



Blue Mountains Conservation Society Inc

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Nature Conservation Saves for Tomorrow

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PELA 158 Petroleum (onshore) Ceemac Pty Ltd: BMCS Submission

The Society (BMCS) has a membership of approximately 850. Although predominantly focused within the Greater Blue Mountains region, members also come from Sydney, the broader Sydney Basin region, west of the Great Dividing Range, inter-state and overseas. In addition, the Society is affiliated with other environmental organizations including NCC, NPA, LTG, RiversSOS and the PSW Alliance.

[The Society is totally opposed to PELA 158 being approved either in its entirety, or in part.](#)

The reasons for this strong opposition are detailed below. They should be read in conjunction with the accompanying map identified as: PELA 158 BMCSMap_BMCSSubmission_140308.pdf

1. The application presumably relates to CSG, SBG and perhaps oil shale deposits as exploited at Newnes, Mt Airly and Glen Davis. Based on the geology of the Western Coalfield, the regional Permo-Triassic stratigraphy, and rocks of the underlying basement, it may be said that:
 - (a) the exploited coal seams have a low gas content (compared with the Tahmoor Colliery and other parts of the Southern Coalfield) which detracts from them being a significant CSG resource;
 - (b) the shale layers within the Permo-Triassic stratigraphy are generally thin (compared with the sandstone rich layers) and have little potential for SBG production;
 - (c) the oil shale could be mined and treated to produce 'shale oil' and a 'shale gas' derivative, but the mining and above-ground treatment costs render them uneconomic – the deposits and the workings are important from historical and heritage viewpoints; and,
 - (d) the known basement geology provides no encouragement for serious CSG or SBG exploration.

These four aspects, plus matters to be raised in the ensuing items, collectively suggest that the application is extremely speculative; perhaps applied for in terms of it filling out a company float, or for an ill-defined re-sale value.

2. The application covers substantial portions of the Blue Mountains, Wollemi and Gardens of Stone National Parks, and therefore a significant portion of the Greater Blue Mountains World Heritage Area. It also covers the Turon National Park and the Mugii Murum-ban State Conservation Area.

BMCS has been assured by the Member for the Blue Mountains, Minister Parker and OEH that exploration for and exploitation of CSG will not be approved in National Parks and the Greater Blue Mountains World Heritage Area. Indeed, these areas are said to be protected under the National Parks and Wildlife Act. It has also been indicated that these areas will be excised from the PELA should approval be granted, and that the apparent coverage of these areas stems from the title-application requirements of DTIRIS (Division of Resources and Energy). In addition, Ceemac has stated in

response to an enquiry that: *“We have no interest in exploring for gas or oil in national parks, we are interested in the areas of freehold land outside the national park, near the coal mines... The rules require one large block rather than the selective blocks around the edge that we are interested in.”*

All of this provides some comfort, but there are three immediate concerns:

- (a) there is no clear ruling on whether or not CSG exploration/exploitation will be permitted in State Conservation Areas (as opposed to National Parks) such as Mugii Murum-ban – BMCS believes that SCA reservation is unlikely to preclude CSG exploration, but that the surface damage arising from exploitation-infrastructure might be rejected;
- (b) there is a credibility gap to the extent that hunting, despite original statements to the contrary, is now permitted in some National Parks, horse-riding trials are taking place in National Parks and Wilderness, and coal mines have been approved in drinking water catchments – no ifs, no buts;
- (c) why create uncertainty by permitting applications over National Parks and other types of reservation (e.g., nature reserves and SCAs) if the intention is to exclude them? And,
- (d) an additional map (PELA 158 DTIRISMap_BMCSSubmission_140308.pdf) downloaded from the Office of Coal Seam Gas shows the area actually available within PELA 158. It affirms that the Mugii Murum-ban SCA is available [see item (a)] and that any numbered block within which there is private holdings or crown land (no matter how small) is deemed available [see item (c)]. It thereby reduces (but does not totally remove) the impact on the Greater Blue Mountains World Heritage Area.

The uncertainty created by the NSW government in relation to CSG exploration and exploitation, **coupled with the federal government’s strong commitment to exploiting CSG resources**, render it most unwise to confidently embrace assurances that neither exploration nor exploitation of CSG resources will be approved in National Parks and the Greater Blue Mountains World Heritage Area.

