

MY COMMENTS RELATED TO THE NARRABRI TRIBUNAL MEETING TRANSCRIPT

My name is Christopher Robertson, Lower Belford NSW. My community is impacted by AGL's proposal for CSG in the Belford/Lower Belford area. My background is in public land management and real estate valuation. I have a rural property at Lower Belford and it is used for equine operations and lifestyle. I was the initiator and original president of the Lower Belford Residents Alliance. A survey of our community resulted in 97% plus residents not supporting CSG in our area and not one person registering support for CSG.

Here with are my additional comments following the tribunal meeting at Narrabri;

"landholders are in the best position to determine what compensation is appropriate for them." The committee may say that but landholders are at a huge disadvantage when compared to the resources of the gas companies. We do not have the multi million dollar "spin" factory that is the Minerals Council who, when things start to go against them can call a "round table" conference of sophists who are paid large salaries and trained in the black arts of manipulation by media to work out strategies for altering public perception with the use of half truths, misleading statements and throwing large sums of money in to advertising.

"Landholders and gas companies need to take time to understand each other's business and work together to make the arrangements work for both sides." Why, in so many NSW communities they have been consulted and percentages of 95% plus has been the result showing CSG is not wanted. CSG and the community are not compatible bedfellows and this can be seen by the numerous communities that have declared themselves "CSG Free", how often do we have to tell this industry we do not want them and we do not wish to work with them so that they can destroy our lives.

"Others commented that our review should consider "compensation for when things go wrong.

These matters are outside the scope of our review." Then the scope needs to be widened, industry has had too much input in to the guidelines for compensation and the Community Benefits Funds. Too many things have already gone wrong with this industry and government must recognise this in a number of ways:

- Fines for breaches of conditions that reflect the impact of the breaches. These fines should cover the cost of compensation to those impacted and additionally a deterrent to the gas company and this deterrent value should be twice the cost of what it would have cost the company to comply with the conditions of the mining agreement and a "three strikes you are out" condition that cancels the PEL.*
- The rights of those impacted to sue gas companies/government included and protected in the conditions of the mining approval.*
- An independent body, other than the EPA, to be funded by government to oversee/investigate and refer for prosecution of gas companies. "There are a range of environmental and other regulations in place including that all coal seam gas activities are subject to environmental protection licences. New measures are also being implemented as part of the gas plan." The EPA does not have a good track record here and needs to be removed from the process- too much government interference with the EPA.*
- Set a limit on the number of breaches (contamination, rehabilitation, discharges, waste disposal etc) and once exceeded the licence of the gas company is terminated and not allowed to be reissued.*
- Monitoring - to adequately compensate landholders there needs to be an independent base line study done of the original community, then that community needs to be independently monitored for the entirety of the mining process, the cost borne by the mining company and the monitoring available on line as it comes to hand with no withholding of information by the monitor, gas company or government, it must be a full and open matter of public record. Self monitoring does not work (see the RAF problems currently at Williamstown), and the EPA has be found wanting previously. This base line monitoring must cover all issues- public health, water, environment,*

well integrity, rehabilitation, assessment of community values and lifestyles, air quality, gas leakage, property values etc.

“The New South Wales government is also consulting on a Community Benefits Fund which aims to ensure that communities in which the gas industry operates benefit from those activities through the funding of local projects in those communities.” *I think this is just like political donations by mining companies – an attempt to lure communities with the promise of “projects”; to me even if the whole royalty revenue was given back to the communities it would not cover the cost of the adverse impacts and it does not reflect the different levels of impact on the different members of the community. This should be fully funded by the gas industry. The CBF does not seem to cover all those impacted by loss of value to the most valuable asset, their homes and until that is included in compensation then not every one will be “no better or worse off”. Fix this issue it is core to the whole goal of compensation.*

“So far we have been thinking of compensation so that landholders are no better or worse off as a result of a gas project. However our terms of reference for this review ask that landholders also share the benefits of gas production. In our compensation model, we have also included a benefit - or incentive - payment.” *To achieve the result of no better or worse off there are issues that your compensation guide lines do not include, I have mentioned these in my original sub missions and included some of them again in this submission.*

“Neighbours who are affected by a gas project need to be identified and the impacts on them managed to reasonable levels through environmental licences and planning approvals. In the event that impacts like noise or operating hours exceed reasonable levels, a written agreement needs to be made. It is in these instances - where impacts exceed reasonable levels - that we recommend compensation be made to neighbours.” *Not good enough- there is a major difference here with CSG, it has a major impact on property values for the whole community whether or not actual gas infrastructure is on a property- water contamination, air pollution health issues, environment are not constrained by property boundaries. One should value the whole community for compensation and then the compensation proportioned to all properties within that community. The impact of CSG is on ALL the land within the community, all the land is adversely impacted in its value by CSG extraction. Mr Barrett’s comments “will” affect the groundwater of the Gunnedah-Oxley Basin.” *And this impacts on neighbours in a community that do not have CSG operations on their land, it would be unfair for them not to receive compensation, fix this omission.**

