

Managing coal seam gas activities

(Report 12: 2019–20).
Tabled 18 February 2020.

Welcome

Welcome to our presentation on the performance audit report on managing coal seam gas activities. Please note that this is a summary and the full report can be read on our website.

Audit objective

In this audit, we assessed how well entities regulate and manage Queensland's coal seam gas activities and environmental obligations, to ensure a safe, efficient, and viable industry.

Our audit included the:

- Department of Natural Resources, Mines and Energy
- Department of Environment and Science
- GasFields Commission Queensland.

We also consulted with the Department of State Development, Manufacturing, Infrastructure and Planning, and the Department of Agriculture and Fisheries.

Context

Queensland's coal seam gas industry has grown rapidly, and most activity occurs in the state's agricultural regions. As both industries are important to the state's economy, it is essential that the coal seam gas industry is effectively regulated to ensure the different industries, landholders, and communities involved coexist, the benefits are maximised, and the risks managed.

Our conclusions

The industry has matured and is now more viable. This is because the Department of Natural Resources, Mines and Energy and Department of Environment and Science (the regulators), the GasFields Commission Queensland (the commission) and companies have invested in their relationships with landholders and communities.

The regulators have developed an effective framework for approving, monitoring and regulating coal seam gas activities, environmental obligations, and safety within the legislation. However, landholders and other stakeholders are still concerned about the framework's effectiveness in managing issues such as priority agricultural areas, offsite impacts, and long-term environmental effects.

The regulators' current systems limit their ability to provide an overall, collective view of how effective their regulatory activities are. The systems also limit their ability to share information and coordinate activities. They could better coordinate their compliance planning, and information and data sharing.

For the government's coexistence policy to be successful, the regulators and the GasFields Commission must continue to adapt as unresolved concerns persist, new issues emerge, and the science continues to evolve. The ongoing evolution of the industry will require government to continually evaluate and refine its regulatory framework.

What we recommend

We made eight recommendations to the audited entities, relating to the:

- use of their data
- exchange of information between industry, government and landholders
- coordination between the entities
- application processes.

We also made one recommendation to the Department of State Development, Manufacturing, Infrastructure and Planning to determine the scope, future function and role of the GasFields Commission Queensland.

For more information

For more information on the issues, opportunities and recommendations highlighted in this summary presentation, please see the full report on our website.

Thank you.