

Friends of the Earth Melbourne Submission: Petroleum Regulations 2021

Prepared by Elizabeth Wade, Cam Walker and Leigh Ewbank
3 September 2021

About Us

Friends of the Earth Melbourne is a not-for-profit organisation that believes that social and environmental issues cannot be separated from each other. We work with communities throughout Victoria to build a sustainable and socially equitable future, and campaign for a world where environmental protection, social justice and economic welfare for all people go hand in hand.

FoE Melbourne is a member of the FoE Australia, which consists of eight local groups around the country as well as thirteen affiliate members. FoE Australia is, in turn, a member of FoE International, which is now active in more than 70 countries and is the largest federation of grassroots environment groups in the world.

Introduction

Friends of the Earth Melbourne welcomes the opportunity to make a submission in response to the Draft Petroleum Regulations 2021.

Friends of the Earth initiated a community led campaign that resulted in the creation of Gasfield Free groups around Victoria, which resulted in the permanent ban on fracking in Victoria now enshrined in the constitution, and the moratorium on onshore gas exploration and drilling that has now been lifted. Friends of the Earth received the Victorian Premier's Sustainability Award for this work in 2017.

We are strong supporters of climate justice and the absolute necessity of undertaking a rapid shift away from fossil fuels in Victoria.

Response to Draft Petroleum Regulations 2021

Victoria has the opportunity to adopt best practice regulations for the fossil fuel industry that will ensure the wellbeing and safety of Victorian communities and our environment.

This can be achieved by the inclusion of the following considerations in the Petroleum Regulations going forward.

Between 2010 and 2016, some 75 Victorian communities ran door-knock consultations within their own towns to test community sentiment towards gas development. There was overwhelming support for the proposal to declare towns and regions Gasfield Free. Victoria's regulations should compel gas developers to meet the same standard of community consultation.

Recommendation 1: Industry should be required to conduct thorough consultation with communities by:

- comprehensive letterboxing of all residents and community organisations within a 10 km radius of any proposed gas development;
- direct outreach to all additional and relevant stakeholders who may not be within the immediate region;
- direct outreach to Traditional Owners in all instances;
- public access to hard copies of applications and other documentation within the Local Government Area;
- notification of all applications for exploration permits, retention leases, and production licences to be published in all local, regional and state-wide newspapers;
- publication of all applications for exploration permits, retention leases, and production licences, on Engage Victoria; and
- public access to all applications, work plans, environmental management plans and other documentation online.

Recommendation 2: Gas development should not be allowed to proceed unless all valid community concerns are adequately addressed and updates are provided to those stakeholders on the investigations, processes, and decisions that have taken place in response to the concerns.

The International Energy Agency report 'Net Zero by 2050' states that if we are to have a hope of limiting global warming to 1.5 °C then 'from today, no investment in new fossil fuel supply projects' can occur.

Recommendation 3: Gas developers should be required to explain how the extraction of fossil gas will help Victoria achieve the legislated interim Emissions Reduction Targets for 2025, 2030, and beyond, and net zero emissions target by 2050.

The Petroleum Regulations must keep Victorians safe with sufficient requirements for risk assessments, risk reduction and compliance reporting.

Recommendation 4: Risk assessments should not be limited to the regional economic, social, and environmental risks and impacts. The risks and impacts of climate change must also be included in all risk assessments, as the effects of climate change are global and extend well beyond the region of gas development.

Recommendation 5: The requirement in the Regulations for "minimisation, so far as is reasonably practicable, of the environmental, public amenity and safety hazards and risks involved in undertaking petroleum operations over the life of those operations" is insufficient. Hazards and risks must be required to be negligible.

The Regulations must ensure that environmental impacts are adequately managed, both during operations and after decommissioning, particularly where impacts are permanent and require ongoing management, particularly with regard to impact on groundwater.

Recommendation 6: Gas developers must be required to report regularly on environmental management plan compliance and on all gas emissions. These documents should be freely available to the public.

Recommendation 7: Sufficient rehabilitation bonds must be required to ensure bonds will cover the cost of managing impacts on both public and private land and the surrounding environment from gas exploration and extraction, and full remediation after operations finish.

The Regulations must ensure that there is sufficient deterrence to breaching the Regulations through adequate penalties.

Recommendation 8: Penalties for breaches of regulations must be in proportion to the risks accompanying the breaches and of a sufficient amount to provide deterrence to breaches. Penalties of 20 penalty units, which in 2021 is \$181.74 each, totalling \$3,634.80 for serious breaches of the Regulations, is grossly inadequate. Penalties should be scaled according to the seriousness, for instance to 2,000 penalty units for serious breaches. Penalties should also be listed for all breaches that may impact on the wellbeing and safety of communities and the health of the environment.

The Offshore Petroleum and Greenhouse Gas Storage Regulations 2011 contain much more specific information around environment plan requirements and content, and processes for acceptance, variation and withdrawal of acceptance of environment plans.

Recommendation 9: The Petroleum Regulations should likewise contain strengthened and stringent specifications and requirements, including details for processes around environment plan requirements and content, and processes for acceptance, variation and withdrawal of acceptance of environment plans.

Conclusion

Climate science makes it abundantly clear that the time for new fossil fuel developments is over. New developments would also be at odds with the Victorian government's own climate commitments. However, if the government does intend to facilitate further fossil gas development, these projects must be able to demonstrate community social license to operate. At present, the assessment and approvals system is geared towards providing positive outcomes for companies wishing to mine for fossil fuels, whilst often delivering negative outcomes for communities and the environment.

It is essential that any amendment to the Petroleum Regulations include the ability for communities to express their opposition to mining and drilling in a meaningful way. Where there is a clear lack of social license for specific proposals, Earth Resources must be willing to refuse applications.

Friends of the Earth Melbourne will be following this process closely and look forward to seeing how community feedback is incorporated into state regulation of the industry.

If this submission requires additional information or clarification, please contact Cam Walker or Leigh Ewbank campaign coordinators of Friends of the Earth Melbourne.

Cam Walker
0419 338 047
cam.walker@foe.org.au

Leigh Ewbank
0406 316 176
leigh.ewbank@foe.org.au