

Engagement is Never Done, SA Roundtable for O&G, 1st December 2016



Government
of South Australia

Department of
State Development

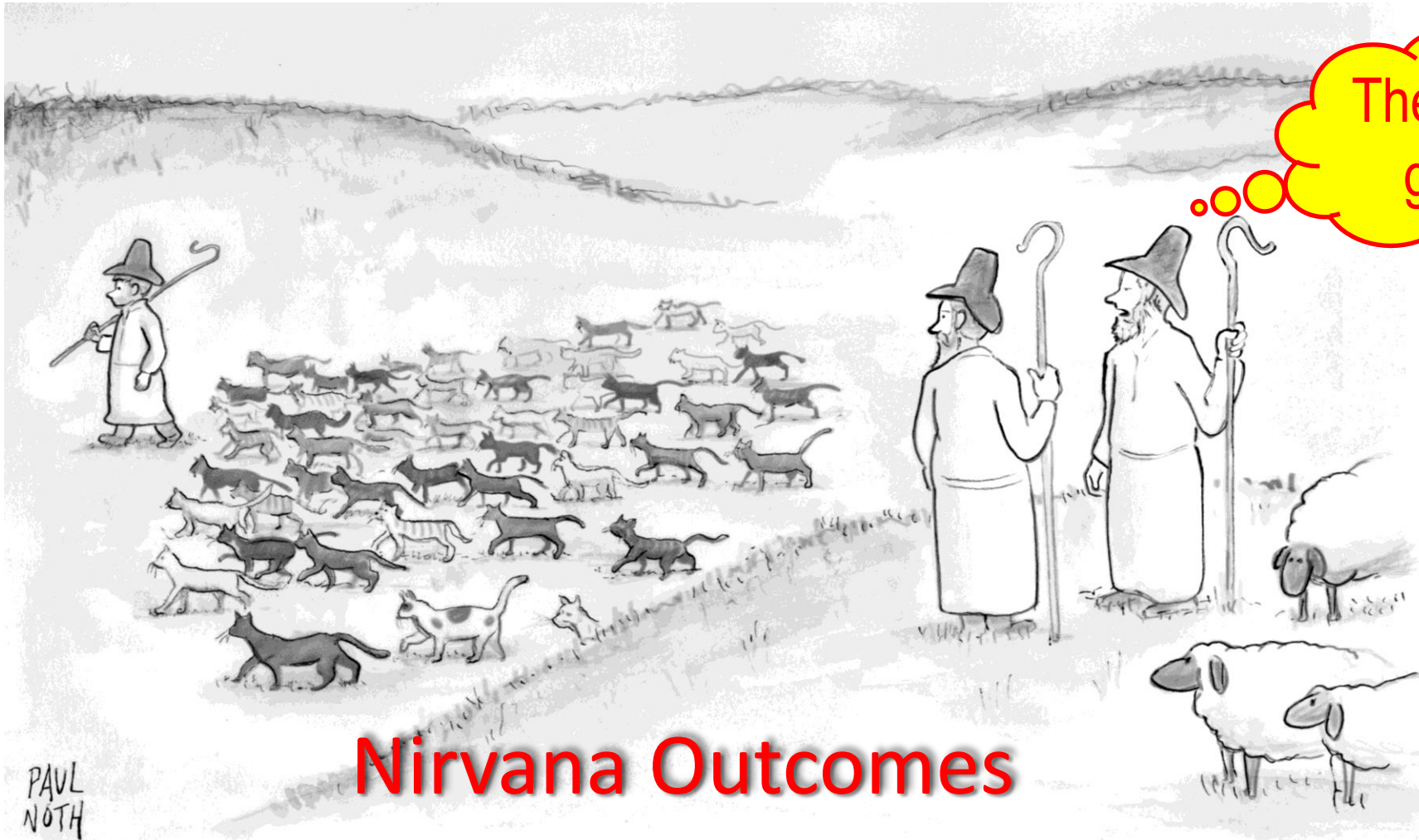


South
Australia

Barry Goldstein

Executive Director

Dept of State Development



Nirvana Outcomes

Vision for Nirvana: Centuries of safe, secure, competitive energy supplies that meet community expectations for net outcomes

To reach the vision

- Simultaneously attain trust with investors and the public
- Gain community consent for (locally) unfamiliar activities **BEFORE IT IS PERSONAL** – before approval sought for on ground activities;
- Potentially affected people and enterprises get timely information to enable informed opinions;
- Convene **roundtables** & deliver **roadmaps** to inform: the **PUBLIC, GOVERNMENTS, AND INVESTORS**, - enable/attract welcomed projects.
Clarify what the future may bring.

