

COAG Energy Council Gas Supply Strategy

Implementation Plan for Collaborative Actions

August 2016

COAG ENERGY COUNCIL GAS SUPPLY STRATEGY

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Introduction

In December 2015, the Council of Australian Governments (COAG) Energy Council (the Energy Council) released the Gas Supply Strategy (the GSS) to help address the supply issues raised in the Council's Gas Market Vision.

The GSS sets out the Energy Council's commitment to improving collaborative efforts between jurisdictions on scientific and regulatory issues associated with onshore gas. It identifies 14 actions under the following opportunities for collaboration:

1. improving information on gas reserves and production potential
2. improving public availability and accessibility of rigorous science and factual information
3. consideration of leading practice regulatory frameworks that effectively manage the risks and address issues for all conventional and unconventional gas resources
4. supporting leading practices in industry to support responsible development

This implementation plan explains in more detail how the Energy Council will work together on particular actions to achieve the following outcomes:

- better informed decision-making and community discussion on gas development activities
- reduced reporting costs
- improved accessibility and usability of relevant data
- improved knowledge of environmental impacts and opportunities of gas projects for the benefit of the industry, community and public, and
- stakeholders better informed about the rigorous regulatory activities undertaken by government.

The Council notes that Victoria is not in a position to participate in this Implementation Plan at this time.

Implementation approach

The initial implementation period is 18 months, commencing in August 2016. The Energy Council will receive regular reports on the status of implementation and may agree to additional collaborative actions at any time.

The Energy Council has directed working groups to be mindful of the stakeholder feedback received during the consultation paper process and to continue consulting with relevant stakeholders as they progress implementation of these actions.

Individual jurisdictions are also implementing other actions to account for their local community needs, which complement and align with the above opportunities for collaboration and proposed outcomes. Information about additional actions in your state or territory can be found via the following websites:

- Australian Government <http://www.industry.gov.au>
- New South Wales <http://www.resourcesandenergy.nsw.gov.au>
- Northern Territory <https://onshoregas.nt.gov.au>
- Queensland <https://www.dnrm.qld.gov.au>
- South Australia <http://www.statedevelopment.sa.gov.au>
- Victoria <http://onshoregas.vic.gov.au>
- Western Australia <http://dmp.wa.gov.au>

OPPORTUNITY FOR COOPERATION 1: IMPROVING INFORMATION ON GAS RESERVES AND PRODUCTION POTENTIAL

COLLABORATIVE ACTION #1 GSS ACTION 1A	Ensure that pre-competitive science and geological programs, including petroleum and water, continue to be developed in consultation with industry and other relevant stakeholders.
LEAD WORKING GROUP	COAG Energy Council Exploration Investment and Geoscience Working Group (EIGWG)
TIMEFRAME	Ongoing
APPROACH	Ensure that EIGWG and the Upstream Petroleum Resources Working Group (UPR) provide input to the Collaborative Action by including as a discussion item at its 2017 meetings. Liaison with Australian Petroleum Production and Exploration Association's (APPEA) Exploration Sub-committee (or another appropriate working group within APPEA).
MILESTONES	February 2017 – presentation to APPEA sub-committee on forward program April 2017 – paper written for EIGWG meeting on pre-competitive program
KPIs	EIGWG endorse program at annual meeting in 2017 February 2017, APPEA sub-committee supports forward program
COLLABORATIVE ACTION #2 GSS ACTION 1A	Agree on detailed geoscience data standards to support inter-operability of data management systems, reduced submissions costs, and enhance data search and integration capability for exploration study analysis and interpretation.
LEAD WORKING GROUP	COAG Energy Council UPR / Australian Government – Geoscience Australia
TIMEFRAME	Late 2017
APPROACH	Consult with/involve EIGWG, Government Geoscience Information Committee (GGIC) and Land Access for Resources Working Group (LARWG) on this work as appropriate and report through UPR. This work is also inter-related with UPR's Resources Data Initiative.
MILESTONES	December 2016 – Identify datasets submitted to government June 2017 – Identify datasets requiring standards Late 2017 – Deliver report to UPR
KPIs	Deliver report to UPR, EIGWG and GGIC in late 2017 detailing data standard requirements
COLLABORATIVE ACTION #3 GSS ACTION 1A	Define programs that will enhance the characterisation of interactions between hydrocarbon and water resources, and the ready access to this information to increase inform project plans and stakeholders' knowledge.
LEAD WORKING GROUP	COAG Energy Council UPR / South Australia (SA) – Department of State Development AND COAG Energy Council EIGWG
TIMEFRAME	Ongoing
APPROACH	UPR, LARWG and EIGWG taskforce to investigate the development of collaborative programs to address the Collaborative Action. This will involve engagement with co-regulators on water resources, including jurisdictional Environmental Protection Authorities and Departments for Water.
MILESTONES	Early 2017 – Joint taskforce to deliver a report to the Energy Council's Senior Committee of Officials (SCO) on potential programs that could be pursued
KPIs	Early 2017 – Joint taskforce to deliver a report to SCO on potential programs that could be pursued

