

TRANSCRIPT

STANDING COMMITTEE ON THE ENVIRONMENT AND PLANNING

Inquiry into unconventional gas in Victoria

Torquay — 12 August 2015

Members

Mr David Davis — Chair

Ms Harriet Shing — Deputy Chair

Ms Melina Bath

Mr Richard Dalla-Riva

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Witnesses

Mrs Alison Marchant (affirmed), and

Mr Damien Marchant (affirmed), Frack Free Moriac.

The CHAIR — I ask you to make a brief statement, noting your submission here, and then we will ask some questions.

Mrs MARCHANT — It is slightly different to our submission that we had made. Thank you to the committee for inviting Frack Free to speak today. We would like to give you some background on Frack Free Moriac and we are happy to answer any questions that you may have. My name is Alison, I am a mum of two children, and Damien is my husband, a local plumber.

In November 2013 the Moriac community held a public meeting at a local school to inform local residents of the implication of petroleum licence PEP 163 could have on our area. Experts there informed locals of their legal rights under Victorian legislation, the process of exploring tight or shale gas, risks and unknowns associated with the industry. From that night dedicated volunteers started the group Frack Free Moriac, which would see the next few years being very busy. The first steps taken by Frack Free Moriac were to inform the whole community with an information flyer drop to each household in the 3204 postcode, and from there we started to survey our towns, asking residents just one question: do you want your land to be gas field free? Many volunteers gave up their time, spent hours talking to neighbours and collecting data and attending meetings.

In September 2014 residents of Moriac, Mount Moriac, Paraparap and Freshwater Creek democratically declared themselves gas field free and each town had overwhelming results — Moriac, 97 per cent; Mount Moriac, 96 per cent; Paraparap, 92 per cent; and Freshwater Creek, 93 per cent — and all wished to declare their towns gas field free. Our declaration day was attended by local Surf Coast mayor, councillors, state MLCs, candidates for the upcoming state election, federal Liberal MP Sarah Henderson and federal Greens leader Senator Richard Di Natale. It was a day of celebration to celebrate our remarkable towns. The gathering included all sections of the community. We are not alone. Now hundreds of volunteers and groups have done exactly what we have done. Sixty Victorian communities have clearly stated there is no social licence.

People have declared they do not want this industry in Victoria. What is at stake? Why did so many wish to be gas field free? The Surf Coast area, as you have heard today, is not only a top Victorian tourist area but boasts the best fertile agricultural land. In the heart of PEP 163, we have wineries, dairy farms, cattle studs, farmers cropping, horse studs, ecotourism accommodation and award-winning restaurants, all at the entrance of the Great Ocean Road. Quaint little communities like Moriac have a general store, small school and church, all enjoyed by residents who actually love the quiet rural lifestyle. In comparison with Queensland, farms here are relatively small and any development within a farming community will no doubt have an effect across many neighbours.

From day one, ordinary people like myself have dedicated their time to this cause to ensure a better future for our coming generations. Frack Free Moriac has been very careful and deliberate with the information it uses and sends out through social media and email. Industry and pro-gas individuals like to paint us as being misinformed, but frankly this is quite insulting. We have sourced resources such as independent expert scientific committees, CSIRO, government departments, Lock the Gate, Doctors for the Environment and even APPEA, and just as these experts have all told you via submissions and through hearings, this industry comes with risks — risks that towns like mine are not willing to accept.

Moriac and gas field-free communities in Victoria do not wish to live within a gas field and it is not a pretty picture living with drilling wells, flares, noisy construction sites and trucking traffic while being anxious about the impact it is having on us all. Property value is impacted, enduring access agreements and towns transforming into mining towns. Frack Free Moriac is a proud group of concerned residents who have found themselves passionate about a cause they wish they did not have to fight — a struggle that has taken too much of our time and needs to be ended with a ban.

Today we wanted to give you insight to how it actually feels to live with a licence over your home and your family, the stress that it has put on individuals and communities and the simple understanding that this industry comes with risks and the communities will not accept these risks. Those risks, even acknowledged by APPEA and Professor Cook a few weeks ago in Melbourne, cannot be mitigated completely.

Some have also been accused of using emotive language. However, when it is our homes and our families and towns being affected, of course it can quickly become emotive. But this emotion is what drives us to become more informed about the topic. Just as you are all doing now, we have for the past two years been looking at the

facts. You have heard and read reports from experts like Tim Forcey, Dr Matthew Currell and even Barwon Water today, and they have all told you a precautionary approach is needed.

We do not need to rush into this. The only people rushing are the gas companies, and why is that? Money. This is a dash for cash at the town's expense. And yes, this is an emotionally charged position, but it is an educated one. I thank you for taking the time to listen to us today and we would like to finish with a question to all of you, just like we asked all our residents: would you be willing to live in a gas field? If not, how could you expect others to?

