HYDRAULIC FRACTURING

IN THE NORTHERN TERRITORY



Darwin – Rob Woods

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Darwin Convention Centre, Darwin

Speakers: Rob Woods

Justice Pepper: Thank you

Rob Woods: Yes, Good morning panel. My name is Rob Woods. I'm representing myself,

of course, but also a number of, I guess, tour operators up here who've expressed a little bit of interest and possible concern about the fracking up issue here. We run a small business, a tourism operation up here. It's a family-based business, and we've been doing this for four years now. This is

our fourth season and we run typically across the top end.

Justice Pepper: Just again, just so we know. Which organisations are you here on behalf of

or businesses?

Rob Woods: Just a number of tourism operators. Small family operators and the numbers

pretty much growing as we speak now. As the, I guess, awareness for the fracking gets out there most the tourism operators. People are actually just

calling up and saying, "Listen, can we get involved in this."

Justice Pepper: Thank you, sir. I promise I won't interrupt again. I just wanted to be clear.

Thank you.

Rob Woods: No, that's fine.

Justice Pepper: Yes, go ahead, please.

Rob Woods: Basically, firstly guys, I would like to say thank you to all of you actually

being here and actually going to the trouble doing an inquiry. I know it's your job but obviously it's essential part I think of the Northern Territory and

sustainable development up here, so I thank you for that.

I've said I'm a tourism operator up here. This is the busy season so we've tried to have a bit of a good look at the report you guys put out and today, if you don't mind, I've got a few questions, a couple of comments on the interim report and also a few responses from some of the members in the

industry in which we work.

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In giving you our responses, I sort of do feel that a longer period between the interim report and the submission time would have been pretty handy.

Justice Pepper: Thank you, noted.

Rob Woods: Yes, and also the timing, just with the release. Obviously, this is doing the

report. Now, I'm right in the middle of busy season so I know a lot of the other operators and business people up here are hands to the grindstone trying to keep afloat, so just for future. That being said, I've looked at your report and if you don't mind I just want to make sure we're on the path as far as what I understand it to be and what you guys know it to be in regards

to the industry up here.

Oh, there we go. Okay. Just a couple of ... Just a few slides up there and so please do stop me if any of these slides appear wrong or outdated or anything like that. Just from the tourism sector we're looking at the Northern Territory up there and looking at how much that landscape has actually either under application or been approved for fracking exploration. That's what we're sort of concerned about and these are the figures that we sort of got off from there.

40A focusing on Northern Territory, under grounded. 40% of payment's already approved. They're currently reservations for national parks, community living areas, natural cultural regions of significance or ground water resources. Now, I understand that's in the report, as I said, and correct me if any of that's wrong, please.

Just once again, stepping back a bit further, these numbers I think are quite high but I think that's probably the most optimistic from a gas perspective, I think, and just looking at those we're talking about just over 12,000 wells in Amadeus, was like 28,000 in Georgina and the rest up there. That's, from where we stand in the tourism industry, that looks fairly intensive. Once again, please, correct those figures when we get a chance later on.

Just looking at the fracking and the basics of it what I took out of the report was basically during the drilling and fracking, in regards to how it's going to impact on tourism, possibly concentration of heavy equipment, thousands of trucks moving to well site over few months, cement, cover the fencing, keep livestock away, completion.

We're interested to know about the need to maintain those structures and those sites. The period and who would be responsible for that and of course the cost. Of course, well integrity issues, we realise that there's only been one blow out but only one seems like a lot and of course we know that technology is apparently improving and limiting that but what happened after that blow out? What was the consequences, what was the procedures for fixing that up and how did the industry respond when that occurred. We'd be interested to know that just to set some sort of baseline on their response that they showed before the inquiry.

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Looking at the production times, 20 to 50 years, indefinite period of monitoring, maintenance, 20 to 50 years waste water production, each well, 20 megalitres of water. Obviously the water is a main issue up here and that's one of the things that we'll be sort of talking about or asking questions about in a second. Of course, what to do with that water once it comes back up?

