

## OCTOBER 2016

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 undertaken relating to Environment Protection Licence (EPL) 20350 and the EPA 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 – September 2016
- Feature Article – 197 inspections in first year as NSW's lead gas regulator
- EPA Site Inspection Map – September 2016

## EPA ACTION ITEMS SINCE LAST NCCC

The EPA has now introduced a subscription capability, allowing subscribers to be emailed the Narrabri CCC newsletter as soon as it is uploaded to the EPA website. Subscribers will be asked some questions during the subscription process to enable the EPA to understand the reach of this newsletter. Some fields will be mandatory to complete however others will be optional.

## INVESTIGATIONS

### Background

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

On 1 July 2015 the EPA commenced its 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 will work 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.

### Recently completed investigations

#### Leewood (PAL0002) – Site inspection 16/9/2016

The EPA received via Environment Line an allegation of Leewood produced water dams overflowing on 16/9/2016, following recent heavy rains. 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.

## Running Log – Old Investigations PEL 238 Outcomes

Incident	Outcome
<p><b>March 2013</b>  <u>Biblewindi 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>Tintsville 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 Tintsville 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>
<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>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>September 2015</b>  <u>Bohena Creek</u>                      Piezometer located in creek</p>	<p>No regulatory action required.</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.                      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 Piliga</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.                      No further action was required.</p>
<p><b>February 2016</b>  <u>Santos Piliga</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.  <a href="#">Media release: Water Run-off From Leewood Water Treatment Facility in Narrabri Cleaned Up</a></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.  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.  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 Piliga</u>  Report received that there was a “foamy residue” left along Beehive Road.  A reporter 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>EPA Officer spoke to reporter 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.  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>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.  No further action required as at 15 March 2016</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.  The drum was not on the Santos site, nor related to its activities as per media Tweet by the EPA.</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.  The EPA sent a response letter to complainant advising this.</p>

## EPA ACTIVITIES

### Inspections undertaken by the EPA – September 2016

Inspections					
Site ID	Date Inspected	Reasons	Action/Outcome	Site Status	Statutory Document
Biblewindi salinity site	8/9/2016	General Inspection	Site rehabilitation is being monitored	Rehabilitating	PAL0002 & Section 77 Notice from DRE
Leewood	16/9/2016	Investigation	Investigation finalised. No evidence of overflow	Operating	EPL20350
Tintsfeld	27/9/2016	General Inspection of Produced Water Ponds	EPL Monitoring. Erosion being repaired	Active	EPL20350 / PEL 238
Tintsfeld CSG Pilot (2H, 3H, 4H, 5, 6, 7)	28/9/2016	General Inspection	No action required	Active	PEL 238 / PPL 3

## FEATURE ARTICLE

### 197 inspections in first year as NSW's lead gas regulator

The NSW Environment Protection Authority (EPA) recently passed one year as NSW's lead gas regulator.

In the past 12 months the EPA has undertaken 197 gas related inspections, 107 of which checked the compliance with legal conditions (environmental and operational) required by the EPA, the Division of Resources and Energy, the Department of Planning and Environment and the Department of Primary Industries – Water. Another 90 inspections checked rehabilitation standards had been met. These inspections were spread across active and bought back titles.

These statistics represent the activity of the EPA onsite at gas operations across the state, they are not an indication of industry compliance. Please refer to the 'Running Log - Old Investigations PEL 238 Outcomes' and the 'Inspections undertaken by the EPA' table for a history of incidents and inspections.

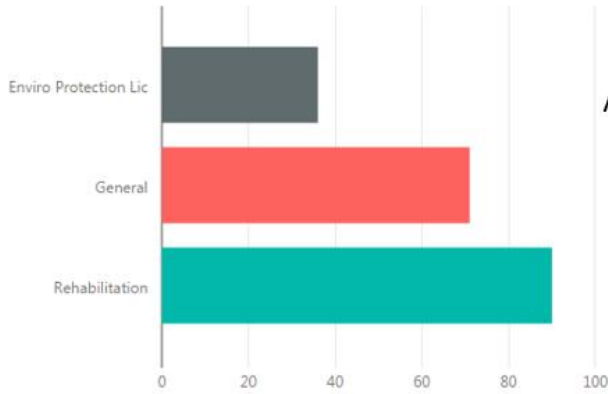
The below 'Regulatory & Compliance Activity' graphic shows the breakdown of the 197 inspections undertaken in more detail.

