

Q&A's

Implementation

What's the status of the remaining 35 recommendations you hadn't completed last year?

- All recommendations are now considered complete.
- Detail on actions taken to complete all 138 recommendations (3 of the 135 recommendations were split resulting in a total of 138) are available on the onshore gas website hydraulicfracturing.nt.gov.au

How will the NT Government mitigate short, medium and longterm environmental risks?

- The NT Government accepted all of the Inquiry's recommendations to minimise the risks generated by the prior regulatory environment and build community trust that onshore shale gas industry would be regulated effectively. Over the past 4 years, the NT Government has made significant changes to strengthen the regulatory framework that applies to the onshore shale gas industry, detailed in Chapter 1 of the Final Implementation Report.
- The NT Government has also separated environmental and industry regulatory functions, and strengthened those powers including as they relate to offences and penalties.

Does completion of implementation now mean licences will be granted and production will start?

- Over the past 4 years various legislation has undergone significant reform to implement strict conditions that ensure the onshore industry can proceed responsibly and in-line with community expectations. This significant body of work

has been delivered in conjunction with the recommendations of the Pepper Inquiry.

- Accordingly, the Northern Territory Government is satisfied that risks identified by the Pepper Inquiry have been sufficiently mitigated, with the final implementation report signalling conclusion of the implementation response.
- This means once companies currently in exploration phase have positive results from exploration and flow testing of petroleum, they will now be able to make a commercial decision regarding progression to production, which includes applying for production approvals.
- In order for a company to move to the production phase, it must meet strict conditions of the NT regulatory framework. This includes having a production licence (tenure) which includes an 'appropriate person test', an approved Environment Management Plan (EMP), which includes an Aboriginal Areas Protection Authority (AAPA) certificate, production agreements with Traditional Owners and a range of technical requirements and reporting obligations that must be adhered to throughout the life of the project.

Based on where companies are at in the exploration phase, when do you expect production will begin?

- Companies in the Beetaloo Sub-basin are continuing their exploration and appraisal activities to determine the commerciality of gas in that region. Appraisal activities include drilling and flow testing wells which is occurring this year.
- A company will then need to make a commercial decision regarding its intent to advance to

production and apply for production licences and obtain production approvals, which includes approvals under the *Petroleum Act 1984*.

- A company's decision to progress to production will also require sales agreements for use of the gas and other commercial arrangements.
- It is anticipated that, subject to appraisal results, companies in the Beetaloo Sub-basin could be in a position to apply for production licences from 2024.

How will the NT Government/regulatory framework support business and industry to conduct hydraulic fracturing in the Northern Territory?

- The NT Government has created a policy and regulatory regime that strikes the right balance between attracting investment to the Territory, and ensuring development is regulated effectively and in accordance with community expectations.

How will NT Government deal with the potential negative impact of any onshore shale gas development on the health and wellbeing of local communities, particularly on Aboriginal people and their culture?

- Refer to Chapters 6, 8 and 9 of the Final Implementation Report and the relevant Chapter Summaries. These summarise the actions taken, what ongoing monitoring is in place and where further information can be found.

Will the community be informed when a company lodges an Environment Management Plan?

- EMPs for drilling and hydraulic fracturing activities are made available for public comment.

- Information about EMPs, including opportunities for public consultation and all related NT Government decisions are available on the Department of Environment, Parks and Water Security (DEPWS) website at depws.nt.gov.au

Is there a list of which companies currently have a production licence and where they are located in the Territory?

- Central Petroleum holds onshore petroleum production licences in the Amadeus Basin, near Alice Springs. The petroleum fields known as Mereenie, Palm Valley and Dingo have been producing gas in the Northern Territory consistently since the early 1980s. This production occurs through 4 production licences and collectively produces about 30 Terajoules per day of gas. This gas has been used to power Alice Springs and is also sold to the east coast gas market, through the Northern Gas Pipeline.

When production begins, will the community have access to environmental monitoring data?

- Data collected from the monitoring process is publically available through the Petroleum Onshore Information Northern Territory (POINT) portal at point.nt.gov.au

Does the Independent Overseer role continue now that Implementation is marked complete and will the Overseer be accepting media interviews?

- Dr David Ritchie was appointed as the Independent Officer to oversee the implementation of the recommendations. Dr Ritchie was a member of the Inquiry Panel that consulted widely with the Northern Territory community to hear their views on hydraulic fracturing. Dr Ritchie's role as Independent Overseer officially ceased on the 31 December 2022, at the time of Implementation completion.