As we are out in the environment and tourism out there all the time, any change or contamination to service water, ground water, and the soil, effects everything that we do. That's it.

Of course, re-injection. Out of mind, out of sights not going to work up here apparently and that's according to geo reports, so what do you do when you've got such large distances and such high demand, high need for water. How do you bring in it? Where do you bring it in? What impacts is going to have? That's what we're really interested in.

Of course, safety on the roads with those increased truck movements and everything else as well. It has a lot of carry on effects.

Now, if we're good with that, just want to look at the executive salary. When we read this, a number of things actually stuck out to me. One of the ... It was probably a small point, but just with the movie Gasfield, I saw that movie and of course it was quite damning, you know. Whether or not there was questionable things in there or not, I can honestly say it's not the reason I have my position with fracking. Of course, there's a lot of emotion in that movie.

There are genuine concerns, as you high lighted in your report and also just wanted to, I guess, talk about the massive bonus for the US, in regards to the sulphur lines and effective world energy processing and how that was a positive, however, just under that you say that some instances the transformation took places in jurisdictions that were poorly regulated, resulting insignificant environmental damage. On the basis of that, it's that classic case of, "Okay, there's massive obviously financial benefits to the industry, but what were the costs in those areas? What did the industry, as in industry, do to try and overcome that and what have they done since to try and improve their image so they wouldn't find themselves in front of these inquires?" I think that's relative across countries, not just in the States.

Of course, with the community response that you guys received, basically I've been to a couple of these community events, and of course, nice people, they go out there and say 98, 99% of people that will turn up at these community events typically aren't in favour of the fracking. I found it interesting that you mentioned many groups and individuals have expressed the opinion to the inquiry and I was wondering who those opinion where. Who those people were? What industries they were in? Were they individuals? Were they working in the fracking industry, in the oil and gas? Were they at the meetings or did they do it adhoc sort of arrangement?

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I guess, the interest there is that you've got people who turn up at these meeting because they've got a vested emotional interest and real interest in how things go. Honest interest, I would say even. You've got the other side of the fence, I suppose, who are more from an industry point of view, which is all about the dollars. That's the question there, and if we're talking about community involvement and response, who do you sort of take more notice of, I guess, is a personal question there, I suppose.

Now, just as I said with tourism, water, we spend a lot of time in and around the water bodies up here. Mainly swimming in some of the creeks, going to the hot springs and generally having a great time. I don't think there's a person we've taken on tour that hasn't said what an amazing place the top end is and just how special it is to actually be able to go in this water and not worry about contamination. Not worry about over exploitation, and not worry about basically those things that they're getting away from everywhere else in the country.

Yes, the two critical aspects, surface water and ground water. How to maintain the integrity and quality of those. That's the forefront of one of the questions today for us, and of course, what if. It's one thing to say that it's a low probability or possibility of something to occur, and of course, in your risk management you look at the consequences of that. Yes, they're very, very high, but very, very low probability, but what if. I can only think about with the Fukushima disaster over there, they're talking about minute possibility of something happening, but the response to that is they almost lost control of their country. That's a bad environmental result, which nobody could predicted but yet that's what occurred.

In the case of this without ground water and our surface water, which is so important up there, what if we do contaminate them? What's the comeback? What's the insurance coverage of these companies have got? What's the ability to actually come in and stop, limit, fix, reverse some of these impacts because from what I can understand there is no contingency plan up here. There's no contingency plan when you contaminate the ground water except to sit back and wait, and wait until it flushes itself out, if it does flush itself out. That's a concern, so the what if is a question that I'd like answered, if that's possible.

Looking at the land, as I've said that you've stated in the report and it's mentioned up there, the Northern Territory is internationally renowned for its vast and open spectacular landscapes. Many of which are our wilderness [inaudible] represent an iconic party, Outback Australia, also has an exceptional terrestrial biodiversity. This is why we have world heritage national parks up here and I guess right next to it, if you were going to go ahead, particularly with the Beetaloo Basin, I think it was 27,000 sq km or thereabouts, that sort of area, which is larger than Kakadu National Park. Which would be an interesting mix, I suppose, next to each other.

