

From: National Parks Association of NSW
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Attention: Director, Mining and Industry Projects
Major Projects Assessment
Department of Planning
GPO Box 39
Sydney NSW 2001

To Whom It May Concern,

Objections to the Modification Proposal 07_0103 MOD2 from Apex Energy N.L.

National Parks Association of NSW wishes to strongly object to the proposal from Apex Energy to renew and indefinitely extend their 2009 major project to undertake coal seam gas operations in the catchment lands of the Northern Illawarra. Regardless of current Government policy, shaped as it is by royalty interests, scientific uncertainty remains and risk taking in the catchments and high value conservation lands is unacceptable. The Special Areas have already suffered significant damage as a result of long wall coal mining and further cumulative impacts both potentially on drinking water quality and terrestrial and wetland ecosystems is unacceptable, and ill-considered.

The possible impacts of coal seam gas operations have been widely reported and documented. Detailed and informative accounts are found in the submissions to the NSW Parliamentary Coal Seam Gas Inquiry. For example:

- (1) Submission 468 by National Parks Association of NSW Southern Sydney Branch
[http://www.parliament.nsw.gov.au/Prod/parlment/committee.nsf/0/84ea10f6d45905bfca25791b0011d8f8/\\$FILE/Submission%200468.pdf](http://www.parliament.nsw.gov.au/Prod/parlment/committee.nsf/0/84ea10f6d45905bfca25791b0011d8f8/$FILE/Submission%200468.pdf)
- (ii) Submission No. 330, Dr Stuart Khan <<http://us2.list-manage1.com/track/click?u=67e6f3c62fcae3cb2041df25d&id=2e49ca9afa&e=01031f9d7c>>
- (iii) Submission No. 457, Northern Illawarra Sustainability Alliance <<http://us2.list-manage2.com/track/click?u=67e6f3c62fcae3cb2041df25d&id=ba8d711d13&e=01031f9d7c>>
- (iv) Submission No. 552, Stop Coal Seam Gas Illawarra <<http://us2.list-manage2.com/track/click?u=67e6f3c62fcae3cb2041df25d&id=34d527c096&e=01031f9d7c>>

At a public rally before the last election, the then Opposition Leader stated that the next Liberal and National Government would “... ensure mining cannot occur in any water catchment area and that any mining leases and exploration permits will reflect that common sense. No ifs, no buts, a guarantee.”

On December 1, 2011 the Premier told 2GB’s Alan Jones: “I don’t intend to allow — particularly after the drought we went through over a decade — mining or any other activity to threaten water resources.” He also stated that “... exploration licences

have been granted, in some cases permission to mine has been granted, in areas, frankly, that should never ever have been on the list."

The catchment lands supplying water to Greater Sydney and the Illawarra should surely never have been on that list. NPA concurs with the ground swell of opposition to coal seam gas mining in the catchments, with large rallies and a petition that now has more than 30,000 signatures. Wollongong City Council, Sutherland Shire Council, Campbelltown City Council and many other council's in NSW are opposed to coal seam gas development. Towns and districts are declaring CSG free zones.

Specific concerns and objections to the current proposal are given below.

Yours faithfully,

Gary Schoer, Secretary
Southern Sydney Branch of National Parks Association of NSW
Date: 13/9/12

NPA has not made a reportable political donation

Objections to Modification Proposal 07_0103 MOD2 from Apex Energy N.L.

Lack of a required supporting PEL

The 2009 major project approval granted to Apex Energy depended on Petroleum Exploration Licences (PELs) 442 and 444. Apex failed to renew PEL 442 in February of this year and subsequently submitted an application for a new licence, PEL 138, to replace the lost PEL on March 12. In the interim, on March 5 the Aboriginal Land Council submitted competing prospecting application, PSPAPP 58.

Acknowledging the need for underpinning Petroleum Exploration Licences, the 2009 project approval states "The drilling and operation of petroleum wells may take place for 3 years from the date of this approval or until the expiry date of Petroleum Exploration Licence No. 442 or Petroleum Exploration Licence No. 444, whichever is the sooner, unless otherwise agreed by the Director-General."

The current modification proposal is for an approved major project that no longer has a required supporting PEL. The application cannot be credibly assessed in the absence of that required PEL. The public can have no confidence in an assessment and regulatory system that would allow major projects to be assessed in the absence of appropriate licences.

Failure to meet the 2009 major project approval commitments

The current modification application offers reasons for the failure to meet the major project commitments, however they are not in accord with the public record of events. The loss of social licence for coal seam gas development in

NSW and the consequential uncertainty in Government policy did not effect Apex until early 2012, some two and half years after the major project approval. No regulations have been introduced by the O'Farrell Government that would prevent or hinder the 2009 project. The decision to seek add a further bore without adequate resourcing reflects poorly on their judgment. The bulk of the work would have been carried out by consultants. Its difficult to accept that the application process for the additional bore could hold up progress on the major project, or be allowed to hold up progress on the major project.