COLLABORATIVE ACTION #4 GSS ACTION 1B	Look at options to develop a database to provide a mechanism for jurisdictions to share a nationally agreed set of statistical data on industry activity, including the addition of environmental data to improve public availability of baseline environmental and monitoring results.
LEAD WORKING GROUP	COAG Energy Council UPR / Australian Government – Geoscience Australia
TIMEFRAME	Immediately – June 2017
APPROACH	Canvass Commonwealth/state/Northern Territory (NT) petroleum regulators to determine a small set of statistics that readily define industry activity. This work is also inter-related with UPR's Resources Data Initiative. Discuss with the Project Manager for the Resources Data Initiative to determine the progress of defining environmental datasets
MILESTONES	December 2016 – report on discussions with Commonwealth/state/NT petroleum regulators December 2016 – report on discussion with Resources Data Initiative Project Manager June 2017 – Define uniform set of statistical data to be provided by the Commonwealth/states/NT
KPIs	By 30 June 2017, deliver report to SCO via UPR on an agreed statistical dataset to be provided by the Commonwealth/states/NT to the Australian Government.
COLLABORATIVE ACTION #5 GSS ACTION 1C	Agree on a statistical dataset that can be shared and compiled for UPR's <i>Coal Seam, Shale and Tight Gas in Australia: Resources Assessment and Operation Overview</i> including expansion to cover all onshore gas resources, reserves, drilling activity, well performance, and production data.
LEAD WORKING GROUP	COAG Energy Council UPR / Australian Government – Geoscience Australia
TIMEFRAME	September 2016 – September 2017
APPROACH	Individual discussions with states/NT petroleum regulators on what is possible to provide and UPR consider a paper and input at its September 2016 meeting, prior to the report being developed and reported to Energy Council in September 2017.
MILESTONES	August/September 2016 – Circulate task request for initial input, comments and additional input for discussion at the September 2016 meeting September 2016 – Seek UPR agreement to dataset list February 2017 – Provide UPR agreed dataset list to report developers to assist finalising the Coal Seam, Shale and Tight Gas in Australia: Resources Assessment and Operation Overview August 2017 – Finalise the report September 2017 – Provide final report to Energy Council
KPIs	Consideration and input provided by each jurisdiction. Reaching a consensus on which statistical datasets are to be used. By September 2017, deliver a report to UPR on statistical data requirements for the annual gas report to the Energy Council. Submission to Energy Council in September 2017

OPPORTUNITY FOR COOPERATION 2: IMPROVING PUBLIC AVAILABILITY AND ACCESSIBILITY OF RIGOROUS SCIENCE AND FACTUAL INFORMATION