You did identify the seven main risks and I hope you agree with those, definitely. Landscape amenity, private planning, regional developments,

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spread of weeds, change forests, habitat loss and so forth. Of course, the what if to this, what if land integrity is destroyed? Once again it goes back to what is the ability to fix, repay and act on that?

Also, with the landscape amenity, I know that this particular picture isn't in Australia, it's actually Dallas, Texas and I know that the pad density here is much higher than what you'd expect or what you predicted in your forecast.

Justice Pepper: Is that shale or coal seam gas that we're looking at?

Rob Woods: That's shale, as far I know.

Justice Pepper: Thank you.

Rob Woods: Yes. I can check that but I believe it's shale, yes.

Justice Pepper: Thank you.

Rob Woods: Basically, when you're looking at this from the perspective of a tourism

operator and a tourist, I can't actually see anything positive in that. I can't actually see myself saying, "Let's go for a flight over Central Australia. Let's go to Darwin, let's go for a drive in the Outback." Normally when I'm thinking about going for a swim, I know this is up stream, everything that catch middle, 10, 15, 20 km down the track, how is that going to make me

feel?

I've done some little survey's of the passengers I've had on the tour so far since the interim report came out and it doesn't look good. Essentially nobody wants to come up and sit next to this stuff, and enjoy this, or even look at it on their way through the countryside and up here. Now, of course, that's just from the amenity side of it, just from the visual sort of point of view. If we go to looking at some of the other ...

Okay, this goes spread of weeds. Obviously we do have a big problem, you identified it. Gamba grass, the spread of that, fire regimes there. Obviously the roads and cleared areas going to create a lot easier pathways for those weeds to get through. How that affects the fire regime, of course, that's an interesting thing, I think because they've some some work obviously out of Kakadu. Power over fire experiment was one, where they looked at the proper reoccurrence interval for fire and how they should actually be burning the country. They are talking about a three to four year return cycle for fires, if you're looking at biodiversity, you're looking at carbon emissions, you're looking at four to five years, but with your recommendation to do a looking at the pervious 10 years, we don't think it's probably the best option to go forward with because it's possible that the previous 10 years haven't been done in accordance with those recommendations from those experiments.

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Our recommendation is to do some studies in these environments looking at what is the best fire regime down there, rather than just looking at historical processes, if you will.

Looking at habitats lost in fragmentation, again, feral animals, cats, are the main one. Obviously cane toads, we've got cane toads everywhere as well. The roads, also with the fragmentation, is that some animals do require certain amount of area unobstructed, or unbroken. Not broken up, they need that intact landscape. I don't think this ... I'm asking you guys this is that has there been any studies done on the minimum size of intact habitat that is required by a native animals and creatures up here? If not, then I think deeming the fragmentation is low impact I think is probably putting the cart before the horse. I think we need to look at that.

As far as fauna and flora poisoning, contamination for chemical spills, that bit also with your water containment methodologies, or the way you do that, we're all aware that the Northern Territory has an abundance of bird life up here. It's a pathway for migratory birds to get in and out through Central, West and Eastern Australia, and of course, if we're talking about setting up ponds in areas that are in usually arid environments, they may become focal points for these birds and keeping them out of that water, I think would be a priority considering that looking at some of the flow back contaminates that you mentioned, like the radioactive materials and other changed elements that come out of the water, may harm those birds so looking at physical structures to keep the birds out, animals away from the water as well, rather than just assuming that it's going to be a low impact out there.

All right, so, oh, one other additional risk, I guess is number eight, which is not up there is the legacy issue or the unconventional gas industries. What time frame do we have on, you know you've got the 20 to 50 years of production. What time frame do we have on the integrity, long term integrity of the wheels incasing the concrete blocks, in general but also across the different environments that you're going to have it. Whether it's the tropical north or the savannah or the desert country, these are different habitats, different obviously chemistries in the water, different conditions effecting those things. Whose responsibility is it to maintain that after which time does it pass on to the public and at which point does a tax payer pick up the bill? Those sorts of those.

