

6 Feb 18 Darwin NTFI Presentation

Katherine Marchment appearing as a local resident of the Northern Territory

Talk about

Social Impact

Fracking Inquiry Performance

Regulatory Capture

Firstly, I would like to acknowledge the Larrakia People on whose land we meet and pay my respects to the elders past and present.

I would like to thank the Panel for the time and efforts you have put in to produce such a comprehensive report and for the online submission library that members of the public have been able to reference

#### SOCIAL IMPACT

In the Northern Territory we have a small population within a large area of land we call home. The Northern Territory is my home. We are like gas molecules in a bottle which are released into a room. We stretch out to fit the space we are in. Like humans that go from a small room to a large room, we stand roughly equidistant from each other so filling larger spaces further. We have a small population but we stretch out to fit a large area of land and we are adapted to that. For us a 300km drive is "just down the road".

In rural and remote areas where the gas industry wants to operate people are very integrated into the environment in which they live. They need to be in order to survive. We know which birds wake us up and in which order. We start to see crows in their families and laugh at the antics of various crow family members that each have their own role. They make for good company and good watchdogs for the humans that live around them. We know the territories of each of the geckos in our house. We are aware of which plants grow at which time of year and what weather that signals.

We have our own territories. A pastoralist may own 700 square km of land and live there with his or her family. An aboriginal person may have a couple of thousand square km of tribal lands with their family. It is home and over generations of living there, all that land is walked, all that land is used for both business and pleasure and survival. Everything wild and domestic works together so that everyone is fed, everything is dependent on each other.

The gas companies plan to cover that land with a massive grid of wells pipes roads, compressor stations, processing plants and other infrastructure such as man camps for FIFOs. This will utterly change the environment where people live as they are not just dependant on current ecosystems, they are part of those ecosystems. The gas industry in the NT threatens their very survival.

#### BASELINE TESTING

My first presentation to the Inquiry concentrated on Baseline Testing and what has come out of that is a recommendation is that Baseline Assessments be done by an independent body set up by the government. There are problems with this:

1. Baseline Assessments being the assessment of available data is not the same as baseline testing which is the collection of hard data. The Inquiry itself has admitted that they are lacking in hard data for a true assessment of risks, especially to the risk to water
2. As has been noted by the enquiry, the government department (Department of Primary Industry and Resources) that has been charged with regulating the industry is also responsible for promoting the industry – thus a conflict of interest not independent.
3. Also gasfields residents in Queensland have not been happy with the so called independent testing done by DERM and the Gasfields Commission due to the close working relationships with the industry and the perception that the employees of DERM and bodies such as the CSIRO have been funded by the industry and thus seemingly reluctant to find results that point to the gas industry as causing impacts on residents – the most outrageous being the claim that an oily substance found on their cars and water tanks was caused by lerps rather than from condensate from the flaring that was happening right next to them.
4. Also, as I mentioned before the onus of proof according to Australian Law is on the landholder. Thus meaning that the testing done, if not done or directly commissioned by the landholder is unlikely to stand up in court

There is a much cheaper easier solution to this problem which we are currently doing in the Northern Territory through my community organisation “NT Baseline Testing” which would satisfy the courts, that the testing is landholder initiated, independent and accredited:

NT Baseline Testing is testing being done in the Northern Territory which is landholder initiated and paid for by the landholder and donations through NT Baseline Testing. As the testing is initiated by the landholder it then passes the requirement that the landholder prove impacts

Accredited labs and scientists are being used and the fieldwork is being done under strict instruction from the Lab scientist. Notes are taken and witnessed throughout the process to show that these instructions are being followed. The testing we have done so far in the NT has followed the instructions given by qualified scientists to the letter. Thus, passing the accredited test. This is very similar to the process that gas and mining companies use when they do their testing where their field workers don't have to be scientists themselves but do have to do the work according to instruction given.

Thus, the testing will stand up in court as well as being truly accredited and independent.