COLLABORATIVE ACTION #6 GSS ACTION 2A	Expand the Gas Industry Social and Environmental Research Alliance (GISERA) model into New South Wales and ensure arrangements/framework allows for other jurisdictions to join the alliance in the future.
LEAD WORKING GROUP	Australian Government – Commonwealth Scientific and Industrial Research Organisation (CSIRO)
TIMEFRAME	July 2016 – December 2018
APPROACH	<p>CSIRO to work collaboratively with the following agencies to develop a National GISERA expansion into New South Wales (NSW):</p> <ul style="list-style-type: none"> • Australian Government Department of Industry, Innovation and Science • NSW Department of Industry (Resources and Energy Division) <p>Following successful implementation CSIRO will work collaborative with the following state and territory governments to pursue options for further expansion of GISERA into NT and SA:</p> <ul style="list-style-type: none"> • SA Department of State Development • NT Department of Mines and Energy
MILESTONES	<p>11 August 2015 – Australian Government and NSW Government announced joint \$3 million funding towards the expansion of GISERA into NSW</p> <p>4 January 2016 – National GISERA Alliance Agreement came into effect, expires 31 December 2018 and allows for other jurisdictions to enter the arrangement</p>
KPIs	<p>January 2016: GISERA Agreement signed-off by all parties</p> <p>March 2016: Establishment of NSW Regional Research Advisory Committee</p> <p>June 2016: First GISERA research proposals agreed to and signed-off by the NSW Regional Research Advisory Committee</p> <p>December 2016: First reporting by GISERA research projects operating in NSW</p> <p>June 2017: Second tranche of GISERA research proposals agreed to and signed-off by the NSW Regional Research Advisory Committee</p> <p>December 2017: Second round reporting by GISERA research projects operating in NSW</p> <p>June 2018: Community Stakeholder Knowledge Transfer meetings underway in Narrabri region</p> <p>December 2018: Final reports by all GISERA research projects operating in NSW</p>
COLLABORATIVE ACTION #7 GSS ACTION 2B	Coordinate the development of a common set of FAQ's for use by all jurisdictions, including hosting a forum of representatives from relevant agencies such as Geoscience Australia and state and territory based regulators to consider and publish agreed facts and answers to FAQs.
LEAD WORKING GROUP	COAG Energy Council Gas Major Projects Implementation Team (GMPIT)/ Australian Government – Department of Industry, Innovation and Science
TIMEFRAME	July 2016 to December 2016, then six-monthly reviews and updates as required
APPROACH	Host a forum then develop FAQ document in collaboration with UPR, LARWG and the GMPIT. FAQs document to be reviewed and updated (if required) FAQs on a six-monthly basis.
MILESTONES	<p>Q4 2016 – Forum convened</p> <p>Q1 2017 – FAQs document finalised</p> <p>Six monthly reviews as required</p>

KPIs	<p>Forum attendance levels</p> <p>Adoption and use of common FAQs by stakeholders</p> <p>Faster response rates to stakeholder inquiries</p> <p>Greater public understanding of answers to commonly asked questions</p>
COLLABORATIVE ACTION #8 GSS ACTIONS 2E, 3C & 3D	<p>Continue efforts to encourage better community engagement, particularly in respect to land access case studies and community acceptance research through sharing communications tools and resources that have proven to be successful. This will include: hosting an information forum and development of a better practice case studies document, which will include outcomes, CSIRO community engagement and acceptance research, review of jurisdictional approaches to native title issues and pursue better visibility of LARWG on COAG Energy Council website.</p>
LEAD WORKING GROUP	COAG Energy Council LARWG
TIMEFRAME	Work underway; to be completed by December 2016
APPROACH	<p>Host an information sharing forum for Energy Council officials to share learnings and develop information products about land access, communication protocols and frameworks for dispute resolution.</p> <p>Continue to progress LARWG current program of work, focussed on understanding the drivers of community acceptance and improving community engagement.</p>
MILESTONES	<p>2016-17 FY - Forum held to share learnings and develop information documents in collaboration with relevant members from the LARWG, UPR and the GMPIT</p> <p>July 2016 – CSIRO Community Acceptance research, including further analysis of key findings (where relevant) completed</p> <p>August 2016 – Community Engagement Case Studies fully researched and compiled</p> <p>December 2016 – Completion of “<i>Better Practice Community Engagement Handbook</i>”, drawing on issues/messages identified in CSIRO Community Acceptance research and the completed Community Engagement case studies</p>
KPIs	<p>Forum held with good representation/engagement from LARWG, UPR and GMPIT members</p> <p>Community acceptance research findings and “<i>Better Practice Community Engagement Handbook</i>” delivered to the Energy Council</p>