Also, looking from access point of view. What would be the access for people, whether it's indigenous people or tourism operators in those areas once this is all done and dusted?

Okay, this could be here too about some of the social impacts. I should have mentioned before that we're only dealing with some of the chapters or some of the risks that are present in the interim report, obviously. These areas are most closely related to tourism, I suppose.

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Just because a foot print developed unconventional offshore gas industry, Northern Territories are known, because there are no two communities are the same, respond to the risk and benefits associated with any such development, different ways, and what to extent these impacts can bad acceptably mitigated.

Just looking, you've chosen the Beetaloo sub-basin and for good reason, because that's obviously where you've stated that this is where the development will probably initiate if it goes ahead. You've also identified that it's an indigenous population out there which is the main population. One thing that I've read recently about, actually precautionary principal in the application of that in historical results of when the precautionary principal wasn't actually applied, was that looking at historical and related impacts fields, influences, and applying them across to a similar situation and what I mean by that is, yes, we can do a, and should do a, community based and social impact assessment in the Beetaloo community but also look at the broader Northern Territory region. Across indigenous communities where other oil and gas industries have gone into, or other, actually mining has gone into and what impacted they've had at a social, economic, and cultural level there.

I think given that's the same sort of boom, bust, high impact, I take that back. A boom, bust, resource industry, you may find that there could be parallels there. Looking at those historic examples, I personally think it's a fairly grim result.

Now, directly from the tourism. Tourism businesses go gas field free, of course, as I said, this is where some of the tourism operators are at, such as ourselves, coming to the position where we feel that it doesn't work with tourism, fracking in the Territory. Just looking at the input of tourism in mining sector and contribution to the top ends economy employment statistics, and if you're looking at this one, because there's no direct value there for tourism, but we do have one for mining, which has it about 3,299. Now that represents about 3.5% of the working population up here.

That's the financial contribution to the mining and petroleum industry. Once again, you can see the source here if anyone ... There is that. Now, the recent projection or I think it's vision for the tourism industry up here at 2.2, around 2, 2.2 billion dollars, per annum, as a turnover. Now, if you look at those figures up there, we're looking at a about a 6.9% of the employment of the NT up there. Once again, if you're looking at tourism, if it was a competition, if we are going to have one, I know it's not, tourism employees more people than the mining industry up here. The value there I think speaks for itself.

Now, from a tourism operator point-of-view, I'll read these out of course. Petra, Petrina [inaudible], have gone to the trouble of actually contributing to this so I think they deserve it to be mentioned. Our brand images and unspoiled destination with clean, flowing waterways, underpins a strong growth of our industry. We're proud of the sustainable and positive

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contribution to the Territories tourism sector makes to the economy and our communities, but right now our national parks, waterways, recreational fishing and tourism icons like Uluru, Mataranka hot springs, Roper River are largely surrounded by permits from fracking gas fields. We want to clearly demonstrate the concerns of our visitor base and our sector, fracking gas fields are too big a risk to our image as a clean, green, pristine part of Australia. The only way we can have certainty on our investments, the jobs our industry supports, and the long-term viability of our vibrant tourism sector, it is a fracking banned.

It's a fairly strong denouncement and of course we've got another additive here, [inaudible].

Traditional custodians and joint manager of Watarrka National Park, Watarrka, King's Canyon National Park saved from fracking exploration risk through emergency heritage listing application in 2016. Fracking's not compatible with Territory tourism where visitors come to see a pristine environment. Our regions host many unique plants and it's a very fragile landscape, water is critical. If companies start fracking around our national parks they will frack all that up.

Now, of course guys, our money comes and goes with these places. These stories they hear with you all people they still hear you, mine, and here it's all lost. That's a fairly common sentiment across the Indigenous community.

Now, [inaudible], there's a happy family. This is what we do, small groups. We do many educational tours. We do try to take people out and give them an unbiased view, if you could believe that, of what's going on up here and show them just how beautiful places are and let them make their own mind up about what they should do with the future. In order to do that though, yes we do rely on pristine environments or their close to, to take them out to show them what is worth protecting.

