



The Hon Dr Anthony Lynham MP  
Minister for State Development and  
Minister for Natural Resources and Mines

Your ref 5517T193  
Our refs MO/2782, CTS 3617/17

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16 MAR 2017

Mr Neil Laurie  
The Clerk of the Parliament  
Parliament House  
Cnr George and Alice Streets  
BRISBANE QLD 4000

Dear Mr Laurie

Thank you for your letter of 20 February 2017, forwarding for response petition 2709-17 as tabled in the Legislative Assembly on 16 February 2017.

The petition is in regard to the impacts of coal seam gas (CSG) and other forms of unconventional gas on water quality, farm lands, the environment, communities, residents' health, property values and tourism. The petition requests an immediate moratorium on all CSG and unconventional gas activities, a transition to renewable energy, and an examination of the health and environmental impacts of CSG mining and protection of indigenous people's rights in relation to land. I will address each of these matters below.

The Queensland Government is aware of the range of interests and issues associated with the Queensland gas sector. Queensland's liquefied natural gas industry operates within a robust regulatory framework designed to manage environmental impacts and facilitate the sector's co-existence with regional communities. The legislation provides important protections in the areas of tenure management, land access, managing land use and groundwater resources, environmental issues, and safety in the petroleum and gas industry.

In Queensland, hydraulic stimulation (also known as fracking) is regulated under the *Environmental Protection Act 1994* and can only be conducted after detailed risk assessments have been assessed and approved. These risk assessments require full disclosure to the Department of Environment and Heritage Protection (EHP) of all materials used in the process. Operators are required to conduct extensive monitoring and to notify landholders and the Queensland Government of the start and end of all hydraulic stimulation activities. These requirements are additional to regulatory obligations under Commonwealth Government approvals.

It is important to note that geological and regulatory factors are very different in the United States when compared with Australia—so direct comparisons of matters relating to hydraulic stimulation can be misleading.

In Queensland, coal seams are generally shallower than in the United States and fewer gas wells require hydraulic stimulation. Of the wells that have been hydraulically stimulated in Queensland, there have been no reported issues of non-compliance under the applicable regulations.

Potential impacts of a gas project on water are required to be addressed in the environmental impact statement and/or an environmental authority application. Following assessment, EHP decides the application and determines the conditions to be imposed on the environmental authority. The management of associated water is conditioned to comply with relevant standards for use e.g. ANZECC water quality guidelines for irrigation and stock use.

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In relation to indigenous rights associated with land, the Commonwealth *Native Title Act 1993* establishes processes to engage with native title claimants or native title holders where petroleum and gas activities will potentially affect the exercise of native title rights and interests.

Separate to native title processes, Aboriginal cultural heritage is also protected by Queensland's *Aboriginal Cultural Heritage Act 2003*.

Independent entities, such as the Gasfields Commission Queensland and the Office of Groundwater Impact Assessment (OGIA) have important roles within this framework. OGIA's key functions include assessing the cumulative impacts from the extraction of water from coal seams and specifying integrated regional management arrangements. The Coal Seam Gas Compliance Unit in the Department of Natural Resources and Mines also handles issues relating to the gas industry.

The petroleum and gas industry is important to the state's economy, supporting jobs for Queensland families and regional growth. The sector provides reliable energy to many households and businesses. Additionally, gas-fired generation accounts for approximately 24 per cent of commercially-generated electricity.

A key focus of the government is to ensure Queensland has a renewable energy future. The government has committed to investigating a renewable energy target for Queensland of 50 per cent by 2030, and sees gas playing a strong role in the transition to solar, hydro or wind energy.

In addition to offering greater flexibility and enhancing energy security, gas can produce electricity very quickly when solar, hydro or wind energy sources require backup. Gas provides environmental benefits by reducing carbon emissions and air pollution compared with coal-fired electricity generation.

The Queensland Gas Supply and Demand Action Plan seeks to maximise the gas sectors potential, secure supply to households and business users at affordable prices, while maintaining international competitiveness. The plan aims to achieve the right balance between a robust gas sector and the needs of landholders, local communities and traditional owners, while maintaining health, safety and environmental safeguards.

The likely impacts of a gas project on water are required to be addressed in the environmental impact statement and/or an environmental authority application. The direct impacts to water quality most commonly proposed by companies include the disposal of associated treated water. Following assessment, EHP decides the application and determines the conditions to be imposed on the environmental authority.

Over the longer term, the onshore natural gas industry will continue to be an important industry for Queensland.

I would be pleased if you would arrange the tabling of this response under Standing Order 125(3). Any enquiries regarding this response can be referred to Mr Paul Woodland, Chief of Staff, on telephone 3719 7360.

Yours sincerely



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