



# Narrabri CCC Monthly Update

## OCTOBER/NOVEMBER 2017

The following is a monthly update for the Narrabri Community Consultative Committee (CCC) regarding activities undertaken by the NSW Environment Protection Authority (EPA) relating to PEL 238, PAL 2 and PPL 3 (Narrabri Gas Project).

It includes activities relating to the regulation of Environment Protection Licence (EPL) 20350 and the EPA's functions conducted under the NSW Gas Plan.

Attachments to this month's update:

- Running Log - Old Investigations of PEL 238 Outcomes
- Inspections undertaken by EPA - October 2017
- Inspections undertaken by EPA - November 2017
- EPA Site Inspection Map - November 2017
- Feature Article - Overview of the roles of NSW Government agencies in NSW gas activities.

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## EPA ACTION ITEMS SINCE LAST NCCC

No new issues.

## INVESTIGATIONS

### Background

On 19 February 2013, the EPA became responsible for investigating environmental incidents that occur during coal seam gas activities under the provisions of the *Protection of the Environment Operations Act 1997* (POEO) and issuing Environment Protection Licences (EPL) for coal seam gas activities.

On 1 July 2015, the EPA commenced a new role as the lead regulator for compliance with, and enforcement of, conditions of approval for gas activities in NSW. This includes regulating consent conditions and activity approvals issued by other agencies (excluding work health and safety). In carrying out this role the EPA works with the relevant experts and NSW Government agencies.

Gas activities must comply with a broad range of regulatory controls, including Acts, regulations, codes of practice, titles, approvals and other controls.

The prioritisation of investigations is determined using a risk assessment for investigations that considers the level of environmental impact and the likelihood of environmental harm occurring.

## Current Investigations

The EPA is liaising with Crown Lands and Water on a matter raised with the EPA relating to approvals required by Santos for the irrigation activity at the Narrabri Gas Field. Multiple approvals and licences are currently in place for the irrigation activity including an Environment Protection Licence. The results from the initial round of monitoring, as required by the Environment Protection Licence, has been submitted to the EPA. The EPA has reviewed the data and confirmed that the irrigation water meets the monitoring requirements of this Licence.

## Running Log – Old Investigations PEL 238 and PAL 2 Outcomes

Incident	Outcome
<p><b>June 2017</b>  <u>Bohena 13C and Bohena South 2C (PAL 2)</u>                      The EPA undertook a review of Bohena 13C and Bohena South 2C following the submission of ESF2 rehabilitation relinquishment documents from Santos. The EPA undertook unaccompanied inspections of the sites, and followed up on some matters with Santos regarding the rehabilitation status of the sites.                      A community call to the EPA Environment Line was also lodged with regards to Bohena 13C.</p>	<p>EPA officers re-inspected both sites. No environmental harm was identified from the inspections, with the matters finalised and no further action considered necessary.                      The EPA also sent a response letter to the complainant advising the outcome and finalisation of the matter at Bohena 13C.</p>
<p><b>February 2017</b>  <u>Groundwater pH levels at Dewhurst 14C (EPL 20350)</u>                      The EPA investigated data from groundwater monitoring bore, Dewhurst 14C, following an Environment Line call on 17 February 2017 that raised concern about data published on the Santos Water Portal, showing alkaline results (pH&gt;9.5) for water samples collected from monitoring well Dewhurst 14C.</p>	<p>An EPA investigation showed the findings indicated the alkaline pH reported for Dewhurst 14C was the result of local geological and groundwater conditions, and that there was no evidence that the groundwater chemistry in Dewhurst 14C had been modified because of water pollution.                      The investigation has been finalised, with no issues identified.</p>
<p><b>February 2017</b>  <u>Tintsville Flare Incident (PEL 238)</u>                      On 24 February 2017, the EPA were notified by Santos of an incident relating to unauthorised access to Wilga Park, resulting in damage to the Tintsville Flare.</p>	<p>Investigation confirmed that the gas pipe had not been ruptured and there was no environmental harm.                      The EPA has concluded its investigation.</p>
<p><b>December 2016</b>  <u>Leewood Northern Sediment Dam</u>                      EPA Officers Investigated Leewood Northern Sediment Dam following an Environment Line call alleging an overflow incident from Leewood Ponds Water Treatment Facility.</p>	<p>Incident was investigated and samples taken, with lab results confirming no BTEX present and the materials classed as organic; dried sun bleached algae; and a naturally occurring protozoa. Investigation finalised, with no issues identified.</p>
<p><b>November 2016</b>  <u>Bohena Creek</u>                      Report alleging that Bohena Creek was impacted by the Bibblewindi Water Treatment Plant and gas wells.</p>	<p>EPA officers visited the area of Bohena Creek that the reporter referenced. There was no evidence that environmental harm has occurred.</p>
<p><b>September 2016</b>  <u>Leewood (PAL002)</u>                      Report alleging Leewood produced water dams were overflowing.</p>	<p>The EPA officers visited the site and all ponds were observed to be operating with adequate freeboard. There was no evidence of any overflow or spill from the ponds.</p>

