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NSW Strategic Regional Land Use Policy

The NSW Government's release of the Strategic Regional Land Use Policy confirms the regulatory regime for both exploration and future development of the state's energy resources, but substantially increases the regulatory burden on the industry, Santos said today.

Santos acknowledges and accepts that the policy package ensures that there are independent, science-based assessment and decision processes for natural gas projects, and establishes guidelines for interaction of the resources industry and other land uses. While the policy recognises the important role that the natural gas industry will play in encouraging investment and jobs growth in regional communities and meeting the state's energy needs, the new regulatory regime will be both time consuming and challenging to work within.

"Combined with the already extensive State and Commonwealth regulations, today's announcement makes the approvals process in NSW the most rigorous in the country," Santos Vice President Eastern Australia, James Baulderstone, said.

"A positive note is that the Government will make offers of renewal on a number of Petroleum Exploration Licences (PELs), including PEL 238 near Narrabri. The renewal of these licences is critical to securing NSW's future energy needs.

"We need to review the detail, however the Government's announcements today will enable us to progress our exploration program with the drilling of up to 50 wells over the next three years. As previously outlined, we need to obtain additional data which can only be done through exploration to provide answers to questions and concerns about any localised impacts from individual projects."

"With a strengthened regulatory regime, the recent Namoi Catchment Water Study showing no harmful impacts on regional water volumes from large-scale CSG developments, and with new land access and compensation arrangements in place, the community, farmers and business can be confident that CSG and agriculture can beneficially co-exist," Mr Baulderstone stated.

"It is essential that the Government now manage its regulatory package to eliminate the significant risk of process duplication and unnecessary, costly delays to otherwise viable and beneficial resources projects."

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