The CHAIR — Thank you for the submission. You obviously feel very passionately about these matters. Has the relevant prospecting company had any contact with you or others that you know in the town?

Mrs MARCHANT — No. With PEP 163 being a petroleum licence, they do not need to do any community consultation through the act. The mining licence is different; they do need to do community consultation. Lakes Oil, which owns PEP 163, have had no community consultation with us.

Ms SHING — Thanks for that. I would like to pick up two elements of the submission that you have just talked us through. I would like to understand precisely who the experts were in paragraph 2 of your submission who informed:

... locals of their legal rights under the legislation, the process of extracting tight or shale gas, risks and unknowns associated with the industry.

The reason that I am asking for that information is that we have heard from a number of experts across a number of different parts of the spectrum on this issue, and there are different views depending on which side of the debate you come from. I would be keen on understanding who those experts were in the first instance.

Secondly, I would like to take you to the last big paragraph before the end of your submission, which says:

We don't need to rush into this ...

That is a curious choice of words because when you say 'We don't need to rush into this', it sounds to me as though you are saying we do not need to hasten to a decision — and it may be a choice of words that you want to clarify — but you are saying that there may be capacity for something to happen down the track. That seems at odds with the rest of your submission around what other communities have said and voted on as far as wanting to be frack free, to coin your choice of words. Just those two things, if you could just flesh it out a bit.

Mr MARCHANT — I might take those, if that is okay. To start with the first part of your question — and thank you for listening to us — one of the experts we had on our information night was Mark Ogge from the Australia Institute. He spoke about the economic issues, both for and against, regarding the industry. He looked at both sides of things — where it would have economic benefits, and also the knock-on effect for the export industry of this and the additional costs that could happen to gas, which we have seen starting to occur now.

We also had Ariane Wilkinson from the Environment Defenders Office, who spoke about our rights — or our lack of rights — when it came to land access agreements. We also had Dr Gavin Mudd, who is an environmental engineer, who spoke about the entire process. He explained how the process worked, the differences between coal seam, tight and shale and basically went through any risks and the things that were possible concerns, and also looked at the unknowns as well.

Ms SHING — The second part of the question was that we do not need to rush into this. That was just what I was keen to get a better understanding of.

Mr MARCHANT — From that point of view, we perceive that there is a big push from the industry to get this underway; there always has been. It is almost as if we do not know the full effects of it. This is the way we perceive it, we do not know the full effects of this industry. It has not been running long enough in the capacity that they are talking about now to see any ongoing, long-term effects. The feeling we get is that we need to jump into this now and get it up and spinning so that once we have spent the investment on it, we cannot go back. That is why we say we do not need to rush into this. It is a perceived rush that we see the industry putting on people and the government to go ahead with it.

Mrs MARCHANT — I think when I used the word 'rush', we have not yet ticked all the boxes.

Mr MARCHANT — No.

Mrs MARCHANT — There has been nothing to alleviate any of my concerns to say we are ready for this.

Ms BATH — With respect to petroleum licence — we are calling it PEP 163 — you have had probably a number of meetings around the implications of that. Can you tell me specifically — I am a map person — where that licence would be in relation to your town or your towns?

Mrs MARCHANT — Right in the middle.

Mr MARCHANT — Our town is almost smack bang in the middle of it.

Ms BATH — Right in the middle of it?

Mrs MARCHANT — We are about a 20 minute drive from here heading towards the Winchelsea-Colac area.

Ms BATH — Thank you, that puts it in perspective. With regard to that and your investigation into that, what evidence do you believe the petroleum company has around coal seam gas underneath you?

Mrs MARCHANT — It is not coal seam gas, they are looking for tight or shale gas.

Ms BATH — What evidence do you have?

Mr MARCHANT — There was an exploration drill done at some point in Paraparap, which is one of our declared towns. I will be completely honest, I do not know the exact year in which that was done — it was either 2005 or 2006. So there has already been work done in the past in our area, hence one of the reasons why we believe it is important for us to go along this path.

Mr LEANE — Thanks for your submission. The communities that you have pulled together and represent today — and if it is not a question you can answer because you have not had this discussion, please say stop — do those communities have opinions around renewable energy sources? No-one is anti-solar, but there are pockets of the political spectrum, the community and some regional communities that are anti-wind generation. Unfortunately I do not know the area you are talking about well — I wish I did, from what you have explained — but has there been that discussion in your groups around being pro renewable energy compared to what is being proposed and that you are against today?

Mr MARCHANT — To be completely honest, it was never borne from that. From our point of view it was based on this industry. I guess some of that conversation did come when people said, 'If not gas, then what?'. I did a lot of surveying, and when people said that, I said, 'We've currently got other methods. We do have solar, we do have wind'. I am not all over those topics. I do not profess to be an expert on any of the topics. But at the end of the day this entire process was based on counteracting an industry that we did not want in our area.

