

4. MAYORAL MINUTE

No mayoral minute this round

5. PETITIONS

No Petitions this round

6. CORRESPONDENCE

6.1 Hon Chris Hartcher MP Minister for Resources and Energy

Attachments

1. Copy of letter from Hon Chris Hartcher MP
2. Copy of Council's letter

Responding to Council's letter regarding the Camden Gas Project and the Legislative Council Inquiry into Coal Seam Gas.

Officer's Recommendation

That the letter be received and the information be noted.

Council Meeting 16 October 2012 (Borg/Greiss)

That the Officer's Recommendation be adopted.

Amendment (Chanthivong/Borg)

1. That the letter be received and the information be noted.
2. That Council make further representations to the Minister for Resources and Energy requesting that no new licences for Coal Seam Gas mining or exploration be approved or renewed until such time as scientific evidence guarantees that such activities do not compromise the environment or health and safety of the community.
3. That Council write to the State members for Camden, Campbelltown, Macquarie Fields and Wollondilly asking them to support Council's position on this matter.

Council Resolution Minute Number 172

That the above amendment be adopted.

A **Division** was called in regard to the Resolution for Item 6.1 - Hon Chris Hartcher MP Minister for Resources and Energy with those voting for the Motion being Councillors Borg, Brticevic, Chanthivong, Dobson, Glynn, Kolkman, Lake, Lound, Oates and Thompson.

Voting against the Resolution were Councillors Greiss, Hawker, Matheson, Mead and Rowell.

ATTACHMENT 1



Chris Hartcher MP
Minister for Resources and Energy
Special Minister of State and
Minister for the Central Coast

01/05/12 09:09:07 RCUC

IM12/29155
MF12/6956

Mr Paul Tosi
General Manager
Campbelltown City Council
PO Box 57
CAMPBELLTOWN NSW 2560

Dear Mr Tosi

Thank you for your letter of 10 August 2012 regarding the Camden Gas Project and the Legislative Council Inquiry into Coal Seam Gas. I have noted Council's resolutions from its Ordinary Meeting held on 5 June and 3 July 2012.

As you are aware, the Legislative Council Inquiry into Coal Seam Gas has tabled its report on the environmental, economic and social impacts of coal seam gas mining in NSW. The NSW Government is carefully considering the Inquiry's recommendations. 32 of the 35 recommendations have been partially or fully implemented.

The grounds for a Minister not renewing an exploration licence are stringent and require that there be substantial non-compliance or breaches of licence conditions. Cancellation of licences is a last resort. Any enforcement action taken must be proportionate to the risk and potential impacts of the non-compliance. Such actions may include directions; warning notices; fines; prosecution; or cancellation.

Any attempt to cancel without proper grounds would be subject to legal challenge where it is likely the licence holder would succeed. Such a misuse of public authority by a Minister could see Court action with a strong likelihood of damages and costs being awarded against the government.

Cancelling licences without due regard for the legislative framework put in place by the Parliament creates investment uncertainty and may result in a perception of sovereign risk and damage investor confidence in NSW.

Thank you for bringing Campbelltown City Council's concerns to my attention.

I have also sent a copy of this letter to Bryan Doyle, MP and Chris Patterson, MP.

Yours sincerely

A handwritten signature in black ink, appearing to read "Chris Hartcher".

Chris Hartcher MP

27.9.12.

CC: Bryan Doyle, MP; Chris Patterson, MP.

GPO Box 5341, Sydney NSW 2001

Phone: (61 2) 9228 5289 Fax: (61 2) 9228 3448 Email: office@hartcher.minister.nsw.gov.au

ATTACHMENT 2



10 August 2012

The Hon. Chris Hartcher
Minister for Resources and Energy
Governor Macquarie Tower
Level 37, 1 Farrer Place
SYDNEY NSW 2001

Dear Minister

The Camden Gas Project and Parliamentary Inquiry into coal seam gas by the General Purpose Standing Committee No 5

I refer to correspondence from Council, dated 20 October 2011, which outlined concerns associated with the Camden Gas Project and requested a moratorium on coal seam gas extraction activities until conclusive evidence emerges that this practice does not damage groundwater sources. The receipt of responses from the Minister for Planning and Infrastructure and Minister for Resources and Energy to this correspondence is appreciated. However, both replies were considered not to have provided sufficient information to justify an alteration to Council's position.

The reply from the Minister for Resources and Energy was noted to state that one of the controls introduced to negate the need for the imposition of a moratorium was the "*Placement of a moratorium on hydraulic fracturing pending the completion of an independent review by the NSW Chief Scientist and Engineer (Chief Scientist) into standards and well design to ensure world's best practice*". It is understood that a report on this review is currently being considered by the NSW Government.

Consequently at its meeting on 5 June 2012, Council resolved:

- 1. That Council again write to the Premier and relevant Ministers requesting a moratorium on any further coal seam gas mining until conclusive evidence emerges that this practice does not damage groundwater sources.*
- 2. That the Council submission question whether 'World's Best practice' as considered by the independent review of the NSW Chief Scientist and Engineer is relevant to Australian Geology.*

I further refer to Council's submission to the Parliamentary Inquiry into Coal Seam Gas, which expressed concern that the rapid expansion of the coal seam gas industry appears to be occurring without sufficient definitive scientific research particularly in regard to potential

impacts on surface and groundwater resources. The recommendations of the Parliamentary Inquiry are considered to be largely consistent with Council's concerns raised in this submission as well as other Council submissions and correspondence related to the Camden Gas Project.

