

## COMMUNIQUE

Meeting Six, Wednesday 13 November 2019, Darwin, Northern Territory

### Purpose of the meeting:

- The purpose of the meeting was to provide an update on progress of implementation of the recommendations from the *Scientific Inquiry into Hydraulic Fracturing in the Northern Territory*, including the implementation of Reserved Block Policy, the role of the Aboriginal Areas Protection Authority, an update on the development of NT Climate Change Response, detail of the SREBA framework, and progress to support NT business to capture maximum benefit from onshore gas.

### Sixth meeting of the Community and Business Reference Group:

- The Community and Business Reference Group (the Reference Group), held its sixth meeting on 13 November 2019 in Darwin.
- The Chair reminded the group of its purpose as per the Terms of Reference, re-iterating the group is here to provide advice and share information and views on the implementation process.
- The group recognised the need for the Communique to more closely reflect the outcomes of discussions.

### Progress and Reporting

- A presentation was provided on the current status of progress of recommendations from the *Scientific Inquiry into Hydraulic Fracturing Implementation Plan* with the updates to be loaded onto the website in the next week.
- The Reference Group noted the October 2019 quarterly update on Hydraulic Fracturing Implementation was recently finalised with the group invited to provide out-of-session feedback.

### Reserved Block Policy

- A representative of the Department of Primary Industry and Resources (DPIR) provided an update on the implementation of the Reserved Block Policy.
- The Reference Group was advised:
  - 94 reserved blocks have now been declared from Tranche 1 and were gazetted on 23 October 2019. This covers 11% of the Territory.
  - All declared Reserved Blocks are listed on the DPIR website and DPIR is currently mapping all areas gazetted as Reserved Blocks to appear on its STRIKE web-mapping application website;
  - Tranche 2 Reserved Blocks (to be declared after notice to Park Boards) are expected to be finalised by the end of the year; and
  - Tranche 3 comprises identified reserved blocks that overlay granted exploration permits. Government wrote to all affected gas companies in August 2019 seeking their commitment to voluntarily relinquish those blocks. Most companies have acknowledged the letter and have

advised that they will review the impact of the relinquishment on their exploration program, and will respond with their position. Government has also made clear to gas companies that Environment Management Plans for petroleum exploration activity over an identified reserved block will not be accepted.

- Some members of the Reference Group asked for the further clarification on the reserved blocks framework, in particular:
  - How will buffer zones be determined for reserve blocks such as national parks and conservation areas, and when will environmental assessments be conducted.;
  - Concern was raised that the Rocky Hill Bore Field is a future water source for the Alice Springs region and is located next to an Exploration Permit. DPIR undertook to confirm, with regards to buffer zones, whether a well head could be located on the boundary of a buffer zone and if horizontal drilling could impact the sub-surface area of the reserved block.
  - One member asked if the Reserved Block policy will be revisited, in particular the decision making process for identifying new blocks as further sites are identified. Some members would like to see the policy embedded in legislation, and consider a non-statutory process to be unsatisfactory. DPIR advised that implementation of the Reserved Block Policy is underway, in line with Justice Pepper's recommendations which were developed with consultation. Other areas will be considered on a case-by-case basis on the merit of the evidence provided. DPIR further advised that there are no plans to revisit the policy at this stage.
- Some members of the Reference Group requested an update on the approach to cost recovery at the next meeting.

#### **Aboriginal Areas Protection Authority**

- A presentation was provided to the Reference Group by the Aboriginal Areas Protection Authority (AAPA) on its role and regulatory functions to regulate and protect Sacred Sites in the Northern Territory.
- The Reference Group noted the following in relation to AAPA's role in regulating Hydraulic Fracturing in the Northern Territory:
  - AAPA provides Authority Certificates for work including hydraulic fracturing related activities and that mandatory Authority Certificates are required as a precursor to approval of Environment Management Plans (EMPs);
  - Any member of the community may request to view information held on the public register of Sacred Sites;
  - The Inquiry recommended that AAPA have enough time to consult custodians and provide comment on EMPs before an EMP is approved

#### **Development of Climate Change Policy**

- A representative from the Office of the Chief Minister provided an update on the development of NT Climate Change Response.

- The Reference Group noted the Northern Territory Climate Change Response was open for public consultation until 31 October 2019 and public submissions are now being considered and integrated into the Response.
- The Reference Group noted that Inquiry Recommendation 8.9, to develop an environmental offsets policy, is still under development and targeted for public consultation by the end of the year. The Reference Group requested a presentation on the Environmental Offsets Framework at the next meeting.

### **SREBA Framework**

- A presentation was provided to the Reference Group by the Department of Environment and Natural Resources on the development of the Strategic Regional and Environmental Baseline Assessment (SREBA) Framework.
- The Reference Group noted the following in relation to the SREBA framework:
  - To develop the SREBA, NTG agencies have worked with CSIRO and sought broader stakeholder input for the Social, Cultural and Economic Guidance Note; the package was reviewed by CSIRO and Mr. Tom Murphy from Pennsylvania State University in the United States prior to Cabinet scrutiny;
  - The Department of Environment and Natural Resources will have responsibility for managing the SREBA process as project managers, and the Minister for Environment will not consider an application for a production licence until a SREBA has been completed and approved.
  - The Beetaloo Sub-basin SREBA scope of works will be developed in early 2020 and there is a substantial overlap with the Geological and Bioregional Assessment program water and ecology components
- The proposed SREBA framework will be released imminently for a period of public consultation of two months; the Reference Group requested an extension to the consultation period until at least the end of January 2020.
- The Reference Group noted the following issues need to be further considered:
  - How the SREBA may inform an offsets approach
  - How will the issue of thresholds for cumulative environmental impacts be assessed, not just for greenhouse gas emissions; and
  - What will be the likely triggers for a SREBA to be undertaken in other basins.

### **Local Content**

- A representative of the Department of Trade, Business and Innovation provided an update on the development of the Service and Supply Strategy encompassing actions to grow local business and workforce capability, facilitate the development of enabling economic infrastructure, and promote and case manage related private sector investment and export opportunities
- The Reference Group were advised that:
  - The Beetaloo Infrastructure and Logistics Study report is still being finalised, and the Chair requested the study be circulated out-of-session;
  - DTBI is aiming to increase the current 25% local content on major gas projects to 50% local content for future major gas projects (both onshore and off shore);

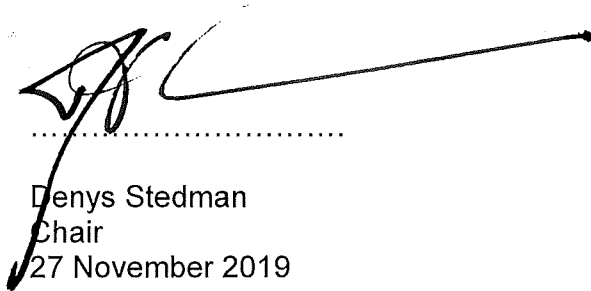
- Three project proponents are currently looking at downstream projects utilising gas for manufacturing including micro-LNG, a methanol plant and a condensate refinery
- Some members of the Reference Group provided feedback on various definitions of local content as they considered that how local businesses are defined will be key to ensuring maximum benefits will flow to Territorians.

**Other Business**

- The Reference Group thanked Ms Julie-Ann Stoll for her contribution to the group and welcomed her replacement Mr Joe Martin-Jard from the Central Land Council.

**Next Meeting**

The Reference Group agreed the next meeting to be scheduled for March 2020.



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Denys Stedman  
Chair  
27 November 2019