The only problem with this method is that the total expense has been thus far bourn by the landholders and the community and it is not cheap. The consulting scientist, the cost of developing the template for the tests – ie, what is being tested for, the cost of the lab testing itself, the cost of the fieldworkers, the cost of keeping the samples in laboratory condition from collection and in transit till they get to the lab. I recommend that the landholder to simply put in a receipt of costs of the work done on their land to the existing Department of Primary Industries and Resources and be re-imbursed. DPIR could then claim some if not all of the costs from the gas company who holds the exploration licenses on that landholder's land.

This could simply be integrated into the existing accounts system that DPIR has now and just require a bit of computer time from an existing employee. WAY cheaper than setting up a whole new “independent” body and making use of the existing resources we have now. Much simpler to fund the work currently being done to this effect by NT Baseline Testing and large pastoral companies which are already doing the testing. NT Baseline Testing has already established relationships with landholders, is local and comprises of people who live here all year round.

The Aboriginal Community which has had baseline testing done by NT Baseline Testing, had no financial resources to pay for the testing so the testing was entirely funded by community donations from a fundraiser. I suggest that in these situations where communities and landholders that cannot put up the funding upfront for the testing to be done simply put in a quote which the department pays for and which is then acquitted when the testing is done.

A lot easier and cheaper than the recommendation put forward by the Inquiry and that will stand up in court into the bargain which is of more reassurance to landholders given the stories they have heard from Queensland residents about current so called independent testing. In the NT we have already experienced the failure of regulation with existing mines.

In Queensland Brian Monk from Kogan could set his bore water on fire, yet was told by DERM that his water had no flammable gas and was perfectly safe to drink even though it burned his grandkids in the bathtub and his cattle wouldn't touch it. Landholders in the NT have no faith in the independence of government as they feel that fracking is being forced on us, they can get no insurance, no guarantees, will be forced to sign mandatory voluntary agreements. They have no faith in the NT government to be an impartial regulator of this industry.

What I would like to see from DPIR is an open source database of water testing and bore levels done by landholders and companies and government agencies so far. Again, this could be done using existing departmental resources.

#### FRACKING INQUIRY OBSERVATIONS

<http://www.afr.com/business/energy/gas/pepper-panel-backs-science-of-shale-20171213-h03ut0>

I observe that the Panel is mainly from urbanised areas, None of the Panel live in the areas of the NT threatened by fracking. In fact, none of the panel even lives in the NT. So, the very mentality when doing investigations and drawing conclusions about the NT is that of the FIFO worker. This is bound to influence the view of the panel when making conclusions about fracking in the NT and locals in the NT. From past experience in NT, Qld and NSW I notice that FIFO workers tend to have very little respect or regard for the locals. They just want to do their job, make their money and go back home. They are not personally invested in the NT or its people and it shows in their behaviour. The company timeframes are of more concern to them than compliance and quality control.

I am also alarmed by some of the actions of the Panel during this inquiry. The panel went to SE Qld to collect "scientific data". However, they used gas company vehicles and a gas company guide to assist them. Justice Pepper during my last presentation answered "Yes" – they had been to Kenya Processing Plant. Then went on to say that "no" they hadn't seen any holding ponds per my question about emissions from ponds which I had asked about at my first presentation and was asking about again at the second and I am asking about again today. What is being emitted from those ponds? What is likely to be released into the environment if there is a spill? Kenya has enormous holding ponds around it – you simply can't miss them. Further investigations by me revealed that gasfield resident John Jenkyn had to drive to Dalby to meet with the Panel before they drove to Roma. As John's property is right next to the Kenya processing plant, my conclusion from this is that it must have been the Ruby Jo processing plant that the Panel has seen. So, Justice Pepper either made a mistake or lied to me – either way this is unscientific .

When talking about man made radioactive elements in the gasfields, I received some argument from the panel about this stating that my information was incorrect even though I provided evidence. I

ask the panel again – how did the daughters of man made radioactive elements finish up in John Jenkyn's rainwater tank? Results which John personally showed the Panel in Dalby. Results I have seen for myself. Man made radioactive elements are not found in your average backyard so why did the panel not feel that this warranted further investigation?

