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Bentley CSG suspension should be extended to Gloucester: residents

Local residents are calling for the suspension of AGL's coal seam gas exploration in Gloucester following the NSW Government's decision to suspend a similar permit at Bentley near Lismore.

Groundswell Gloucester says AGL has not done an Environmental Impact Statement (EIS) on its drilling plans for a new pilot project despite intending to operate within 350 metres of homes and having no credible plan to dispose of millions of litres of potentially toxic produced water AGL is now calling 'simply old salty water'.

Spokesman for the group Jeff Kite said "the absence of sound scientific understanding of the geology and the lack of a proper evaluation process were creating unacceptable risks".

"AGL is rushing to frack before the evidence is in" Mr Kite said.

"There has never been any meaningful community consultation on AGL's plans to frack as part of the planned development of a huge industrial gasfield in the Gloucester - Stroud Valley. The company is seeking approval for a pilot project without completing an EIS and without accepting formal public submissions on the project."

AGL's exploration licence expired over two years ago. It seems the Government will permit AGL to make any number of amendments to the Review of Environmental Factors for their pilot rather than reject it. AGL are now required to have a conditional EPA licence but this has not been determined and consequently AGL is permitted to continue without this licence and without an exploration licence.

"Many unanswered questions remain about the risks that the coal seam gas development poses to waterways, farmland, and local residents in Gloucester. Regulatory agencies seem content to allow matters to drift on indefinitely."

"AGL still don't have a realistic plan to dispose of millions of litres of polluted water from gas well testing and future operation. Their proposal to spray the blended water onto crops without treatment is ludicrous. That cannot be a long term solution."

AGL are currently seeking approval from the NSW Government to conduct hydraulic fracking in Gloucester, less than 350m from the nearest family home. Groundswell Gloucester believes the Government cannot lawfully approve the pilot without an Environmental Impact Statement.

"In our view it would be unlawful for the NSW Government to approve AGL's fracking project without a full EIS with formal public submissions. Our lawyers wrote this to the Office of Coal Seam Gas in November 2013. We are still waiting for a response that addresses this issue."

"The NSW Government has shown wisdom and leadership in suspending the Lismore CSG licence. We ask them to extend this to approach to Gloucester, and suspend all AGL's approvals until it is shown that the proposed coal seam gas development is safe, and is wanted by the community at large."

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Background and further information

AGL hold Petroleum Exploration Licence (PEL) 285, over the Gloucester valley. The licence was last renewed by now-disgraced former NSW mining minister Ian Macdonald in 2008. It expired in April 2012, and is pending renewal.

In February 2011 AGL were given conditional approval by the outgoing Labor Government, just days from entering caretaker mode, for Stage 1 of the Gloucester Gas Project, involving 110 wells in a production scale industrial gasfield. Approval was given despite a lack of understanding of the risks of the project, and pending the completion of further studies. AGL have not satisfied the conditions of approval and have not commenced the project. Their application for Petroleum Production Licences is pending.

For the Stage 1 project, AGL are not legally obliged to honour the 2km residential exclusion zone for coal seam gas brought in by the O'Farrell Government in 2013, as it was already approved. AGL show no interest in honouring the exclusion zone as gesture of good faith to the community.

Since late 2012 AGL has been irrigating salt-tolerant crops on a property the company owns near Gloucester, using a blend of 1 part (CSG) produced water to 3 parts fresh water from the Avon River. Crops grown under the program have been sold to local farmers for use as livestock feed. There is still no viable plan for the disposal of millions of litres of toxic CSG water that are produced as part of well testing and would be produced in much greater quantity if production-scale drilling proceeds.

In September 2013 AGL submitted its application for the Waukivory Pilot Project: a proposal to frack four previously drilled wells just 700 metres from the Forbesdale residential estate and 350 metres to the nearest house. There was no meaningful community consultation on the project. AGL's application was accompanied by a Review of Environmental Factors - a desktop environment review lacking the rigour of an Environmental Impact Statement. If an EIS were done on the project, submissions from experts and the public would be taken. This is not the case for an REF. Although not required under a normal REF, community consultation of proposed fracking activities and their Fracture Stimulation Management Plan (part of the REF) is a mandatory requirement the NSW Code of Practice for Coal Seam Gas Fracture Stimulation.

In November 2013 the Environmental Defenders Office wrote on behalf of Groundswell Gloucester to the Office of Coal Seam Gas and the Minister for Mineral Resources arguing the legal necessity for a full EIS – with public submissions – to be completed before a determination can be made on the Waukivory project. The Government is yet to respond with any meaningful reply, but did advise Groundswell that a response would be forthcoming before any approval is given, but then changed their mind and said it would respond after the determination of the REF.

Meanwhile the OCSG continues to accept a string of revisions to the REF and fracking proposal. The Office has informed residents, however, that there will be no community consultation on the revised plans before a decision is made.