

Fiery debate

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Hunter residents fear the damage from an onslaught of coal seam gas exploration outweighs the environmental benefits of the final product, writes FRANCES THOMPSON.

GROWING opposition to coal seam gas is going national with Hunter communities playing their part in a wave of protest along Australia's east coast.

Much like the web of tracks that connect the fast-spreading networks of wells in Queensland and NSW, farmers, winegrowers and ordinary residents in the Hunter have joined a national alliance that wants a moratorium on coal seam gas [CSG] exploration and increased regulation.

Recently, representatives from Queensland, NSW and Victoria from industries such as wine and tourism and community and environment groups, met at Broke in what Hunter Valley Protection Alliance spokesman John Thomson said was the first united move in Australia against coal seam gas.

"It [the campaign] has stopped being individual communities," Thomson said. "We are united and we are pushing at all levels of government."

In the Hunter, AGL appears to dominate the search for coal seam gas - although mining giant Xstrata is extracting gas for power generation at Teralba.

Thomson said it was easy to unite public opinion because the environmental and community issues were the same, no matter where the wells were sunk.

"People start doing research on the web and there is heaps of information and that scares the bejesus out of them.

"Before you know it you've got community action," Thomson said.

AGL's Hunter gas project area extends from Newcastle to Scone and Merriwa. The company has drilled 22 cores and wells in the Broke/Bulga area. In Broke, five core holes were sunk as well as two test wells.

Its Gloucester project, centred on Stratford, includes 110 well sites in stage one and a pipeline to the company's proposed \$300 million liquefied natural gas storage plant at Tomago, which has been declared "critical infrastructure" by the NSW government.

Singleton councillor Alison Howlett said the coal seam gas industry was under-regulated.

"It is our big challenge to get this right," Howlett said. "We have learned to live with coalmines but [with gas] we are in a watershed moment. It is like being back in the early 1980s."

This week, Howlett moved successfully at council for Singleton's new Local Environmental Plan to prohibit coal seam gas exploration and development in parts of the local government area, including Broke.

If the NSW planning minister vetoes that move, Singleton council resolved to make coal seam gas exploration a land use requiring council consent, robust environmental assessments and community consultation.

A similar resolution was moved by Cessnock City Council in October.

Thomson and Howlett say AGL's operations in the Broke area have received minimal assessment by government authorities and the criticism is backed up by documents tabled last week in NSW Parliament.

The documents show the state government has little understanding of the possible environmental impact of coal seam gas exploration, including wells proposed for inner Sydney.

Officials within the Department of Environment, Climate Change and Water had no knowledge of what was occurring, since it had no say in exploration activities, a staff email among the documents stated.

University of Newcastle water expert Professor Garry Willgoose, who was appointed by the government to provide independent expert advice on AGL's activities at Broke, said the biggest problem with coal seam gas was the lack of unbiased advice, independent of exploration companies.

"In the old days government departments had the technical skills to provide this. There has been so much deskilling of the public service," he said.

He said government departments did not know who should be responsible for regulating the industry.

"The community wants some sort of reassurance," Willgoose said.

AGL describes the guidelines on exploration in NSW as strict and strong.

Exploration wells are managed by Part 3A of the Environmental Planning and Assessment Act and are approved by the planning minister.

Ruining rural landscapes and "fracking" are the biggest environmental fears of coal seam gas.

Fracking is the injection of water and chemicals under pressure into the seams to force gas to the surface. The process can create large amounts of contaminated water.

Two wells at Broke have been fracked.

Two coal seam gas companies had to cease operations in Queensland recently when cancer-causing BTEX [benzene, toluene, ethylbenzene, xylene], used in the fracking process, were detected in wells.

AGL said it did not use BTEX chemicals.

Gas industry representative organisation, the Australian Petroleum Production and Exploration Association [APPEA], said coal seam gas would provide the clean and reliable energy industry and consumers wanted.

"NSW has to find a new way to keep the lights on, while reducing [carbon] emissions," association chief executive Belinda Robinson said.

Gas-fired power stations emitted up to 70 per cent less greenhouse gas emissions than existing coal-burning plants, the association said.

"Yet in NSW, gas only delivers about 3 per cent of electricity and NSW only produces 4 per cent of the gas it consumes," Robinson said. "In 2030 NSW will need about 60 per cent more electricity than it does today."

Most of the gas NSW uses is conventional natural gas (from underground reservoirs) from the Moomba field in South Australia and Bass Strait.

AGL documents state its water tests show there is no drainage or connectivity between the coal seams and the extensive Wollombi Brook aquifer relied upon by agricultural users.

Willgoose confirmed AGL's assessment, based on results of flow tests to simulate gas extraction conducted over six months this year.

"You can never give a 100 per cent guarantee that there is no leakage between aquifers," Willgoose said.

Willgoose said the highly disturbed geology of Bulga, where there are many coalmines, is an important consideration.

"The Broke results have been pretty good but you can't say it will be the same in Gloucester or Bulga," he said.

AGL's website says coal seam gas extraction is compatible with the Hunter's tourism and wine industries.

WHY COAL SEAM GAS IS DIFFERENT

COAL seam gas [CSG] is mostly methane, attached to what's known as cleats on the surface of the coal.

CSG can be extracted when pressure on the coal is reduced, usually by removal of the water that holds the gas to the coal.

Conventional gas is in large reservoirs, in permeable rock formations, capped by mud or other material.

Extraction of CSG requires numerous small wells, often only several hundred metres apart, along a seam.

- Frances Thompson