

STATE GAS PLAN PROVIDES CLEAR DIRECTION

NSW Irrigators Council (NSWIC) has welcomed the release of the NSW Government Gas Plan - as a significant step in providing the rigorous regulatory system for Coal Seam Gas (CSG) exploration and production that the Council has been advocating.

NSWIC CEO Mark McKenzie said that the Government's new Plan pulled together a large number of regulatory areas into one integrated package that will give irrigation communities more assurance that the CSG industry will be very closely regulated to ensure minimum risk to their water resources.

Mr McKenzie said that the Council welcomed the Government's acceptance of all of the Chief Scientist's recent recommendations on the establishment of a world-leading system of regulating the NSW CSG industry, and a separate series of recommendations on better arbitration of disputes over land access and compensation to affected landholders.

"Most importantly, making the Environmental Protection Authority the lead regulator of the compliance system for the CSG industry will give the regulations real teeth, and regional communities greater confidence that the compliance system is being rigorously policed," Mr McKenzie said.

"A key for us is that the Government will pause and reset exploration for CSG across the State and will buy back exploration licenses from some companies and extinguish 16 other current licence applications - leaving immediate CSG exploration activities largely centred on the AGL prospect at Gloucester and the Santos pilot project near Narrabri. This will ensure that only experienced gas companies with a sound technical track record will stay in the field. This is clearly not the place for \$2 exploration companies and the Government's move to restart the approvals process is a very positive step."

Mr McKenzie said, "Moving to more strategic assessment of where and when CSG should be tapped, measured against a thorough assessment of the social, economic, and environmental impacts for each project will give regional communities and irrigators more confidence that new CSG projects will be comprehensively assessed for the full impact of CSG production. This new Strategic Release Framework for future CSG projects is also very welcome."

NSWIC has also applauded the Government's commitment to extending its network of groundwater monitoring bores, and the creation of water quality baseline levels in each CSG exploration area. The Council also says the establishment of a Community Benefits Fund to allow regional communities impacted by CSG production to share in the Government's royalties, and the independent setting of compensation levels for individual landholders - are both very welcome initiatives.

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