<p><b>September 2016</b>  <u>Bohena 2</u>  Report alleging Santos were using produced water from Leewood for watering program at Bohena 2 salinity site.</p>	<p>Environment Line complaint alleging Santos were using produced water from Leewood for the watering program at Bohena 2 salinity site following a Namoi Waste truck seen leaving Leewood and heading to Bohena 2 salinity site. EPA Officers attended the site, investigated and took water samples. Lab results indicate that the source of water is not consistent with produced water.</p> <p>The EPA sent a response letter to complainant advising this.</p>
<p><b>April 2016</b>  <u>Bohena Creek Road</u>  Methanol Drum on road.</p>	<p>Santos staff located a 44 gallon drum labelled 'Methanol' dumped on Bohena Creek Road near the Leewood Water Treatment Facility. Police and HAZMAT attended and secured the item.</p> <p>The drum was not on the Santos site, nor related to its activities as per media Tweet by the EPA.</p>
<p><b>March 2016</b>  <u>Leewood Pond</u>  Alleged leaking.</p>	<p>EPA officer inspected storage ponds and met with Santos staff. No evidence that produced water was leaking.</p> <p>No further action was required.</p>
<p><b>March 2016</b>  <u>Bohena Creek Road</u>  Report that a vent had been left open, unattended and emitting methane gas.</p>	<p>Santos has approval to vent gas from high and low point vents along the water gathering lines for safety and operational purposes – this is performed manually by a field operator.</p> <p>Santos has amended the manual venting operating procedure. The procedure clearly notes that a high point vent is not operated without an operator present.</p>
<p><b>March 2016</b>  <u>Santos Pilliga</u>  Report received that there was a 'foamy residue' left along Beehive Road.</p> <p>The complainant returned to the site some days later with a Geiger counter and recorded a reading allegedly linked to the high and low point vents.</p>	<p>An EPA Officer spoke to the complainant who advised that the location they took the Geiger counter reading was a few kilometres away from the area of concern and there was no evidence to support the initial claim.</p> <p>No further action required.</p>
<p><b>March 2016</b>  <u>Leewood Water Treatment Facility</u>  Report alleging a truck was spraying produced water between the internal fence and the property boundary fence for dust mitigation.</p>	<p>An EPA Officer viewed available data confirming raw water from an on-site bore was used for dust suppression at the time of the allegation. The EPA supports dust suppression which is a requirement of the Santos EPL.</p> <p>No further action required as at 15 March 2016.</p>
<p><b>February 2016</b>  <u>Santos Pilliga</u>  Report of 35,000 litre spill at unmanned Santos facility.</p>	<p>Investigations proved minor water run off with no environmental or health risks.</p> <p><a href="#">Media release: Water Run-off From Leewood Water Treatment Facility in Narrabri Cleaned Up</a></p>
<p><b>January 2016</b>  <u>Leewood Water Treatment Facility</u>  Alleged discharge of sediment laden water.</p>	<p>The rainwater discharge followed heavy rain. Santos undertook immediate works to prevent further discharge from the site installing coir mats and construction of bunding.</p> <p>The EPA inspected site and determined no environmental harm had occurred and that no regulatory action was required.</p>
<p><b>January 2016</b>  <u>Santos Pilliga</u>  Report a 'foamy caramel coloured' material on the roadside near operation site.</p>	<p>The EPA inspected the site and collected samples. Analysis determined it was a natural event, likely due to the decomposition of organic material.</p> <p>No further action was required.</p>
<p><b>September 2015</b>  <u>Bohena Creek</u>  Piezometer located in creek.</p>	<p>No regulatory action required.</p>