I am also worried that for a scientific inquiry with a Panel of eminent scientists that on their field trips no scientific data appeared to be collected. No Geiger counter readings, no readings for gasses, no flir camera showing emissions, no water testing, no soil testing – What science, what data collection has been done? Justice Pepper did say that the Queensland Gasfields Commission air monitoring data looked promising. To whom? The gas industry?

Talk to any local where the air monitoring was happening and they will tell you about the collusion between govt agencies and gas companies how the monitoring and the data was being manipulated. How the gasfields operators were warned of visits of compliance officers. Talk to doctors in the gasfields about how well the air monitoring is going in Queensland. Where is the monitoring data for the infrastructure currently in the NT? Where is the data? Something I asked in my previous presentation. Given the concerns of Territorians I expect more than just looking out the window at gas wells round Dalby. I expect science from a scientific panel.

Baseline Testing and the Baseline Assessment recommended by the Inquiry is not the same thing. Baseline Testing is about collecting hard data. Baseline assessment is analysis of existing data and given that "there is not enough data" on so many things including water, I don't find this recommendation acceptable. Sounds like the same "No Data, No Problem" I wrote about in 2013 in an article in No Fibs regarding the lack of Baseline Testing and the Gas Industry going ahead in Qld without oversight and refusing to take the blame for the problems they caused because of "No Data". Where residents have been unable to prove impacts because of a lack of baseline data.

<http://nofibs.com.au/definition-data-katherine-marchment-reports/>

Like others who have submitted to this inquiry, I am dubious about the choice to use ACIL Allen to do the economic modelling. I am dubious about gas services company Coffey Services winning the tender to do the social impact study. I am stung by the unfairness to members of the general public who have jobs and families given mere weeks over the Christmas period to respond to the Inquiry's 400 page draft final report whereas the Inquiry and the NTG have had all year to review all of our evidence. This Inquiry doesn't feel very independent to me but maybe given the Terms of Reference that was an impossible call from the start. To me it feels like the whole process has been stacked against local residents.

Is there any way that this Inquiry was going to be able to give anything other than a positive outcome for the gas companies? Is there any way that the risks would ever have been calculated as being too high given that this inquiry is about how the industry is to go ahead rather than should it go ahead?

#### REGULARLATORY CAPTURE

During a quick search of google, I have found a number of articles from all over the world mainly from energy companies which cite the need for "Robust Regulation" or a "Robust Regulatory regime". What I have not found is reference to actual robust regulations or where regulation has been successful in making this industry safe. So, to me all this talk of "Robust Regulation" is yet more industry spin. Imagine my disappointment to see this Inquiry spouting exactly the same line. What does the Inquiry envision as robust regulation? What would that look like? And even for pitiful

regulation – where is the enforcement? Santos was fined only \$1500 for contaminating an aquifer. Contamination that was brought to the attention of the regulator by a local farmer. Locals protesting Santos activities in the Pilliga have been fined more than that.

2012 Wyoming

<http://www.energytomorrow.org/blog/2012/09/21/fracking-regulation-let-the-states-lead>

Shale energy development has been a game-changer for economic growth, job creation and government revenue. Hydraulic fracturing has been used safely for more than 60 years, and the states are well-equipped to ensure that record continues. The Empower States Act recognizes states are getting the job done when it comes to robust regulation of hydraulic fracturing."