OPPORTUNITY FOR COOPERATION 3: CONSIDERATION OF LEADING PRACTICE REGULATORY FRAMEWORKS THAT EFFECTIVELY MANAGE THE RISKS AND ADDRESS ISSUES

COLLABORATIVE ACTION #9 GSS ACTION 3A	Host a forum of Government officials to discuss pursuing Australian standard(s) on relevant onshore gas issues that will underpin productivity.
LEAD WORKING GROUP	COAG Energy Council UPR / SA – Department of State Development
TIMEFRAME	By late 2017
APPROACH	Joint UPR, LARWG and GMPIT project team to organise a forum, to be held in conjunction with a UPR meeting, which takes into consideration/link to other regulations and standards work as appropriate, including work being undertaken by the National Energy Resources Australia (NERA). NERA to be invited to participate in the forum. This forum could help jurisdictions learn more about domestic and international expertise on regulatory developments, social, natural and economic matters. It is proposed that the Forum outcomes would, at a minimum, be shared with the Energy Council.
MILESTONES	Mid-2017: Forum held Late 2017: Forum outcomes shared with Energy Council
KPIs	Forum outcomes to be shared with the Energy Council in the first instance, then disseminated to officials.
COLLABORATIVE ACTION #10 GSS ACTION 3B	Develop and share work-flow diagrams to document the robustness and equivalence of upstream petroleum licensing and activity approval processes across Australian jurisdictions.
LEAD WORKING GROUP	COAG Energy Council UPR / SA – Department of State Development
TIMEFRAME	By June 2018
APPROACH	Step 1: All jurisdictions map their co-regulatory work-flows that lead to: <ul style="list-style-type: none"> • informed assessment / approval, or • informed assessment / a request for more information to enable further consideration before approval, or • informed assessment / making a determination that a project as described will not be approved. Step 2: Compare jurisdictions' co-regulatory work-flow diagrams to demonstrate where jurisdictions differ / are alike. This would likely be best undertaken by an independent party. Funding will likely to be sought in the Energy Council 2017-18 Budget process to undertake Steps 2 and 3. Step 3: Broadly characterise leading practice for co-regulatory assessment and approvals.
MILESTONES	Step 1: completed by April 2017 Step 2: completed by end 2017 Step 3: completed by early 2018 Publication on Energy Council website by June 2018
KPIs	Each jurisdiction develop work-flow diagrams on their co-regulatory upstream petroleum licensing and activity approval processes.