What we did, as I said, when the interim report came out is during the daily basis when we had our passengers on the tour we simply just asked them what do you feel about fracking? Some of them asked what it was, we told them and they said, "Well, where would it be?" We told them that, and they said, "Well, yeah, we wouldn't be too keen to come up here if that was the case." That was a little bit worrying. Of course, it may not be the case, they may have just said that because of the conditions but the results for us, if they decided that they didn't want to come up because of the fracking, yes, then we'd be out of business. That'd be end of us. Happy family would be gone.

Basically, for us guys, just a summary of what if we can take something out of this. We do believe that the gas industry, unconventional gas industry will have irreversible long term negative consequences on all aspects of the natural and safer life in the NT and therefore reject it. We also find that giving all the uncertainty deficiencies that currently prevail around the unconventional gas industry it is disconcerting that had not public opinion

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been so forceful and demanded a moratorium fracking, we would now be seeing this industry operating across most of the NT unhindered without proper regulation, environmental safeguards, community consultation care.

Now, to believe that the industry would have acted in good faith in the absence of this inquiry and conducted business in a sustainable, responsible manner is unlikely giving the proponents of the industry rallied against the formulation of this inquiry and activities ushered in just prior to the change of government. It is our belief that there's a long way to go before those involved in the extractive [inaudible] industry gain the trust of all of the sectors of the community if and if the unconventional gas industry were to go ahead that anything short a robust comprehensive and effective regulation of the unconventional gas industry will result in wide-spread community action.

Thank you ladies and gentlemen.

Justice Pepper: Thank you very much, Mr. Woods.

Rob Woods: Thank you.

Justice Pepper: Thank you for reading the report and in detail. Your comment about the

time period between the publication of the report and sort of preparing for these hearings and submissions is noted. Let me emphasis that you can, of course, put in a submission at anytime to the inquiry, so please don't think that you're in any way precluded from putting in any further material.

Rob Woods: Thank you.

Justice Pepper: On that note, are we able to get a copy of your presentation.

Rob Woods: Yes, you've got one already.

Justice Pepper: Oh, excellent. Great, wonderful. I should also just note that Coffee, would

affect the social impact engagement, Coffee will be looking to the

Queensland experience and indeed we have just come back from a week in Queensland, speaking to land holders and various government regulators

and entities up there.

Rob Woods: Thank you.

Just curious, when you said that you told people what fracking was, what did

you tell them exactly?

Rob Woods: In broad terms, went through the process or the different types of

unconventional gas. Told them that the different depths, how it varies from the conventional gas as far as how you get access to it. That's pretty much

the extent of it.

Justice Pepper: Again, I just want to, pardon the pun, drill down on that.

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Rob Woods: Yes.

Justice Pepper: What exactly did you tell them about how it differs from conventional gas?

Rob Woods: Oh, okay, so essentially that ... Conventional gas, we understand to be

pockets of gas that has actually seeped out and creates, sitting there in a, if you will a bubble, so you're drilling down and you're extracting that without the need, or sometimes you, as you said in your report, there have been cases where you do also break and frack, some of the materials that I guess are in and around that pocket of gas. With the unconventional it relies solely and purely upon breaking the medium in which the gas is actually held. Whether it's your shale, your coal or your tight gas with your sandstone structures and in order to do that simply, yes, you're drilling your well, you're putting your casing, doing your concrete, putting your safety measures in place and under pressure you're putting your concoction of chemicals and sand and water and everything else down into that to break that under pressure and then putting wells elsewhere around the

countryside to extract that.

Justice Pepper: Yes, thank you. The only reason why I as is because it came as a surprise to

me at least when having a look at some of the gas bills in Queensland that a very small percentage of those are actually fracked so I wondered how you

defined conventional versus unconventional.

Rob Woods: Yes.

Justice Pepper: A lot of the coalescence gas's being pulled out of Queensland, in fact, is not

fracked and they would infectively be conventional gas.

Rob Woods: Yes, that's not debating that at all.