European Parliament 2012 Robust regulation – some of these countries notably France and Germany have since banned fracking <http://www.europarl.europa.eu/news/en/press-room/20120917IPR51525/shale-gas-member-states-need-robust-rules-on-fracking>

UK <https://www.nationaltrust.org.uk/documents/fit-to-frack-summary.pdf>

UK 2015 <https://www.pinsentmasons.com/PDF/Shale-Gas-Report-2015.pdf>

2014 Scientific American – Fracking regulation weak and scarce

<https://www.scientificamerican.com/article/fracking-regulations-weak-and-scarce-despite-natural-gas-bonanza/>

2014 WA <http://www.dmp.wa.gov.au/News/DMP-team-visits-Carnarvon-to-6684.aspx>

Queensland 2014 APPEA [https://www.appea.com.au/media\\_release/great-potential-for-shale-gas-development-in-queensland/](https://www.appea.com.au/media_release/great-potential-for-shale-gas-development-in-queensland/)

Published in Alice Springs Online 2015 after the Hawke Report – Robust Regulation

<http://www.alicespringsnews.com.au/2015/02/26/fracking-needs-robust-regulatory-regime-report/>

2015 Northern Territory “Robust Regulatory Regime”

<https://www.claytonutz.com/knowledge/2015/march/northern-territory-fracking-report-released>

Robust regulatory framework WA 2015 <http://www.dmp.wa.gov.au/News/Regulatory-framework-to-guide-16112.aspx>

Monica V Cristina 2013 written by a pro fracking proponent appears to have provided the template for the conclusions of the NT Fracking Inquiry

“No technology is without risk. However, risk can be managed”

“Best industry Practises”

“Robust Regulation”

<https://theecologist.org/2013/feb/28/shale-gas-facts-beyond-myths>

Regulation has not worked. There is regulation, then there is the ever growing "List of the Harmed" compiled by Pennsylvania resident Jenny Lisak, which is a list of people who have suffered verifiable impacts from shale gas extraction in the USA

As at the last update of the list 17 November 2016, the number of harmed since 2012 is 22,144 This is significant in any population and very significant given that fracking occurs in the less populated areas of the USA. That fracking is intended for the small population of the NT.

Then there has been the regulation in Australia where Dr Anthony Ingraffea was called as an expert witness to check into the proposed regulations for NSW. He described them as being worse than the weak regulation in the USA with words like "may" instead of "must" comply being sprinkled liberally throughout the proposed legislation.

There is the impacts on the people in the gasfields on Queensland some of whom have submitted to this Inquiry.

There is the well published "Halliburton Loophole" is where Dick Cheney gained an exemption for the industry from the Clean Water Act in 2005. This loophole is yet to be closed even though there has been much publicity about "Robust Regulation" from the attached articles since 2013 from fracking proponents. Yet where in the world can you point to an example of robust regulation or even compliance with current regulations? Where is the worlds best practice? Where is the safe horizontal hydraulic fracking you can point to anywhere?

I hold grave concerns about this because Haliburton is one of biggest if not our biggest defence and infrastructure contractor here in the NT. They are also primary contractor for fracking operations in the NT. Are we prepared to let them poison our water because we think we cannot afford to lose their business?

Before the unconventional gas industry took off in Queensland, the movie "Gaslands" was circulated to people in areas likely to be impacted. Video of people being able to set their tap water alight caused a lot of concern. We were told by industry and government that CSG was different to shale, conditions were different, that we would have a "Robust Regulatory regime" and "Worlds best practice".

What actually happened was that when the gas industry moved in farmers bores became flammable. Youtube videos of this went around Australia and round the world. So now in the NT we are being told that "Shale gas is different to CSG" that our water is going to be safe because of a "Robust regulatory regime" that we are going to have "worlds best practice. Pardon me for being cynical but I personally have grave doubts given our current lax regulation and lack of compliance from current and past mining activities in the NT.

In the report, there is a small statement to the effect that regulatory capture was not something worth looking into.

In 2015 Jeremy Buckingham NSW greens MP published an article "The revolving door between miners and government" which gained nationwide attention when it was re published in the Sydney Morning Herald showing former industry executives taking jobs in government and former MPs who have since taken jobs in the mining sector.

In the Northern Territory the Chief Minister's Chief of Staff Alf Leonardi has been openly supportive of APPEA. I have been told to my face by MP Kate Warden that fracking is likely to go ahead in the