Mr LEANE — That is fair enough. Thank you.

Mr DALLA-RIVA — Thank you for your presentation and for your passion for the issue. I am just going to take you back. In your evidence, in your report you say:

Back in November 2013, the Moriac community held a public meeting at the local school, to inform local residents of the implications of petroleum licence PEP 163, could have on the area.

We had some evidence previously, so you might just give me some time lines, because I have looked at the PEP 163 petroleum licence. The granting of the exploration permit — on the document we have, PEP 163/01 — was made on 19 July 2002. There are then a whole series of amendments or farm agreements, which I do not understand, and there are a range of variations to work programs et cetera. I was trying to reconcile the last one, which is dated November 2013 — suspension of year 4 condition and extension of permit 12 months — referenced 9000146.

I am trying to get an understanding: was there something that occurred in November 2013, given the licence had been in existence for 11 years? What was it that created the meeting?

Mr MARCHANT — To be completely honest, I am not entirely sure. Somebody else set up the meeting — another member of our committee. I am not sure what prompted that. The first I heard about it was the meeting, and then we went on from that. We had not long moved out to that area. I do not know what triggered the need for that meeting.

Mr DALLA-RIVA — So when you moved out to that area, were you aware that there was an exploration?

Mr MARCHANT — No.

Mr DALLA-RIVA — So the answer is no. Was there an organisation that was involved in setting up the meeting in November 2013 that you were aware of?

Mr MARCHANT — I would imagine the Lock the Gate Alliance, and there were also some Greens members there, but I do not know if they had anything to do with the setting up of it. I think Lock the Gate were helping to facilitate the meeting.

Mr DALLA-RIVA — So Lock the Gate established the initial facilitation of the meeting?

Mrs MARCHANT — No, community concerns did.

Mr DALLA-RIVA — Yes, community concerns, but who organised it around — —

Mr MARCHANT — I could not tell you that.

Mr DALLA-RIVA — But it just appeared?

Mrs MARCHANT — No, it was just a local concerned resident.

Mr DALLA-RIVA — But there must have been some push to get that meeting.

Mr MARCHANT — That is something we cannot comment on, just from the simple fact that we do not know the answer to why it was set up.

Mr DALLA-RIVA — But Lock the Gate were there?

Mr MARCHANT — They were in attendance, yes.

Mrs MARCHANT — You are really asking whether we are affiliated with Lock the Gate?

Mr DALLA-RIVA — No, I just want to ask what instigated the initial November 2013 meeting, given that the exploration licence has been the existence since 2002.

Mrs MARCHANT — No, I would say it was purely concerned residents that had decided to hold a meeting.

Mrs MARCHANT — I think, too, though, that with developments in Seaspray and moratoriums being put on, it created a real awareness for people to understand whether there were licences over there. We bought property without even knowing until we started to be involved in the community. The fact that sometimes you do not know something is over you — that is quite concerning as well.

Mr DALLA-RIVA — Thank you.

Ms DUNN — Thank you, Damien and Alison, for your submission today and your ongoing commitment to spending time in your community. I am interested in just understanding your local community a little bit more. I am like Shaun. It is not my patch; I do not know it very well.

Mr LEANE — I wish it was.

Ms DUNN — Yes, I think I would be happy for it to be my patch. Sorry Eastern Metro people.

Ms SHING — It is on the record now.

Ms DUNN — Yes, I know. What have I done? There is an enormous amount of support. In your submission here, you talk about those four townships that wish to be gas field free. In terms of Moriac, for example, it is 97 per cent. Is that 97 per cent of households who want to be gasfield free? That is one part of my question: what is that a measure of? But I guess what I am more interested in is a slice of what these towns look like, what they comprise. Do they comprise the full range of skilled and unskilled workers, are there professionals and paraprofessionals? A bit of a demographic snapshot, I guess, is what I am asking for. I do not know whether you can answer the question, but I would be really interested in your perspective on: what do these towns look like?

Mrs MARCHANT — They are certainly people that want to have that rural lifestyle. We have moved out of the suburbs to have a rural lifestyle. Then you have small farmlets around with people that are doing small cattle or dairy farming — goat dairy, I am talking about. We have a small school. We have a lot of professionals that do travel to Melbourne up the highway — it is only 10 minutes to the ring-road and then up to the highway. It is a really broad spectrum of people. Frack Free Moriac have really brought everyone together as well. It did not matter what political views you had; it put everyone on the same page.

Mr MARCHANT — I think probably because Moriac is within 10 minutes of, say, Waurin Ponds, it is in quite close proximity to town. We do have a lot of people that have moved out and are seeking that rural lifestyle, that quieter way of life. But we do also have a lot of professionals that live out there. Saying that, that is probably more so in the township. Surrounding the township we have quite a lot of little farmlets and small businesses, like Allie said. To be completely honest with you, if you were to sit here and ask me if they would be happy with any sort of regulatory constraints that might be able to sort it out, after doing the surveying I do not think you would get anything past it or other than a ban. That is just my personal opinion on what I have found people were like when we were doing the surveying.