Justice Pepper: Yes, Dr. Beck?

Dr. Beck: Mr. Woods, thank you very much for the presentation. It was good to see

that you had gone through the reports. That was excellent. During your presentation I think you made the comment that you asked for any comments from the panel in terms of the accuracy of the information that

you presented.

Rob Woods: Yes.

Dr. Beck: I would have to say that any silence from us doesn't indicate confirmation of

the data that you've put there.

Rob Woods: Yes.

Dr. Beck: I just wanted to make it clear that you can't take our silence as confirmation.

Rob Woods: That's fine.

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Dr. Beck: We haven't had time to even check it.

Rob Woods: Yes, that's all right. Coffee at 2 o'clock this morning, mate. That's why I'm

sitting here going, "Wait, what's going on." Yes.

Justice Pepper: Look, it's a great presentation. We're very appreciative of it.

Rob Woods: Thank you.

Rachel: Yes, Professor Hart.

Professor Harp: Could I just ask question? As you note up there, there are uncertainties.

Rob Woods: Yes.

Professor Hart: Uncertainties in most if it's a society and that's obviously why we're

undertaking a risk assessment over the whole of this. I just wanted to ask you if from the tourism industries point of view, have you thought about if indeed the moratorium is lifted, What sort of safeguards, regulations, et cetera, would make your industry confident that the risks are acceptable?

Rob Woods: Firstly, I don't represent the industry.

Professor Hart: Okay.

Rob Woods: It's only those members that have actually decided that they're ready to

step forward and say something about this. I'd love to write a big long paper and just give it to you at some point, going just do this, do this, do this.

Justice Pepper: Please do.

Rob Woods: Yes. Okay.

Justice Pepper: As I said, it's the government's decision whether or not to lift the

moratorium, our job is to identify the risks.

Rob Woods: Yes.

Justice Pepper: We've done that. Access the risks, we're doing that, and then make

recommendations as to those risks. Whatever, and I'll say this to anyone whose here today or listening. Please, if you have recommendations, please

send them in.

Rob Woods: I think the primary thing that we've got here, as I've said, you've mentioned

in the report, is the perception of the risk, the actual risk can vary, and whose telling the truth about that and what are the consequences if you believe the wrong person. In our society we need to trust the government,

we need to trust the regulatory body, but because there's so much

uncertainty, historic uncertainty through the government and welcome to the Northern Territory, there's a fair bit of interesting stuff happening up

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here. There's a lack of faith there, so before anything starts, before anything goes ahead, I think I mentioned it up there, that you have to have a regulatory body, which is independent of both the industry and the government. I don't have to explain, I don't think. It needs to stand itself separate, it needs to be independently funded, it needs to have punitive powers, it needs to have enough staff to do its mandate, and it needs to have the reporting and the transparency for the public to actually witness and see that they're actually sticking to what they're supposed to do.

That is watching over and insuring that the industry, the unconventional gas industry is doing what they say, that the guys on Friday afternoon aren't knocking off early to go to the pub and dipping out on the concrete. This is what we need to do and it needs to happen in real time, rather than waiting five years, ten years down the track, and there also needs to be a process where, and you mentioned in the report access to justice. Not something that lasts 10 years, 15 years down the track, almost like a two strikes you're out rule where it says, "Okay, you've done this. This is not going to court. This is, you've colluded this, you've done this, you've lost your license, okay, you're out of business. Too bad, so sad. You've done this and you have to pay these guys off and you have to fix this up."

That's what we're talking about and not just in the Northern Territory. This message has to go around Australia because that's where our people are coming from. You know, it's five or 600,000 people year come here, they don't come from Darwin to come here for a holiday. They're sitting down in Melbourne, which has got the right term somewhere else and they're going well, "These guys got fracking we don't want to go up there, oh, but hang on a minute, they've got the world's toughest and most transparent and fair system of governance anywhere regarding this industry."