	<p>Produce a report on jurisdictions' co-regulatory work-flow diagrams to demonstrate where jurisdictions differ / are alike.</p> <p>Identify leading practice for co-regulatory assessment and approvals.</p> <p>Produce a paper analysing leading practice for co-regulatory assessments and approvals, which will be disseminated to jurisdictions for discussion.</p> <p>Publish diagrams illustrating key upstream petroleum licensing and activity approval processes across Australian jurisdictions on the Energy Council website.</p>
COLLABORATIVE ACTION #11 GSS ACTION 3E	Review of the National Harmonised Regulatory Framework for Natural Gas from Coal Seams (NHRF)
LEAD WORKING GROUP	COAG Energy Council GMPIT / Australian Government – Department of Industry, Innovation and Science
TIMEFRAME	Immediately to December 2017
APPROACH	<p>Through a time limited sub- group drawing on relevant expertise from the GMPIT, UPR and LARWG, the Commonwealth will lead the update of the National Harmonised Regulatory Framework for Natural Gas from Coal Seams (the Framework). This to fulfil the Energy Council's commitment to improving collaborative efforts between jurisdictions on scientific and regulatory issues associated with onshore gas. The commitment to update the Framework on a continuing basis was also made at the time of its endorsement at the 31 May 2013 Energy Council meeting.</p> <p>To update the Framework officials will:</p> <ul style="list-style-type: none"> engage a legal firm to identify new and amended legislation and regulation applicable to coal seam gas (CSG) extraction enacted since the Framework was developed in late 2012 engage a consultant to review and update the leading practice regulation aspects of the Framework with Australian regulatory requirements (regulation and standards) for CSG exploration and production in each jurisdiction introduced since the Framework was finalised in 2013
MILESTONES	<ul style="list-style-type: none"> establish a time limited sub-group comprising Commonwealth, state and territory jurisdictions engage a consultant to review leading practice standards and regulations and legal firm review legislation since the framework was developed in 2012 establish a Stakeholder Reference Group including industry representatives to provide input to the drafting process develop draft update of the Framework undertake public consultation complete the final Framework update for Energy Council agreement in December 2017
KPIs	Energy Council Minister's agree to the reviewed Framework in 2017.
COLLABORATIVE ACTION #12 GSS ACTION 3E	Review of relevant Inquiry reports (e.g. into hydraulic fracturing) to identify common recommendations that could be address in the National Harmonised Regulatory Framework (the Framework) update and/or point to further work that could be done at a national level.
LEAD WORKING GROUP	COAG Energy Council GMPIT / Australian Government – Department of Industry, Innovation and Science
TIMEFRAME	October 2016 to March 2017
APPROACH	<p>Paper to be developed by the Commonwealth in consultation with state and territory governments via a time limited sub-group during the latter stages of development.</p> <p>Paper to provide a useful summation of Inquiry reports, identify further work required to seek national alignment of objectives for the regulation of shale and tight gas developments and, if appropriate, provide recommendations for further work. This work is linked to collaborative action #10.</p>

MILESTONES	<p>December 2016: Initial draft completed for consultation</p> <p>February 2017: States and territory government officials provide feedback and comments</p> <p>March 2017: Final paper with recommendations circulated</p>
KPIs	Paper finalised and circulated to Energy Council officials by the end of March 2017
COLLABORATIVE ACTION #13 GSS ACTION 3E	Lead development of a paper to seek national alignment of objectives for the regulation of shale and tight gas developments.
LEAD WORKING GROUP	COAG Energy Council UPR / Western Australia – Department of Mines and Petroleum
TIMEFRAME	1 July 2016 - 1 June 2017
APPROACH	To develop a "Principles" paper on objectives of harmonisation of regulation of the petroleum industry in Australia (including shale and tight gas) by 30 June 2016. Upon agreement within UPR on these principles, to then develop a position paper including metrics on how the jurisdictions will roll out and report on incorporating these principles into their various legislation regulations and/or codes of practice to present to Energy Council by 30 December 2016. Reporting to be done twice yearly with first report June 2017.
MILESTONES	<p>early-September 2016: Draft Principles paper developed and presented to UPR</p> <p>September 2016: Final Principles paper agreed to by UPR</p> <p>December 2016: Position paper completed for submission to Energy Council</p> <p>March 2017: Metrics and format of report for use by States, NT prepared for UPR</p> <p>30 June 2017: First report submitted by jurisdictions on the incorporation of principles into legislation, regulation and/or codes of practice</p>
KPIs	See milestones above for the project itself, metrics for how implemented to be developed.