<p><b>January 2015</b>  <u>Santos Dewhurst Southern</u>  Water flow line.</p>	<p>No breach of EPL 20350 identified.  Santos varied operational practices for high point vents following negotiations with the EPA.  <a href="#">Media release: No environmental harm but improvements needed</a></p>
<p><b>February 2014</b>  <u>Namoi Waste</u>  Storage of Santos drilling mud onsite.</p>	<p><b>6 May 2014</b>  The EPA issued Namoi Waste Corp with a Penalty Notice for breach of s145 of the POEO Act.  Note - The Penalty Notice issued was not related to the original complaint regarding waste from coal seam gas, rather other waste material identified during the course of the investigation.  <a href="#">Media release: EPA issues Naracor and Namoi Wastecorp with penalty notices for unlawful waste transport and storage</a></p>
<p><b>March 2013</b>  <u>Bibbiewindi Water Treatment Facility</u>  Pond liner failure.</p>	<p><b>11 Feb 2014</b>  The EPA issued a Penalty Notice for s120 Pollution of Waters. A Pollution Reduction Program (PRP) was added to EPL 20350 (Environment Protection Licence) requiring the development of a Remediation and Monitoring Plan and the implementation of this plan.</p>
<p><b>March 2013</b>  <u>Tintfield Ponds</u>  Detection of elevated levels salinity and metals.</p>	<p>Insufficient evidence to determine if the changes detected in groundwater were the result of leaks from the Tintfield ponds or were from natural factors. A PRP was added to EPL 20350.  <a href="#">Media release: No environmental harm but improvements needed</a></p>

## Inspections undertaken by the EPA – October 2017

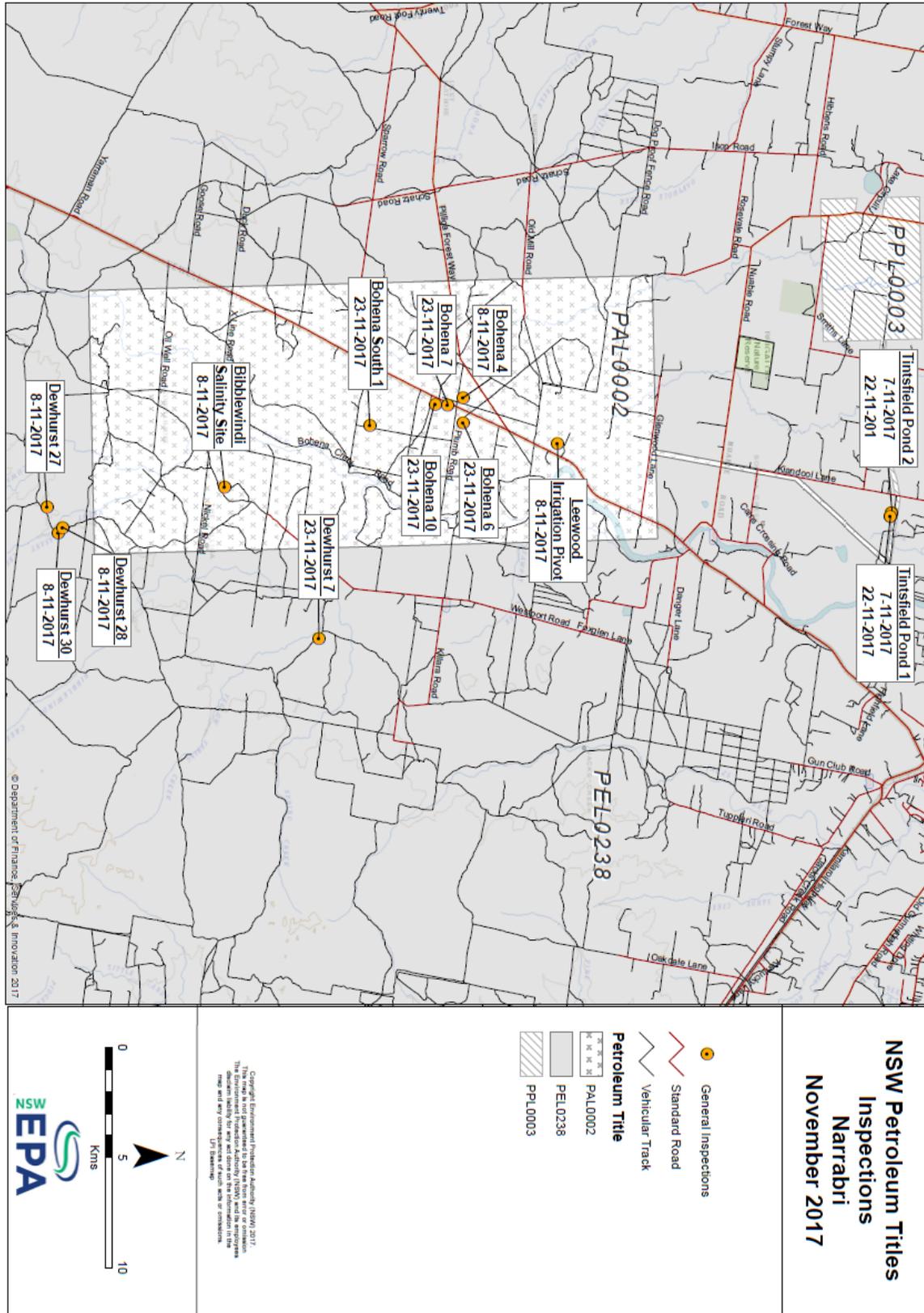
Inspections					
Site ID	Date Inspected	Reasons	Action/Outcome	Site Status	Statutory Document
Nil	Nil	Nil	Nil	Nil	Nil