However, the support by Council for the adoption of all the recommendations of the Parliamentary Inquiry by the NSW Government is subject to the resolution of key issues and concerns previously raised by Council in submissions on both the Camden Gas Project and the Parliamentary Inquiry into Coal Seam Gas. At its meeting on 3 July 2012 Council considered a report on the outcomes of the Coal Seam Gas Inquiry and resolved to:


Write to the Premier, Minister for Planning and Infrastructure, Minister for Resources and Energy and all State local members within the Campbelltown Local Government Area urging their support of the 35 recommendations contained within Report 35 titled 'Coal Seam Gas' of the General Purpose Standing Committee No 5 of the NSW Legislative Council subject to :

- i. Council requesting the Government to impose a moratorium on all coal seam gas activity approvals including approvals for exploration licences, development consents and production licences until such time as conclusive evidence emerges that confirms that these activities do not have a negative impact on the environment including water resources, both groundwater and surface waters.*
- ii. These recommendations being considered by the Government in conjunction with all the other submissions made by this Council on Coal Seam Gas extraction.*
- iii. The Government making appropriate provision for Councils to appeal determinations made for all coal seam gas extraction activity proposals, including exploration.*
- iv. The Government making appropriate provision for all approvals for coal seam gas extraction activities, including for exploration, mandating the complete rehabilitation of coal seam gas extraction sites by the proponent, following the completion of exploration or extraction activities.*

Additional information to clarify each of the specific points of the above resolution is attached. On behalf of Council, I would appreciate a response to each of Council's resolutions.

If you require any further information please contact Council's Director Planning and Environment, Jeff Lawrence, on (02) 4645 4575.

Yours sincerely



Paul Tosi
General Manager

6.2 Department of Primary Industries

Attachments

1. Copy of letter from Department of Primary Industries
2. Copy of Council's letter

Responding on behalf of the Minister for Planning and Infrastructure to Council's letter concerning the draft NSW Aquifer Interference Policy.

Officer's Recommendation

That the letter be received and the information be noted.

Council Meeting 16 October 2012 (Lake/Mead)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 173

That the Officer's Recommendation be adopted.

ATTACHMENT 1



Department of
Primary Industries
Office of Water

File ref: MF12/5855

Mr Paul Tosi
General Manager
Campbelltown City Council
PO Box 57
CAMPBELLTOWN NSW 2560

02/07/12 08:10:36 RCVE

Dear Mr Tosi

I refer to your letter of 22 May 2012 to the Hon Brad Hazzard MP, Minister for Planning and Infrastructure, Minister Assisting the Premier on Infrastructure NSW, concerning the draft NSW Aquifer Interference Policy. Your correspondence was forwarded to the Minister for Primary Industries, who has asked me to reply on her behalf.

The draft Policy ensures that water taken by certain activities that may interfere with aquifers is properly licensed and accounted for in our water sharing arrangements.

State significant mining and coal seam gas proposals will be assessed through a gateway process, taking into consideration advice provided by the Minister for Primary Industries, which will be based on the provisions of the Policy.

The initial public exhibition of the draft Policy occurred during March to May 2012 and resulted in more than 500 submissions being received from interested parties. Following consideration of the matters raised in those submissions, amendments were made to the draft Policy which required further consultation being undertaken with key stakeholders.

The stakeholder consultation period closed on 10 July, but due to requests for more time to consider these changes, this was subsequently extended to 20 July. Comments arising from the stakeholder consultation will now be reviewed, after which the Aquifer Interference Policy will be finalised and implemented.

Thank you for raising this matter with the Government.

Yours sincerely

A handwritten signature in black ink, appearing to read 'David Harriss', with the date '31.7.2012' written below it.

David Harriss
Commissioner, NSW Office of Water

ATTACHMENT 2



22 May 2012

The Hon. Brad Hazzard
Minister for Planning and Infrastructure
Level 31 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister

Draft NSW Aquifer Interference Policy application to State Significant Developments

The NSW Office of Water recently released the Draft NSW Aquifer Interference Policy (AIP) for public exhibition, as a part of the preparation of a Strategic Land Use Policy to provide protection for land of high agricultural and biodiversity significance within NSW from the impacts associated with coal seam gas and mining operations.

At its meeting on 1 May 2012 Council considered a report on the Strategic Land Use Policy and resolved (in part)

That Council write to the Minister for Planning and Infrastructure and strongly request that all State Significant Developments (including those not yet to be determined) be subject to the full requirements of the Aquifer Interference Policy.

Council asserts that all State Significant Developments (such as the approved Bulli Seam Project and Camden Gas Project), irrespective of their approval status, should not be exempt from requiring an aquifer interference approval under the AIP. This recommendation is based on the significant deficiencies in the assessment of water related impacts in regard to coal seam gas and mining development applications to date. Groundwater investigation studies, required for the approval of projects, should be conducted in accordance with the requirements for licences outlined in the draft AIP.

In addition exploration activities associated with both coal seam gas and mining activities that can potentially impact on surface and groundwaters, including the interconnectivity of aquifers, should be subject to the requirements of the AIP rather than the current process under Part 5 of the *Environmental Planning and Assessment Act 1979*.

Council appreciates your consideration of this request and looks forward to your response. If you require any further information please contact Council's Director Planning Environment, Jeff Lawrence on (02) 4645 4575.

Yours sincerely

A handwritten signature in black ink, appearing to read "Paul Tosi", with a long horizontal flourish extending to the right.

Paul Tosi
General Manager