• **RELENTLESS ENGAGEMENT IS REQUIRED**



Government
of South Australia

Department of
State Development



South
Australia

South Australian Parliament's Natural Resources Committee's Inquiry into Unconventional Gas Development In the SE of South Australia Recommendations (in brief)

1. Without social licence, unconventional gas exploration/development should not proceed in the SE of South Australia. The committee found that social licence to explore/develop unconventional gas does not yet exist in the South East of South Australia.
2. While the specific process of hydraulic fracturing or “fracking” in deep shale, properly managed and regulated, is unlikely to pose significant risks to groundwater, other processes associated with unconventional gas extraction, including mid to long-term well integrity and surface spills, present risks that need to be properly considered and managed. Furthermore, groundwater use in any unconventional gas extraction processes in the SE should be considered in relation to the existing Limestone Coast Prescribed Wells Area Water Allocation Plan (WAP) and other relevant regional WAPs.

South Australian Parliament's Natural Resources Committee's Inquiry into Unconventional Gas Development In the SE of South Australia Recommendations (in brief)

3. A review of the *Petroleum and Geothermal Energy Act 2000* and relevant regulations would be appropriate, with particular consideration given to:
- defining terms such as “consultation processes” and “risk” to provide more clarity to the public and other stakeholders in relation to regulated activities;
 - the development and integration of formal guidelines for community engagement and consultation to assist with negotiation processes and achievement of social licence;
 - the perception of a conflicted regulator/promoter, and hence the role that other state agencies and departments, such as the Department of Environment, Water and Natural Resources, the Environment Protection Agency and Primary Industries and Regions SA, might fulfil in managing aspects of exploration and development such as water use, community consultation, landowner rights and ongoing monitoring.

South Australian Parliament's NRC's Inquiry into Unconventional Gas Development In the SE of South Australia

4. The potential for disruption to landscape and local community in exploration, construction and production phases of unconventional gas development should be addressed in agreements with landholders, state and local government prior to any significant works occurring.
5. A definitive proposal for unconventional gas development in the SE of SA should be produced before any further consideration can be given to potential economic benefits. This would enable social, economic and environmental impact studies to be undertaken to collect baseline data and inform consultation and community engagement processes. It was not possible for the committee to conduct or commission any economic analysis of prospects for an unconventional gas industry in the SE of SA without a definitive proposal but based on expert evidence received on recent developments in the global energy markets, the committee concluded that the window of opportunity for a SE of SA unconventional gas industry may already be closed. This may change, depending on future events in the international market.

Experience and Regulatory Framework in South Australia

1969

Fracture stimulation has been used safely in South Australia since 1969, in both conventional and unconventional wells.



More than 700* wells have been fracture stimulated in the deep sandstone reservoirs of South Australia's Cooper Basin.



No fracture stimulation allowed outside the Cooper Basin without detailed assessment to inform stakeholders ahead of consultation.

45 Years

of fracture stimulation (fracking) in South Australia

0

Negative impacts identified



Water resources



Soil



Native vegetation and fauna



Landscape and heritage



Air quality



Health and wellbeing of people and enterprise

South Australia has a **BAN** on all oil, gas, geothermal energy and gas (including greenhouse) storage operations **UNTIL** potentially significant risks, risk mitigation strategies and residual risks are established and after **EFFECTIVE CONSULTATION** with potentially affected people, enterprises and organisations.

This is achieved with **STATEMENTS OF ENVIRONMENTAL OBJECTIVES (SEOs)** resolve that operations- and region-specific risks are reduced to as low as reasonably practical and meet community expectations for net outcomes

Thereafter, SEOs are approved and operators give **NOTICE OF ENTRY (NoE)** with sufficient project details to enable stakeholders to make informed decisions whether or not to object to land access.

Every potentially directly affected person, enterprise and organisation is given **NoE** can be a show-stopper with disputes resolved in court. **~15,500 NoEs since 2000 without a single instance of court proceedings**

Meeting of the Roundtable for O & G Projects, 1st December 2016



Government
of South Australia

Department of
State Development



Barry Goldstein
Executive Director
Department of State Development
South Australian State Government