## Inspections undertaken by the EPA – November 2017

Inspections					
Site ID	Date Inspected	Reasons	Action/Outcome	Site Status	Statutory Document
Tintsfeld Pond 1	7/11/2017	General Inspection	No issues identified	Active	PEL 238
Tintsfeld Pond 2	7/11/2017	General Inspection	No issues identified	Active	PEL 238
Bohena 4	8/11/2017	General Inspection	No issues identified	Plug & Abandoned	PAL 2
Dewhurst 30	8/11/2017	General Inspection	No issues identified	Not Active	PEL 238
Dewhurst 27	8/11/2017	General Inspection	No issues identified	Active	PEL 238
Dewhurst 28	8/11/2017	General Inspection	No issues identified	Active	PEL 238
Biblewindi Salinity Site	8/11/2017	General Inspection	Rehabilitating	Legacy Site	PAL 2
Leewood Irrigation Pivot	8/11/2017	General Inspection	No issues identified	Active	PAL 2
Tintsfeld Pond 1	22/11/2017	General Inspection	No issues identified	Active	PEL 238
Tintsfeld Pond 2	22/11/2017	General Inspection	No issues identified	Active	PEL 238
Bohena 7	23/11/2017	General Inspection	Rehabilitating	Legacy Site	PAL 2
Dewhurst 7	23/11/2017	General Inspection	No issues identified	Plug & Abandoned	PEL 238
Bohena 6	23/11/2017	General Inspection	No issues identified	Plug & Abandoned	PAL 2
Bohena South 1	23/11/2017	General Inspection	Rehabilitating	Legacy Site	PAL 2
Bohena 10	23/11/2017	General Inspection	No issues identified	Not Active	PAL 2

# SITE INSPECTION MAP

## EPA site inspections undertaken at Narrabri during November 2017



### Overview of the roles of NSW Government agencies in NSW gas activities

#### **The EPA as the lead regulator for gas activities**

On 1 July 2015, the NSW Environment Protection Authority (EPA) became the lead regulator of all gas activities in NSW. This change in the regulatory framework was a direct result of recommendation seven in the NSW's Chief Scientist and Engineer Final Report of the *Independent Review of Coal Seam Gas Activities in NSW*. The NSW Government responded through the NSW Gas Plan, which accepted and agreed to implement all recommendations.

The EPA is responsible for compliance and enforcement of all conditions of approval for gas activities in NSW. This includes conditions issued by other agencies, excluding work health and safety conditions. As such, a failure to comply with statutory conditions can result in regulatory actions being taken by the EPA. The EPA leads investigations and enforcement actions and liaises with relevant government agencies where appropriate. The EPA also undertakes proactive inspections to ensure gas activities are being operated in accordance with the relevant requirements.

If consent is granted, all gas activities require an Environment Protection Licence (EPL) issued by the EPA under the *Protection of the Environment Operations Act 1997* (POEO). EPLs set out legally enforceable, site-specific conditions and controls which holders must comply with to prevent and minimise pollution and safeguard the environment. This includes conditions which direct monitoring and contaminant limits for air, water, waste and noise.

There is, however, one aspect of gas activities the EPA does not regulate and that is work health and safety (WHS). This is the responsibility of the NSW Resources Regulator.

#### **The EPA is the lead regulator but is not a lead consent authority for gas activities**

The EPA is not a consent authority for gas activities in NSW, and does not determine if gas activities will be approved. The EPA provides expert advice into the approval process.

The Department of Planning and Environment (DPE) Division of Resources and Geoscience (DRG) determines if an application to explore, appraise or produce gas is approved. The industry must then comply with the strict conditions imposed.