OPPORTUNITY FOR COOPERATION 4: SUPPORTING LEADING PRACTICES IN INDUSTRY

COLLABORATIVE ACTION #14 GSS ACTIONS 4A & 4B	Support and promote the National Energy Resources Australia (NERA) and Mining Equipment, Technology and Services (METS) Ignited Growth Centres
LEAD WORKING GROUP	Australian Government – Department of Industry, Innovation and Science
TIMEFRAME	1 July 2016 – September 2019
APPROACH	<ul style="list-style-type: none"> • Australian Department of Industry, Innovation and Science – Provide \$65.12m (GST inclusive) over four years for the two growth centres. The Growth Centres' activities and projects will be available to the unconventional gas industry and supply chain, along with other sectors. • QLD Department of State Development – Provide \$6m (GST inclusive) over four years plus staffing support for METS Ignited. • WA Department of Commerce – Provide \$875,000 over four years for NERA. • SA Department of State Development – Through the Mining Industry Participation Office (MIPO), the Roundtable for Oil and Gas Projects in South Australia and the Oil and Gas Supplier Forum (working group #6 under the Roundtable), support and collaborate with NERA and METS Ignited to improve the extension of local supply chains into local and international oil and gas markets, including supplying to Australian oil and gas operators.
MILESTONES	<ul style="list-style-type: none"> • Growth Centres established and funded from 2015-16 • Ten year sector competitiveness strategic plans developed by NERA and METS Ignited, to guide priority industry-led actions for responsible growth including for unconventional gas by December 2016
KPIs	Successful delivery of projects and initiatives.

APPENDIX: GAS SUPPLY STRATEGY ACTIONS & LEAD WORKING GROUPS FOR COLLABORATIVE WORK

1A	Increasing cooperation in the provision of well targeted pre-competitive geoscience information	Upstream Petroleum Resources, PDGC, Exploration Investment and Geoscience Working Group & individual jurisdiction existing commitments
1B	Sharing information about drilling activity and well performance	Upstream Petroleum Resources & individual jurisdiction existing commitments
1C	Improving certainty around supply availability by reporting on resources, reserves and production data	Upstream Petroleum Resources & individual jurisdiction existing commitments
2A	Supporting more research and alliances between the community, academia, industry and governments	Australian Government (Commonwealth Scientific and Industrial Research Organisation) & individual jurisdiction existing commitments
2B	Developing and maintaining information on key issues that can be used by each jurisdiction to increase community understanding	Gas Major Projects Implementation Team & individual jurisdiction existing commitments
2C	Improving public availability of baseline environmental and monitoring results	Individual jurisdiction existing commitments
2D	Further sharing of information about costs and benefits, risk management and opportunities in relation to social, natural, economic environments and governance	Individual jurisdiction existing commitments
2E	Continuing to learn from community engagement experiences from jurisdictions (internationally and domestically) and share related communications tools and resources that are proven to be successful	Land Access for Resources Working Group & individual jurisdiction existing commitments
3A	Continuing to share experiences and engage with domestic and international expertise on regulatory developments, social, natural and economic matters	Upstream Petroleum Resources & individual jurisdiction existing commitments
3B	Supporting and facilitating exploration, development and production approval frameworks that include processes for meaningful stakeholder consultation and balanced consideration of landholder views	Upstream Petroleum Resources & individual jurisdiction existing commitments
3C	Continuing to share learnings about land access, communication protocols and frameworks for dispute resolution	Land Access for Resources Working Group & individual jurisdiction existing commitments
3D	Continuing to encourage industry to ensure they have a social licence to operate	Land Access for Resources Working Group & individual jurisdiction existing commitments

3E	Updating the <i>National Harmonised Regulatory Framework for Natural Gas from Coal Seams</i> to reflect new scientific knowledge	Upstream Petroleum Resources & Gas Major Projects Implementation Team
4A	Support technology development	Australian Government (Department of Industry, Innovation and Science)
4B	Promote industry collaboration through opportunities such as the Growth Centres Initiative	Australian Government (Department of Industry, Innovation and Science) & individual jurisdiction existing commitments