“At a minimum, compensation would be the equivalent of an allowance to relocate during the period when impacts exceed reasonable levels. We understand it's often not possible to physically relocate, however, in our view, a relocation allowance will form a minimum benchmark for compensation.” *What a load of codswallop, nothing can fully compensate you for being removed from your home and your guidelines do not cover the distress, mental issues, time, family upheaval and even suicides associated with the intrusion of this industry.*

“The New South Wales government is also currently designing a Community Benefits Fund which aims to provide benefits to neighbours and the broader community in which the gas industry operates - namely, benefits through local funding for projects.” *How do you compensate a community for loss of tourism, jobs, amenity, lifestyle, development, industry, shops, stress/mental health, community members (leaving are/suicide etc. and the LGA authority for increased infrastructure such as roads, counselling, water supply, signage, public information etc., as I have said this compensation has to compensate the community in its entirety for the impact it has had it is not just the individual landholders who are impacted it is the whole community and the community assets.*

“NSW Farmers Association be funded to take on two key roles.”- *it must be ensured that these roles are available not to just farmers but to all those impacted, in my area it includes lifestyle residences, wine industry, equine facilities, hobby farms, by all means let it be done by NSWFA but not restricted as to who can access the service.*

“a voluntary and non-identifying public register of compensation payments.” - allow identification if that person consents and remove all confidentiality clauses from agreements between the landholders and the gas companies. Review all existing agreements and allow the landholders the right to renegotiate once they have access to all the facts and existing agreements.

“MR SMITH: The compensation model includes an entry for the amount of time you spent both upfront signing the agreement and then on an ongoing basis managing the agreement or doing monitoring, as you call it.” Does this include the time spent fighting CSG in your area, the submissions you write, the research you need to keep on top of the issue, over the years this adds up to a considerable amount of time?

“Mr Campbell’s comment in relation to- “96 per cent of local people or people in the district don't want this thing going on in the community.” and the fact he does know where these figures come from. Mr Campbell must not do his research because there are numerous communities across the country that have survey their residents and declared their community “CSG FREE”, his comment is a deliberate attempt to mislead and a common tactic of those involved in the mining industry. I take offence at his statement, mining companies do surveys all the time, community groups do the same, we did in our area over a number of weeks with several volunteers who made an effort to contact every resident in our community with a survey form, our result was 97%+ anti CSG with not one positive for CSG, very convincing to our group that CSG wasn't wanted locally. This same result has been found all over communities in NSW and Australia that are impacted by this unwanted industry. Is the committee aware of any community in Australia that is impacted by CSG, has been surveyed and said they are in favour of the industry moving to there area, I for one am unaware of any such community.

MS HUNTER: Mr Boxall, I want to address a question to you or maybe the secretariat. I wondered when you were thinking through all this and the fact that there is no ability for landholders to actually say no, how did that figure in your thinking about compensation because ultimately that's the only option that landholders have? So how does that influence the compensation that's agreed to? With no ability to say no to gas companies landholders are disadvantaged- government needs to be told by this committee that this needs to be considered by them and that it impacts on the ability of landholders to be left “no better or no worse off”. I agree strongly with these sentiments.

“The second stage is the share in the production, and it's the share in the production which actually gives something extra.” – while this maybe seen as additional money for the community I feel it an inadequate addition to the compensation that is to be paid, the community impact is greater.

“By anyone's definition, how do you define a community? It is about people coming together for the common good of that community to do something on a voluntary basis. Having a massive great extractive industries slush fund will not solve the problem; in fact, it will probably make the problem a whole lot worse. If we look at welfare independent communities and talk about government welfare, that doesn't make it a better community. It's the community coming together with no cash involved, possibly to raise money in the community for the benefit of the community on a voluntary basis that gives you strength in the community, not throwing cash at it. I think that this whole Community Benefits Fund will be rather problematic. Throwing cash at the issue will not solve the problem.” I could not agree more with Mr Donaldson's statement.

Ms Ciesiolka - “The reality is if we destroy the land and the water and the biodiversity upon which our very lives depend out here, then no amount of money will solve that problem. In the same way if we destroy an aquifer, no amount of money thrown at it at that point in time will change the outcome.” How do you compensate landholders for these issues? Currently, as advised by a government water official at a Singleton CSG public meeting, there is no technology available to rectify an aquifer if it is damaged or contaminated. How do you compensate for damage to and aquifer when (a) it is contaminated (2) when it is damaged and less water is available as a result, government needs to be the instigator of legal action and the resultant compensation shared by those impacted, legal action should not be a cost to landholders for CSG approvals that governments grant.