# Regulatory & Compliance Activity

# Total Inspections

197

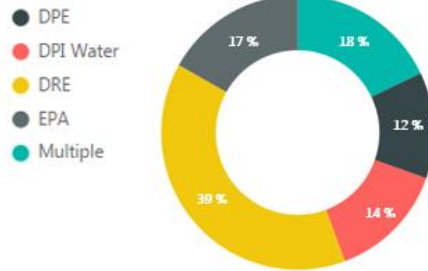
# Inspections by Type



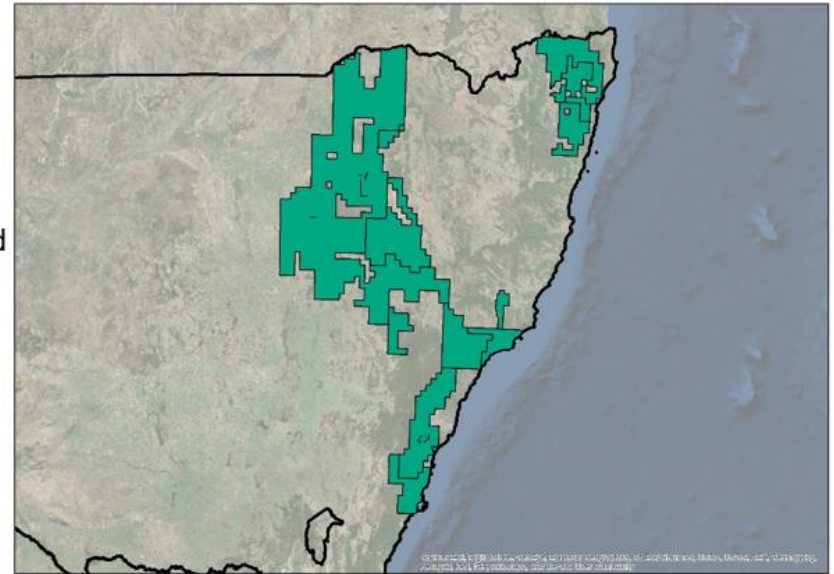
All Gas Projects Inspected



Agency's Compliance Documents Considered

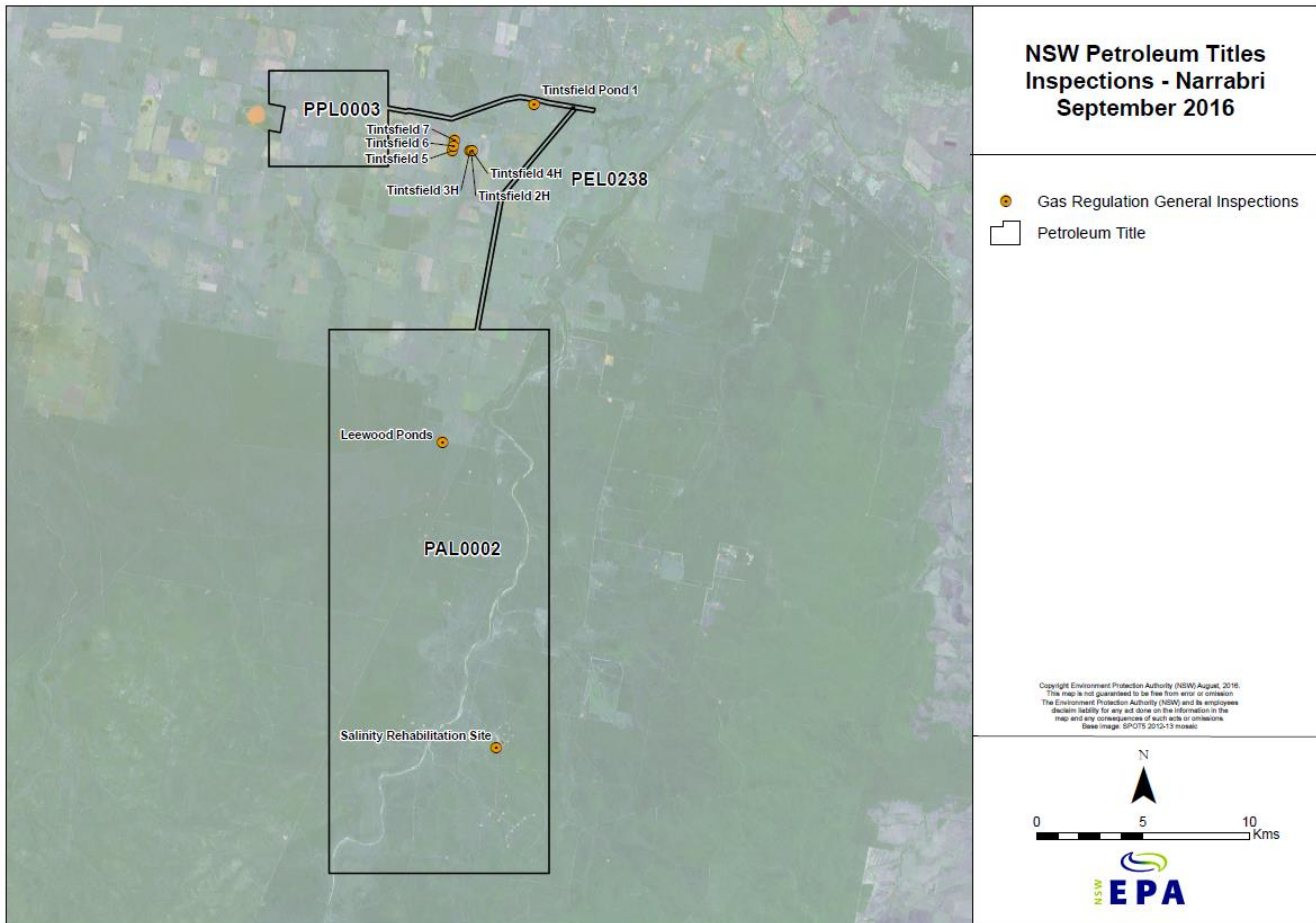


Gas Projects with Compliance Activity



# SITE INSPECTION MAP

## EPA site inspections undertaken at Narrabri during September 2016



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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