I'll take it one step further. Across the rest of the world gas industry, I know this is not your scope on this inquiry, but it's all part of the same beast. It's the people making the decisions about this aspect of it are still the same people sitting over there making the decisions about the oil and gas. What makes it any more certain that they're doing the ... Subscribing to the proper regulatory processes in those aspects as well. Overhaul the whole system, I think.

Justice Pepper: Dr. Johnson.

Dr. Johnson: Yes, Mr. Woods, one of the things we can recommend in our report is this

issue of no go zones and so on. You raised this issue of some very strong,

[inaudible], perspectives thereabout.

Rob Woods: Yes.

Dr. Johnson: Their view of the land and certainly areas like Mataranka and so on.

Rob Woods: Yes.

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Dr. Johnson: Arguably are very iconic, need to be protected. Would you view a series of,

if you like, no go zones with buffer zones being an appropriate way of dealing with this or is this a generic territory wide thing where the whole

Northern Territory is iconic and...

Rob Woods: No, no. Assuming, I mean, we live in the modern world so we can't put

everything off bounds, can we, but the no go zones, and they need to be catchment scale based rather than local based. If you're going to protect Mataranka Hot Springs, it doesn't do to have a 400 metre, 500 metre exclusion zone. You've got to protect the aspects that contribute to the integrity of that system. That's where you go if you're serious about it, that's what you have to do. Otherwise, yes, you might as well not bother. That's not from me, that's from what's happening in the ground, everything else.

Dr. Johnson: I guess what I'm coming from the point of view of the tourism industry,

there are clearly tourism fishing hotspots around the Northern Territory

where a lot of tourists go and where you take them

Rob Woods: Okay, so at the moment, the Territory government and everybody up here is

obviously trying to increase the number of tourism visitations and look into new markets to come to Darwin. With those new markets, obviously new products will be evolved. Now if you look at what we've done so far in the Northern Territory, you have Kakadu, you have Central Australia, you have Watarrka, you've got the Mataranka, Litchfield. You've got all these places, you've got Gregory National Park as well, which is under utilised, but we've also got a lot of areas out there which fit into the niche tourism sector which hasn't been developed yet in the Northern Territory. Hasn't really been scoped out. We're talking, I mean, I know it's offshore, but if you look at the coastal values of the Northern Territory, these are unsurpassed. You know, one of the most least developed coastal areas in the world, we've got up

here along the coast of the Northern Territory.

I think from one of the reports I read there was a case to make this the gas industry profitable, you're talking about petro your chemical industries and all the rest of it up here and defence and blah, blah, blah and it's like, 'Well there goes this unique, untouched, new tourism experience." They're

getting out into the Bush, getting out into the Outback.

You've only got to go, I don't know if any of you've, you have, I know you've actually done the field experiments, but actually going out for a bit of a holiday at some of these places and done a bit of off road stuff. You're coming across magic spots all the time and so as the pop tourism numbers increase, we've got the potential because of all these bits and pieces all over the joint, to take people here. Increase our tourism dollar, increase visitation, so I don't think broad scale exclusion is the answer, but I do think, and once again across the Northern Territory, we have a lack of baseline data about our basic environmental attributes up here and before we go too far ahead, why not do a large scale micro investigation of the qualities.

Panelist: Kind of a values identification of these areas.

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Rob Woods: Definitely, yes. You're looking at places like Litchfield, Kakadu, the national

parks that are already in place and the reserves that are already in places. I think it'd be madness to step back from those because they have had, in the case of Litchfield, since 1986, that many years of park management. Even if you were to find and you won't, to find that it doesn't meet whatever values you want it to meet, it's still in a better park condition than a lot of places

out there.

You wouldn't take them back, if anything, you'd be adding areas to it, but once again, you asked how you could mesh the tourism sector with the oil and gas industry or the unconventional gas industry. I think there is a sustainable future, but we do need to work together and be smart about it.

Professor Priestly: Rachel?

Justice Pepper: Yes, Professor Priestly.

Professor Priestly: The panel has had some opportunity to do some site visits on area where

the gas industries rolled out. Particularly in southeast Queensland, and I appreciate that there are differences between the operations of coal seam gas recovery and shale gas recovery, and obviously difference in the tourism industry, those areas as well. Do you have any information on whether or not rollout of the gas industry in places like southeast Queensland has

actually had a impact on tourism there?

