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Committee Secretary
Senate Standing Committee on Environment & Communications
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

By email: ec.sen@aph.gov.au

7 May 2013

Dear Committee,

**Re: Environment Protection and Biodiversity Conservation Amendment
Bill 2013**

Please find attached AGL Energy Limited's (AGL) responses to the Committee's questions on notice.

Yours sincerely,

Paul Ashby
General Manager Commercial Development, Upstream Gas

- > Being Australia's largest private owner and operator of renewable energy assets
- > Gaining accreditation under the National GreenPower Accreditation Program for AGL Green Energy®, AGL Green Living® and AGL Green Spirit
- > Being selected as a constituent of the FTSE4Good Index Series

Supplementary Questions

AGL Energy Ltd



1. Response to the Bill's amendments as proposed by the Australian Network of Environmental Defender's Offices (ANEDO) in its submission

- a. *Broadening the "water trigger" to cover other forms of mining likely to have a significant impact on Australia's water resources. Specifically, in addition to CSG developments and large coal mining developments, the Bill should also apply to all large mines that excavate beneath the water table and to unconventional gas exploration and production activities.*
- b. *Limiting the categories of mining development exempted from the "water trigger" to:*
 - i. *controlled actions that have been approved under the EPBC Act prior to the Bill's commencement and for which work has already commenced; and*
 - ii. *mining projects (that were not controlled actions prior to the Bill's commencement) that fulfil the criteria outlined in Item 22 (3) and for which work has not yet commenced.*
- c. *Including "water trigger" specific assessment criteria in Part 9 of the EPBC Act. Specifically, the criteria should include a requirement to "not act inconsistently with" the Convention on Biological Diversity.*

AGL Response

In reference to 1(a), 1(b) and 1(c) AGL refers to the Federal Government's existing power to regulate the impact of all projects (including CSG) on water resources under the EPBC Act in its current form.

In AGL's view, the Federal Government does not require the additional powers encapsulated in the above amendments in order to regulate the impact of projects on water resources. Such powers exist under the current operation of the EPBC Act in situations where water resources are relevant to an existing matter of national environmental significance.

- d. *Providing for existing bilateral assessment agreements relating to controlled activities that are likely to have (or have already had) a significant impact on water resources to be varied in light of the "water trigger."*

AGL Response

AGL believes that varying existing bilateral assessments could only increase the duplication of regulation between Federal and State Government approval processes. If the National Partnership Agreement and the IESC are used as intended, a "water trigger" amendment to the EPBC Act is not required.

- e. That the “significant impact guidelines” for the “water trigger” take into account the notion of “environment sustainability” outlined in the Water Act 2007. Specifically, the guidelines should define “significant impact” as any relevant mining development that individually, or in combination with other developments, would compromise:
- i. key environmental assets of the water resource; or
 - ii. key ecosystem functions of the water resource; or
 - iii. the productive base of the water resource; or
 - iv. key environmental outcomes for the water resource.

AGL Response

As per AGL’s response above to 1(a), 1(b) and 1(c), AGL believes that the Federal Government already has the power to regulate the impact of CSG projects on water resources where those resources are relevant to an existing matter of national environmental significance under the existing regime of the EPBC Act, and does not require further unjustified amendment.

2. Can AGL provide the internet link to the Gloucester water baseline studies?

AGL’s water baseline studies can be accessed at the following URL:
<http://agk.com.au/gloucester/index.php/environment/>

3. Does AGL operate in areas that have cease-to-pump orders for agricultural businesses?

AGL Response

AGL’s only operational CSG production well field is at Camden which straddles the Nepean River. The area is covered by two Water Sharing Plans:

- i) the Greater Metropolitan Region Unregulated River Water Sources Water Sharing Plan, and
- ii) the Greater Metropolitan Region Groundwater Sources Water Sharing Plan.

There are environmental flow protection rules for surface water users covered by the unregulated river plan (however this has no relevance to AGL). There are no cease to pump access rules in relation to the Greater Metropolitan Region Groundwater Sources Water Sharing Plan and the Sydney Basin Nepean and Sydney Basin Central sandstone water sources from which AGL has Water Access Licences (WALs) to extract groundwater for coal seam depressurisation.

For AGL’s exploration programs in the Gloucester and Hunter (Broke-Bulga) areas, there are plans for cease to pump access rules in association with the Lower North Coast Unregulated and Alluvial Water Sources Water Sharing Plan (Avon River water source after Year 6 of the plan) and the Hunter Unregulated and Alluvial Water Sources Water Sharing Plan (Lower Wollombi Brook water source after Year 10 of the plan). These plans have little relevance to AGL as we only take water from these sources for irrigation purposes. For both these areas there are no cease to pump rules for the underlying sedimentary rocks from which AGL has bore licences to extract groundwater for coal seam depressurisation.