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MEDIA RELEASE

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NSW GOVERNMENT'S GAS PLAN: DELIVERING A STRONG FRAMEWORK FOR THE CSG INDUSTRY

NSW Deputy Premier Troy Grant and Minister for Resources and Energy Anthony Roberts today released the NSW Government's Gas Plan – a clear, strategic framework to deliver world's best practice standards and regulation for the Coal Seam Gas (CSG) industry, while securing vital gas supplies for the State.

The NSW Gas Plan provides a strategy across five priority areas:

- Better science and information to deliver world's best practice regulation;
- Pause, reset and recommence – gas exploration on our terms;
- Strong and certain regulation;
- Sharing the benefits; and
- Securing NSW gas supply needs.

Mr Grant said the NSW Government's Gas Plan, developed in conjunction with scientific evidence, set the tone for how the CSG industry would be managed in the future.

"Under the former Labor Government the industry was managed through a flawed and out-dated regime, with many Petroleum Exploration Licenses approved carelessly across the State," Mr Grant said.

"As a result, communities were left with an industry that developed without proper oversight.

"In regional NSW in particular, many communities have grown mistrustful of the CSG industry and have called for a firm set of regulations that protect our water, agricultural land and other critical industries.

"The NSW Liberals & Nationals Government believes in developing our gas industry where it is safe and appropriate to do so.

"The NSW Gas Plan adopts all of the recommendations in the Final Report of the Independent Review of Coal Seam Gas Activities in NSW, by the NSW Chief Scientist and Engineer, Professor Mary O'Kane.

"Managing the CSG industry and providing gas for NSW will now be done on our terms."

Mr Roberts said by adopting all of the recommendations in the Chief Scientist's final report, the NSW Government was listening to the concerns of the community, industry and independents experts in the CSG field.

“The Final Report concluded that, in general, the risks of gas development can be effectively managed with the right regulation, engineering solutions and ongoing management,” Mr Roberts said.

“The NSW Government’s Gas Plan spells out how we will deliver best practice regulation, while increasing gas supplies and putting downward pressure on gas prices for the State’s households and businesses.

“In addition, the entire system for Petroleum Exploration Licences (PELs) will be reset, with the NSW Government deciding which areas will be released for exploration and to whom.

“A freeze on assessing new PEL applications will remain in place until the new system is set, and legislation will extinguish 16 previous applications.

“Landholders and communities will share in the financial benefits during exploration and production and a Community Benefits Fund will deliver infrastructure for communities upfront.

“The NSW Environment Protection Authority (EPA) will be the Government’s lead agency for CSG, taking over all environmental compliance and enforcement.

“We will commission an independent review of royalties to ensure we have the right settings to develop a competitive gas industry in the State to meet our supply needs.

“The NSW Government will continue to push for greater transparency of the East Coast Gas Market. We will ask gas companies to disclose their gas supply arrangements to demonstrate the development of NSW gas reserves will benefit the State’s gas consumers.

“The NSW Government is committed to growing our local gas supply in a safe and environmentally sustainable way, protecting our water, land and other industries.”

For more information visit: www.resourcesandenergy.nsw.gov.au