Rob Woods: I do, but I'm not prepared to ... I'm not going to go to the table on that here.

Actually some of the slides I took out this morning, just to get it back to 15 minutes, have dealt with the Queensland situation and the matrix of cost versus benefit for the communities that followed from those developments.

If you want, I can get those to you.

Justice Pepper: Yes, please.

Professor Priestly: That would be helpful.

Rob Woods: Definitely.

Justice Pepper: Yes, Dr. Ritchie.

Dr. Ritchie: One of the things, I'm sorry, Mr. Woods, one of the powerful bits of

evidence is the photo and the visual. The change and the visual.

Rob Woods: Yes.

Dr. Ritchie: Amenity of the landscape. If you walk off the top of Mount Rockman and

you see Ranger it's been there right from the beginning of the park and Kakadu is still a World Heritage Park. There's no real evidence that I've ever heard that the Ranger Mine has effected that and in some ways the

juxtaposition of that with the 20,000 year old rock art up in the ... I guess kind of works now. I suppose that's just as a preamble, but do you think that

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there's any tourism operations down in that Beetaloo basin flying over, you know, helicopter, that sort of thing. That would be effected if, so long as they were set back from the highway, the kind of foot prints of well pads would actually really make much difference?

Rob Woods:

The motivations for people to go on holiday vary, and so it depend on who their target market was, and who their clients were in those helicopters. That would determine, yes, if or not, the well pads out here would upset people. You get people coming to the Northern Territory who like doing big game safari's who have got lions and elephant heads sitting back in their trophy room. They're not going to care if there's a bit of, the fracking industry is there, okay but once again, that's a small market.

I don't know whose doing those helicopter tours, I do know going back to the preamble with the Ranger one, because once again, we get a lot of people who go to Kakadu, obviously do Kakadu tours as well, and talking to passengers afterwards when they do flights over, they are amazed at the size and just the visual scar that Ranger leaves in that landscape and not a single one of them thinks it's a positive. All right, okay, that's a given.

Saying that, and I'll give these places their due, when we started our tours we were going to Rum Jungle Uranium Mine, okay and people asked us why do we go there and we said because it's there. This is the reality of it, this is where the uranium industry started and it is a story to tell people because not all the mines are like that, not all mines are bad, but some of them did leave a legacy. I found that that as I said is all trying to give people the picture of what is out here. In places, I think that a negative can be a positive, you know, because it reminds us that we do live in the real world and there's a consequence for our actions. Saying that, too many negatives makes for a very bad day.

Dr. Ritchie: Thank you.

Justice Pepper: Yes, Dr. Smith?

Dr. Smith: I'd just like to tease that part a little bit further because I think his question

was quite pertinent and although we're concerned with potential for shale gas industry across Northern Territory, the likely start is going to be in that

semi-arid middle third of the Territory. I've got two questions.

Are you really aware of much in the way of current tourism operation in that area and secondly, of that, how much of that makes or relies on access to

temporary surface water.

Rob Woods: No, I don't know much at all about what programmes have got out there as

far as tourism but I think you sort of hit the nail on the head when you just put it started. It's where it starts from, that's where the unconventional gas industry starts. The concerns, my specific, concerns obviously my area of operation isn't down in that region where the basin where they're looking at starting, but once again, going back to one of the earlier slides, was it 85% of

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the Territory was under exploration application. There it becomes an issue for everybody.

This point, before the industry starts, I think it relevant to extrapolate the consequences of that industry beyond the micro climate of the Beetaloo Basin to how it would affect the greater picture. Yes, I'm not aware of the operations but yeah.

Dr. Smith: I see.

Justice Pepper: Anything further?

Mr. Woods, thank you very much for coming today, for the considerable effort that you've put into your presentation. I'll look forward to reading those slides in a little bit more detail later on but we're very grateful. Thank

you very much.

Rob Woods: Thank you all very much.