into public consultation before its initial drilling at Darkes Forest, nor earlier this year before drilling within the Warragamba water catchment at Oakdale. This shows total a lack of respect for due process and public opinion.

4. PUBLIC OPPOSITION TO CSG MINING IN THE AREA:

There is widespread public opposition to the proposed plans for CSG mining in the area. This includes:

- **A public petition of over 20,000 signatures** delivered to the Premier.
- **Formal votes of opposition to CSG mining plans by all 4 local councils affected** (Wollongong, Wollondilly, Campbelltown and Sutherland), and at least 2 local state parliamentarians (Lee Evans and Ryan Park).
- A poll in the Illawarra Mercury newspaper, conducted only this week, where **almost 90% of respondents registered opposition CSG mining..**
- Major concerns about the original approval, forced through by the previous Labour Government under part 3A of the NSW Planning Act, bypassing many of the usual and expected environmental and public consultation processes.

5. LACK OF INDEPENDENT RESEARCH:

We are very concerned by the absence of any independent research into the environmental impact of production CSG mining in such a vital area of water supply (let alone the combined impact of CSG development and coal mining) and the lack of public consultation.

6. RENEWAL CONFLICTS WITH THE UNAMBIGUOUS COMMITMENT OF THE PREMIER NOT TO MINE IN WATER CATCHMENT AREAS:

Any decision to extend, renew, or otherwise approve new activities in and around the drinking water catchments flies in the face of commitments made by The Premier of NSW (Barry O'Farrell stated: "The next Liberal/National Government will ensure that mining cannot occur ... in any water catchment area, and will ensure that mining leases and mining exploration permits reflect that common sense; no ifs, no buts, a guarantee").

Submitted on Behalf of Stop CSG Illawarra by The Stop CSG Illawarra Organising Committee.

(Shirley Gadding, Jess Moore, Rob Edwards, Peter Townsley, Steve Whistler and Chris Williams)