- The role of the Independent Officer was to provide the Chief Minister and government with independent advice on how the implementation was progressing and being managed. The nature of the role required the Independent Officer to provide advice in support of decision making however, he remained at arms-length from day-to-day decisions and processes relating to implementation.
- Dr Ritchie's role as the Independent Officer did not include engagement in public discussion on issues that were in the process of being implemented by the NT Government, including responding to media enquiries. However to ensure transparency at this final stage of implementation, Dr Ritchie will be available for one media conference to answer any questions relating to his final advice.
- Dr Ritchie's final advice is available on the onshore gas website hydraulicfracturing.nt.gov.au
- to submit a Greenhouse Gas Abatement Plan (GGAP) that demonstrates they will, at a minimum, achieve net zero emissions across their NT operations by 2050. The GHG Policy Statement will be enacted in regulation and commitments made in a GGAP will be the subject of environmental authorisation conditions.
- Facilities with annual emissions of 100 000 tonnes or more are also captured under the Commonwealth's Governments Safeguard Mechanism, which requires those emissions to kept below a ceiling.
- Refer to Chapter 7 of the Final Implementation Report and the relevant Chapter Summaries. These summarise the key actions taken, how actions taken by the NT Government complement actions taken by the Commonwealth Government, what ongoing monitoring is in place and where further information can be found.

Recommendation 9.8

How exactly does the NT Government intend to meet Recommendation 9.8?

- Refer to Chapter 7 of the Final Implementation Report, the relevant Chapter Summaries and associated policy documents. These summarise the key actions taken, what ongoing monitoring is in place and where further information can be found.

Will the NT government consider enforcing a cap on the amount of greenhouse gas emissions companies can legally emit?

- The NT Government has introduced the Managing Greenhouse Gas emissions from the Onshore Gas Industry Policy Statement (GHG Policy Statement) which builds on the requirements of the Large Emitters Policy. The GHG Policy requires all onshore gas producers

Are the NT and Australian Government doing enough to combat climate change?

- Refer to Chapter 7 of the Final Implementation Report and the relevant Chapter Summaries and policy documents. These summarise the key actions taken, what ongoing monitoring is in place and where further information can be found.
- The Commonwealth Government also has a role to play with regard to addressing climate change and, specific to recommendation 9.8, the commonwealth has introduced reforms to the Safeguard Mechanism which regulates greenhouse gas emissions from Australia's largest emitters (facilities with annual emissions of 100 000 tonnes or more) by requiring those emissions to be kept below a baseline (or ceiling). These reforms will require new gas entrants in the Beetaloo Sub-basin to have net

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zero scope 1 emissions from entry, (i.e. from the time they are captured by the scheme). This requirement is specific to the Beetaloo and is a more prescriptive requirement than that imposed on onshore petroleum producers elsewhere in Australia.

- The Commonwealth Government has stated that this approach is consistent with the “then-Commonwealth Government’s April 2022 commitment to work with the Northern Territory to support the implementation of Recommendation 9.8 of the Hydraulic Fracturing Inquiry using available technologies and policies”.
- The NT and Commonwealth governments’ approaches are complementary, collectively delivering a comprehensive and stringent response to the climate change risks identified by the Inquiry and specifically in response to Recommendation 9.8.

SREBA

What are key findings of the SREBA?

- Refer to Chapter 2 of the Final Implementation Report, the relevant Chapter Summaries, the 6 baseline studies and the Beetaloo SREBA Regional Report, which provide significant detail on study findings and recommendations for future monitoring.
- All reports from the SREBA and the data and information underlying them are publically available through the SREBA Data Catalogue at depws.nt.gov.au/sreba

Water

Refer to Chapters 2 and 3 of the Final Implementation Report and the relevant Chapter Summaries. These summarise the key actions taken, what ongoing monitoring is in place and where further information can be found.

Can you assure Territorians water used by the onshore gas industry won't impact our drinking water, iconic rivers and national parks?

- The NT Government has made sure that water usage by the onshore shale gas industry is licensed and assessed against water protection and allocation policies, by removing onshore gas industry exemptions from water licensing requirements. Licenses are published online for transparency.

What protections are in place to ensure gas companies can't pollute groundwater resources?

- The NT Government has prohibited certain activities to prevent groundwater contamination. This includes prohibiting:
 - ◇ the use of harmful drilling fluid when drilling through aquifers
 - ◇ disposal of wastewater to ground and surface water
 - ◇ all surface water extraction for onshore gas activities
 - ◇ ground water extraction within 1km of designated bores.

What monitoring will take place to check on potential contamination, and who is responsible for doing the monitoring?

- The NT Government has introduced a legally enforceable Code of Practice which sets minimum standards for the onshore gas industry. This includes standards for water management monitoring, remediation and rehabilitation requirements.

Land access

How will government ensure the wellbeing and rights of local communities are protected?

- Refer to Chapter 9 of the Final Implementation Report and the relevant Chapter Summaries. These summarise the key actions taken, what ongoing monitoring is in place and where further information can be found.
- The NT Government introduced a statutory requirement and process for land access agreements, including compensation for damage and deprivation of the landholder's use or enjoyment of land, and mandatory minimum compensation paid for every well drilled.