Apex were unable to meet their project commitments primarily because of limited resources and experience and an inability to satisfy the requirements of the Sydney Catchment Authority, including the Neutral or Beneficial Effect (NorBE) on water test, in sufficient time. The inability of Apex Energy to drill any of the 15 bores approved in 2009 unequivocally establishes that they lack the required resources, capability, experience and judgment to meet the commitments and responsibilities of a major project. That their 2009 project application was approved reflects poorly on the assessment and consent authority.

Apex Energy is no longer the project operator

Financial difficulties encountered by Apex Energy have resulted in Ormil Energy becoming the primary project partner and project operator. Given the failure of Apex Energy to meet any of its project approval commitments and the change of ownership, a new project application is required.

The need to consider production

The attitude Planning Assessment Commission (PAC) justified its 2011 approval of an additional bore to the 15 approved in 2009 by emphasising its conviction that the assessment of an exploration proposal does not need to consider a subsequent production project and that approval of an exploration proposal has no implications for a production project application. Commercial exploration is an investment made in the anticipation of production revenues; exploration is the first phase of production. The 2009 major project is not in fact an exploration project, its is a mapping project for a subsequent production field - as the modification application indicates. Coy exercising of language does not change the nature of the application. The knowledge of the presence and character of gas in the Southern Coalfields has accumulated since coal mining began in the late 19th century. While the blinkered position of the PAC serves the interest of the proponent and the royalty corrupted judgment, policies and regulations of the Government, it lacks credibility and undermines confidence in the PAC as an independent assessment body. The community deserves better. This abdication of responsibility by the PAC is heightened by the critically important location of the proposed project - the Schedule 1 Special Areas and the surrounding high conservation value lands.

Likewise the PACs assertion that approval of an exploration project will have no bearing on a subsequent production application lacks credibility. Significant investment in an exploration project, presumably some millions of dollars, will inevitably apply pressure to approve a subsequent productions proposal. The PACs assertion is an unconvincing statement for the record that facilitates the intent of the proponent and the royalty interests of the Government.

Changed environmental circumstances

In March 2012 the Coastal Upland Swamps were listed as an Endangered Ecological Community (EEC) under the NSW Threatened Species Conservation (TSC) Act. The listing notes that the swamps harbour biodiversity of international standing and highlights the threat posed by coal seam gas operations. The impacts of coal seam gas extraction are likened to those of longwall mining, which was listed as Key Threatening Process under the TSC Act in 2005. A listing of the swamps under the Commonwealth Environmental Protection and Biodiversity Conservation Act is expected in the very near future. Most of the bores are within the immediate vicinity of swamps. The risks to the swamps posed by produced water and clearing some 9 ha of land requires a reassessment in the light of the heightened concerns for the swamps. The modification application makes no reference to the upland swamps or their EEC listing.

Land clearing and disturbance associated with large vehicle access will also impact on *Pultenaea aristata* communities. The 2009 approval makes no provision for impacts on *Pultenaea aristata*. Vehicle movements risk the introduction of weeds into the largely pristine area.

NPA's objections regarding risks to the biodiversity of the lands in these so called special areas are summarised in a letter which was published in the Sydney Morning Herald on 8/9/2012

It is copied below to emphasise how our Branch feels about the recent decision to allow the approval of exploration licences despite assertions by the now Premier before the election that these Special areas will be sacrosanct. We in NPA request that the Director of Mining and Industry Projects especially notes the likely severe compromising of biodiversity values by the cumulative impact of both exploration, and production, if approved in the Special Areas.

*The Letters Editor
Sydney Morning Herald
Dear Sir/madam*

The NSW government is still hanging on to the hope that it can support coal seam gas drilling in "near pristine bushland" in Sydney's drinking water catchments. (Plan to Drill 150 gas wells across water catchment, Herald, Sept. 7) These ironically named Special Areas have far more to lose than clean drinking water if the "industrialisation" plans eventuate.

The government's own Scientific Committee has listed the hundreds of coastal upland swamps in these catchments as an Endangered Ecological Community. Up to twelve rare and threatened vertebrate species occur here. The vulnerable Eastern Ground Parrot was once common on Maddens Plains and was thought to be locally extinct until rediscovered within upland swamp landscapes of the Woronora River catchment.

Yet this is no place for walkers and birdwatchers. Intruders to these area will be subject to major fines to guarantee water quality is not compromised. But what obscene logic by this government can

contemplate allowing a criss-cross of roads and pipelines and heavy vehicle movements, and disturbance to surface water flows that can destroy these precious wetlands, wildlife habitat and corridors to adjoining bushland?

So let's all broaden our perceptions of why these Special Areas are indeed "special".

Gary Schoer
Secretary, Southern Sydney Branch
National Parks Association of NSW