Ms Hunter – “ Do you think it is prudent to refer to those (Community Benefits Fund/Chief Scientists report) if they are not finished (or implemented).”- *You cannot determine just compensation without the completion or implementation of these reports, they impact too much on the final outcome. What are the legal implications if compensation is challenged in the court and the question is asked about the reports recommendations that have never been implemented, such as the need for technology to catch up with the gas extraction process before gas extraction is allowed to proceed. How can compensation be determined under such circumstances?*

Ms Suh –*In answer to Ms Suh, assuming a typical lifestyle property in my local area of Lower Belford , say 22ha with a dual occupancy residential building and ancillary buildings value \$800,000. Just looking at your example and relating those decreases to the residual land and for me assuming that they also reflect the decrease in value to the improvements as well, it would show a decrease in the first two years of about 44% (\$352,000). We could argue about the 30% and 20% decrease for improvements but with a lifestyle property these percentages may not even be adequate, especially when special value to the owners is taken in to consideration.*

Mr Hicks – “We base the value that is at the bottom of our compensation package on the Valuer General's values.” *VG valuations are at a base date and are for the purpose of rating assessment, a way of proportioning rates through out the community, they are a mass produced assessment and are not likely to reflect the true current market value of the land of impacted landholders. Being a based date assessment they may not even reflect the current situation with regards pre or post CSG values. To say there is no discussion, debate or argument about what the land value is going to be is a sad reflection on the integrity of your company and your misleading assessment of market value.*

“It is the same here in New South Wales - you get one agreement”. Why just one agreement, situations vary? With regards your comments on co existence please see above paragraph.

“I assure any landholder in New South Wales that Santos will never pay lump sums.” The bully boy mining industry at it again dictating the terms to landholder and telling the tribunal what their industry will accept, wake up everyone the mining bully boy is in town. Santos may not wish to pay lump sums but in some instanced I feel they should be required to pay upfront sums and acquire properties on just term, a recommendation I also as the tribunal to consider. Paying only for the full life of a project does not include on going issues with regards disused wells and infrastructure and the issues associated there with; and issue that the mining industry has a long and detailed history of ignoring, A history I am well aware of with my background in public land management and being a resident of the Hunter Valley.

Will Santos undertake to finance baseline studies by an independent authority of all the issues related to CGS extraction prior to commence of their projects so that a full and evidence based assessment can be made of the impact of their industry on the local community, without such how can compensation be accurately assessed for the issues related to specific communities that have such varied desired outcomes for the people who live there, lifestyle, equine, wine, tourism, agriculture, “tree change” retirement etc.

Ms Moody –*I disagree with Ms Moody’s comments and consider them selective and used as a means to justify her industry. I am aware that locally the impact of proposed CSG extraction has put off potential buyers and that I personally, with my career background, would avoid purchasing such a property. As it is when I purchased my property CSG was not an issue in our local area, 25 years later it is. The intrusion of AGL in to our local area has had a huge detrimental impact on my family and I detailed these impacts in my submission to the tribunal. I consider your comments on par with those of Mr Hicks and find them misleading when compared to my actual experiences.*

I take on board your comment about wanting a good relationship with your landholders or it is not worth it, even though it is not Santos in our area but instead AGL I would like you to take on board that our community group surveyed our community and not one person said they wanted CSG, 97%+ said they did not want it, so take it back to your industry, you are not wanted in Belford/Lower Belford.

What happens after the life of a well, to me while that infrastructure is still in place, producing or not, compensation should continue until the well and infrastructure is completely removed and there is no leakage of gas, remaining contaminants and water resources are back to pre gas extraction conditions; this is essential and also stresses the need for the pre CSG baseline studies without which fair compensation cannot be accurately assessed.

Mr Hicks-*"The important principle is that any compensation needs to be paid and be linked to and tied to our activities at that time on the property."* *How many more of these dictatorial statements do we have to listen to from this industry, they are again misleading the landholders and the tribunal, they say compensation has to be linked to their activities at the time on the property completely dismissing the on going issues that remain once production has ceased. That may be Santos's principle but it does not allow for the on going legacy of Santos's activities on the land, that legacy includes wells, the resultant strata impacts of drilling, operations and fracking and infrastructure. Compensation must reflect the on going impact of CSG operations once production has ceased. Those impacts are on the value of the land impacted such as reduced value, reduced market interest as a result of CSG, well leakage, gas omissions, water contamination, reduced access to water such as drop in water table or aquifer damage/contamination, the list goes on.*

Hick's comments about Santos may wish to sell out to another gas company- *what happens to the compensation and legal liability for existing issues do these remain with Santos or do they past to the new owner and if so what happens when the new company does not have the financial resources to cover these issues? An answer may be that PELs should not be transferable and once a company no longer requires a PEL it is handed back to government with an adequate payment to cover existing and future issues of that PEL, alternatively an ongoing insurance policy taken out by the gas company to cover such issues, that would be an interesting issue for the insurance company when they have to calculate the annual fee for the policy.*

The pack of cards Mr Hicks is dealing from seems to have too many "get of goal free" cards in favour of Santos and no "Aces" for the landholder. The term that comes to mind when dealing with mining organisation operators is sophist and I like Plato's interpretation of the word.

I must also say that I feel the chairman's response to Mr Barrett's comments about "Santo's parlous financial state" and Mr Barrett's concerns about compensation if Santos is financially incapable of meeting those commitments was rather dismissive; in my working live I witnessed many mining sites that were now the responsibility of state government to clean up and there were inadequate government resources available to provide adequate rehabilitation.

Mr Quince- *I agree with Mr Quinces comments about "base line" monitoring but I would want it to cover all aspects of CSG extraction issues not just water resources. These studies should be independent and a cost of doing business for the PEL owner.*