#### **Gas activity approvals and consents are underpinned by a range of statutory instruments**

The NSW gas industry is regulated by laws that control the exploration, assessment and production of the state's natural gas reserves.

The Department of Planning and Environment administers the *Environment Planning and Assessment Act 1979*. The DPE is responsible for assessing activities, including development applications for major gas projects considered state significant development.

The Division of Resources and Geoscience (DRG) sits within the Department of Planning and Environment. The DRG administers the *Petroleum (Onshore) Act 1991* and is responsible for administering petroleum titles.

Crown Lands and Water (CLW, formerly The Department of Primary Industries - Water) administers the *Water Management Act 2000* and the *Water Act 1912*. CLW approves licences and manages access to, and use of, water resources, as well as managing allocated amounts of water with respect to defined water sources.

The NSW Resources Regulator which sits within the Department of Planning and Environment administers the *NSW Work Health and Safety (Mines and Petroleum Sites) Act 2013*. The Resources Regulator is responsible for work health and safety matters in the NSW gas industry.

### **Other agencies also provide specialist advice to the consent authorities**

The Office of Environment and Heritage (OEH) administers a range of legislation including, the *National Parks and Wildlife Act 1974*, *Environment Protection and Biodiversity Conservation Act 1999* and *Biodiversity Conservation Act 2016*. It also plays a role in the NSW gas industry through its responsibility in protecting and conserving the NSW environment and Aboriginal cultural heritage with Part 6 of the *National Parks and Wildlife Act 1974* providing specific protection for Aboriginal objects and places. OEH is also responsible for managing biodiversity issues through the planning process.

### **NSW Government agencies comment during the development of statutory conditions for gas activities**

The development of conditions for gas activities in NSW is the responsibility of the relevant government authority. During the development of these conditions, the relevant government authority will when relevant call on other agencies, including the EPA, for advice or input. As lead regulator, the EPA's involvement focusses on ensuring consistency across the instruments, and ensuring the enforceability of consent conditions.

### **The Gas Compliance Statement clarifies the EPA's role as lead regulator for gas activities**

The Gas Compliance Statement assists stakeholders to understand the EPA's role as lead regulator for gas activities in NSW and highlights the EPA's ongoing commitment to create more open dialogue with all stakeholders about its regulatory role.

The Gas Compliance Statement outlines:

- the legislative changes and the implementation strategy, including details of the interagency memorandum of understanding (MoU)
- the EPA's regulatory approach to compliance and enforcement of gas activities and overlapping regulatory powers across various petroleum legislation
- reporting requirements and access to information.

The Gas Compliance Statement can be viewed on the [EPA website](#).

### **The Memorandum of Understanding is an agreement between the agencies that have a role in regulating the gas industry in NSW**

The MoU aims to facilitate effective, transparent and efficient regulation of gas activities. The MoU also supports the community and industry to understand the NSW Government's regulatory framework for gas activities.

All parties have agreed to a whole of government approach to facilitate transparent and efficient regulation of gas activities by:

- sharing expert knowledge and experience
- maintaining relationships between parties to ensure effective communication
- minimising duplication, overlap and inconsistency with regulatory instruments, reporting and investigations
- collaboratively engaging with the community to ensure clear and consistent communication, and
- notifying relevant parties of any proposal to introduce new or amended policies or material that will substantially impact on the regulation of gas activities.

Government is currently updating the MoU after recent changes in departmental structure, and is also preparing a short, plain English summary of the MoU.

The MoU can be viewed on the [EPA website](#).

## CONTACT US

**Want to know more about what the EPA does? Want to understand a process used by the gas industry in a bit more detail? ...**

**...Tell us what you would like discussed in a Feature Article!**

The feature article in this newsletter each month is an opportunity for the EPA to provide additional information and address any questions you have. Your feedback is key to ensuring we are providing the sort of information the community would like to see, and so, we would like to hear from you all.

Previous editions of this newsletter have included articles on 'who we are and what we do', groundwater quality monitoring, specific EPA projects and decommissioning and rehabilitation of gas well sites – these examples may give you an idea of a question you would like to ask.

Please send us any activities, processes, questions or information you would like to see in a feature article to [gas.reg@epa.nsw.gov.au](mailto:gas.reg@epa.nsw.gov.au)

We look forward to hearing from you!

Every effort has been made to ensure that the information in this document is accurate at the time of publication. However, as appropriate, readers should obtain independent advice before making any decision based on this information.

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