They are all very well informed as well. If they were not informed enough when we did the surveying, I made sure that they went away and actually did some research on their own behalf. Then I would pop back or somebody else would pop back and actually ask them after they had informed themselves on the issue. I think the level of knowledge out there would probably surprise you, and how much information that the people have armed themselves with.

Ms DUNN — In terms of that 97 per cent, it sounds like it is on a household or property basis.

Mr MARCHANT — Yes., sorry. It was actually done on a house-by-house basis.

Ms DUNN — And the surrounding farms as well as the townships?

Mr MARCHANT — Yes. We were given boundaries for those particular towns, so Mount Moriac, Moriac and Paraparap. Every household was actually doorknocked within each one of those boundaries. I think you could probably count on less than one hand the houses that were either vacant or had people who were not contactable.

Ms DUNN — That is terrific. Thank you.

Mr RAMSAY — Thank you, Damien and Alison. I well remember the discussion around geothermal in Modewarre and Moriac. You might not have been there at that time, but there was a lot of community process through that proposed development there.

You made comment about Lakes Oil in this case not being required to be consulted, given it is the Petroleum Act they are working under. Was Lakes Oil actually invited to any of the community meetings to state their case in relation to possible impacts?

Mrs MARCHANT — Lakes Oil attended a debate in Winchelsea that was called the Gate Debate, and that was attended by CSIRO, Lakes Oil and the Australia Institute, I think. So we did have a debate in Winchelsea where Lakes Oil did speak.

The CHAIR — There was a form of consultation?

Mrs MARCHANT — I would not call it consultation.

The CHAIR — There was engagement with the community?

Mrs MARCHANT — It was engagement with the community.

Ms SHING — Who organised the Gate Debate?

Mrs MARCHANT — That was the Winchelsea business tourism board.

Mr MARCHANT — It was chaired by Jon Faine.

Mr YOUNG — Thanks, guys, for coming here for that. Just in regards to your submission, it goes through a lot about the community coming together and having an opposing view to fracking and gas exploration et cetera, et cetera, and your position on it. Could you just outline for me what is your opposition to coal seam gas and fracking?

Mrs MARCHANT — The list is long.

Mr MARCHANT — We have got two little kids, at the end of the day, and this is a beautiful area. You have got to understand that in my opinion this is one of the best areas in Victoria. That is my opinion. I live here and at the end of the day, I do not want to live next to a gas well. I do not want live anywhere near one. I do not want to live in a gas field, and I do not want my kids to be anywhere near that. There are too many risks. There are too many unknowns with the industry. I am not sure if you have got family, if you have got children. Anyone who has got children would understand that the last thing you would ever want to do is put your kids in any form of harm. From my point of view — I am probably speaking for Allie as well — that is where I am coming from.

Mrs MARCHANT — I am really frustrated that we keep talking about risks and about expert opinion. You are gathering all this now. We have done that as well, personally. I have read reports I should not have to read. I am frustrated that I have had to go through this process, to be honest. But at the end of the day, there are more questions than answers. There are more questions about the risks. The conversation even about how to mitigate them should not even be there. We should not even be talking about risks to water, risks to air and risks to agriculture.

Mr MARCHANT — Risks to communities.

Mrs MARCHANT — It is just too far gone to even be discussing mitigating it anymore. There are just too many unknowns, in my book. No-one has really even been able to give me some information that alleviates any of my concerns. The fact is that it is now personal — it is over our area. I think that I can confidently say that I represent nearly all the declared towns from western Victoria, that they do not want it either. They do not want their livelihoods or their families to be put in a gas field.

Mr MARCHANT — At the end of the day, I guess our communities kind of feel that if the government allows this to go ahead, under a new regulatory framework, our communities are considered almost collateral damage. Do you know what I mean? It is almost like: this is going to be great for the economy or this can be good for this or this is going to be good for that. What about the communities that it affects? At the end of the day, we are voters, too. We vote. We are also people. For us to — —

The CHAIR — No, I am just conscious of time.

Mr MARCHANT — Yes, I am about to wrap up. I guess from our point of view, we do not want to just go, ‘Well, they are only a small area, they are only a small pocket of people’. We are still people. At the end of the day, we do not want to live in a gas field. No-one wants to live in a gas field. If you were sticking it in the middle of the ocean or whatever like that, where it is not going to affect people, I do not have the science and I do not know that I would have the same view on it, but this is going to affect us personally if it happens.

The CHAIR — I thank Damien and Alison for presenting and for their submission.

Mrs MARCHANT — Thank you.

Witnesses withdrew.