

11 October 2013

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Legislative Council
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e: perth@appea.com.au
w: www.appea.com.auEmail: lclc@parliament.wa.gov.au***Inquiry into Petroleum and Geothermal Energy Legislation Amendment Bill 2013***

The Australian Petroleum Production & Exploration Association (APPEA) is the peak national body representing Australia's oil and gas exploration and production industry. APPEA has more than 80 member companies actively exploring for and/or producing Australia's oil and gas resources. These companies currently account for around 98 per cent of Australia's total oil and gas production and the vast majority of exploration. APPEA also represents over 285 service companies providing a range of goods and services to the industry. Further details about APPEA can be found at our website at www.appea.com.au.

APPEA appreciates the opportunity to provide comment on Sections 11 and 12 of the *Petroleum and Geothermal Energy Legislation Amendment Bill 2013* (the Bill). APPEA supports these amendments on the basis that they will expand the scope of the *Petroleum and Geothermal Energy Resources Act 1967* (the Act) to incorporate carbon capture and storage activities, and will not change the primary intent of the legislation which provides an effective regulatory framework.

It is noted that matters of land access and compensation featured heavily in Parliamentary debate of the Bill, which ultimately resulted in its discharge and referral to the Standing Committee for consideration. It is APPEA's view that these matters are being effectively managed through the regulatory framework established by the Act and the companion efforts outlined below that are being pursued by industry and government.

Firstly, APPEA notes that Section 17 'Compensation to owners and occupiers of private land' outlines requirements for land access negotiations and has proven to be an effective framework in the past. APPEA understands that since introduction of the Act in 1967, only two matters have been referred to the Magistrate's Court for arbitration and both were resolved prior to hearings.

Secondly, we recognise that an increase in onshore exploration in Western Australia associated with natural gas from shale and tight rocks has raised concerns about the existing land access framework, and we have been taking a number of steps to address any issues with those affected. APPEA is holding a roundtable with WAFarmers and the Pastoralists and Graziers Association on 14 October to discuss these matters. The aim of this roundtable is to develop an agreement which improves the process for land access agreements and provides appropriate information for all the stakeholders on landowners' rights,



environmental management and communication between exploration companies and farmers.

The industry is committed to early, open and meaningful engagement with land owners and has published a Code of Practice for Hydraulic Fracturing (available at www.wa-onshoregas.info) which outlines principles for community, landholder and stakeholder interaction.

In addition to consultation by petroleum companies with landholders directly-affected by activities, the industry has held a number of community workshops in the Mid West and Canning Basin to hear and respond to community concerns. This includes through a tri-partite initiative involving the Department of Mines and Petroleum and CSIRO, which hosted workshops in the Mid West and Gingin in 2012-13 and led to the publication of a report by CSIRO in relation to future community engagement.¹

APPEA supports the amendments proposed in the Bill and would encourage further consideration of land access issues within the framework already established by the Act and through the separate processes the industry is pursuing with key stakeholders.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Stedman Ellis".

Stedman Ellis

**Chief Operating Officer – Western Region
APPEA**

¹ Available from http://www.dmp.wa.gov.au/documents/Report_Onshore_gas_workshop.pdf.