3. Irrespective of item 2, PELA 158 also covers Ben Bullen, Wolgan and Newnes State Forests, these being significant parts of the Gardens of Stone Stage Two (GoS2) proposal which seeks to reserve these forests variously as State Conservation areas and National Parks extensions. BMCS emphasises that:
 - (a) as State Forests, their function as a forestry resource, together with their recreational and educational uses, would be incompatible with exploration and an intensive exploitation infrastructure – their recreational and educational roles would continue and be better managed within a State Conservation Area;
 - (b) OEH has signified its wish to reserve Ben Bullen and Wolgan State Forests, this being the next stage of its progressive response to the GoS2 proposal, due to their range of environmental and heritage values which are either poorly represented or not represented in the Greater Blue Mountains World Heritage Area;
 - (c) the Planning Assessment Commission’s review and the report by the Director-General (Department of Planning) rejected the Coalpac Consolidation Project (involving open cut and highwall coal mining) in the western part of the Ben Bullen State Forest because of its unique environmental values – CSG exploration/exploitation over this same area would fly in the face of the science and its extensive evaluation on which the rejection was based; and,
 - (d) two areas of Newnes State Forest have already been assessed by DECC (now OEH) as having wilderness values and worthy of incorporation into the adjacent National Parks – other parts of Newnes Plateau have the region’s best examples of Newnes Plateau Shrub Swamps and Hanging Swamps which are listed as a threatened ecological community under NSW and federal legislation and host nationally endangered species.

Long-overdue reservation of this GoS2 Proposal (as revised in 2005) should have priority over CSG exploration/exploitation.

4. CSG exploration/exploitation has the capacity to adversely impact the surface waters and aquifers in terms of quantity and quality. As the PELA (in both maps) embraces the headwater-catchments of several river systems, this could lead to:
 - (a) drying out of the endangered swamps on Newnes Plateau [see item 3(d)] through reduced feeder flows and/or changes to the local watertable;

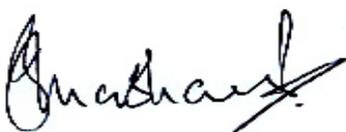
- (b) reduced flows and/or contamination of headwater tributaries of the Capertee, Wolgan, Wollangambe and Gross river systems, all of which initiate in or flow eastward into the National Parks of the Greater Blue Mountains World Heritage Area and are important to its scenic values – and in the case of the Wollangambe and Gross systems are declared wild rivers;
- (c) similar impacts to the headwaters of the Upper Coxs River which ultimately flows into the World Heritage Area and is a vital part of the catchment for Sydney’s water supply.

Why should government risk damaging the integrity (and even the adverse listing by IUCN) of the Greater Blue Mountains World Heritage Area and compromising the Coxs River portion of the catchment for Warragamba dam? This must be asked and satisfactorily answered by Premier O’Farrell!

5. The adverse social, economic and topographic considerations of CSG exploration and exploitation are substantial and include:
 - (a) potential destruction of the quality-of-life of many small communities such as Cullen Bullen [only recently granted a reprieve - see 3(c)], Capertee and Newnes in the north-western part of the PELA, and Bell, Mt Wilson, Mt Tomah and Bilpin in its southern portion;
 - (b) the lost income which would arise from reservation of the GoS2 proposal, as documented in the report ‘Seeing the Gardens’ by Ian Brown;
 - (c) impacts on the commercial orchards of the Bilpin district and the changed ambience of the Bells Line of Road, both of which contribute to the Bells Line of Road being formally recognized as a principal tourist route;
 - (d) detraction from the aesthetic and economic values of the Emirates Wolgan Valley Resort;
 - (e) potential incompatibility of the established underground coal mines and any substantial infrastructure for CSG exploitation and the economic implications of such duality;
 - (f) compromising the Greater Blue Mountains tourism industry by visual pollution and an increased risk of major fires (and potential loss of residents’, visitors’ and workers’ lives) arising from explosive accidents associated with CSG-exploitation infrastructure; and finally,
 - (g) the seemingly unforeseen difficulties associated with exploration and exploitation of CSG in such a challenging terrain – access alone will fragment the continuity needed for sustaining biodiversity and, at the same time, will open up these magnificent areas to high-impact illegal activities.

No wonder that the Blue Mountains City Council has declared its local government area to be a CSG-free zone. No wonder that the residents of ‘The City within a World Heritage Area’ applaud this declaration, and the many small communities in this and adjacent local government areas impacted by PELA 158 are oppose it being approved.

In summary, governments must plan and lead for the longer term, taking particular note of the social and environmental (as well as economic) consequences of its decisions. Basing decisions on short-term economic outcomes is the easy route within the electoral cycle, but the grab for the dollar does little towards improving established measures of well-being.



*Dr Brian Marshall,
For the Management Committee.*

[Two map attachments]