

Subject: LMM 23/04/2024 - SUPPORT FOR THE PROTECTION OF COASTAL WATERS FROM OFFSHORE DRILLING AND MINING

MOTION:

That City of Newcastle:

- 1 Notes with concern the ongoing threat of offshore drilling and mining off the coast of Newcastle as part of the PEP-11 proposal.
- 2 Thanks the NSW Minns Government for recently introducing legislation which prohibits the carrying out of sea bed petroleum and mineral exploration and recovery and related development in NSW coastal waters, including waters off Newcastle, in order to prevent the severe environmental impacts from disasters such as oil spills, together with potential climate change impacts.
- 3 Acknowledges that the Bill was recently passed by the Parliament and will amend the *Environmental Planning and Assessment Act 1979* to prohibit:
 - a. Sea bed petroleum and mineral exploration and recovery in NSW coastal waters, and
 - b. Other development within the State for the purposes of sea bed petroleum and mineral exploration and recovery anywhere.
- 4 Notes that the prohibitions of the Bill do not extend to activities which may benefit the environment such as the recovery of sand of beach nourishment which is undertaken to help protect coastal areas from erosion, as is the case in Stockton.
- 5 Writes to NSW Premier, The Hon Chris Minns MP, Minister for Planning Paul Scully MP, and Minister for the Environment, The Hon Penny Sharpe MLC expressing the views of the City of Newcastle in support of the Government's advocacy and action in respect of this issue.

ATTACHMENTS:

- 1 *Environmental Planning and Assessment Amendment (Sea Bed Mining and Exploration) Bill 2024* as passed by both Houses.
- 2 Statement of Public Interest tabled 13 March 2024.

RELATED PREVIOUS DECISIONS

NOM 23/02/21 - Petroleum Exploration Permit (Pep 11)

NOM 280223 - Pep11 And Offshore Coal, Oil and Gas Exploration and Mining

ATTACHMENT 1

<https://www.theguardian.com/australia-news/2024/feb/06/pep-11-to-be-killed-off-under-nsw-governments-plan-to-stop-offshore-gas-exploration>

PEP-11 TO BE KILLED OFF UNDER NSW GOVERNMENT'S PLAN TO STOP OFFSHORE GAS EXPLORATION

Environment minister says 'overwhelming majority' oppose offshore mining and proposed reforms reflect these concerns

Tamsin Rose *and* Catie McLeod

Tue 6 Feb 2024 19.09 AEDT

The controversial Pep-11 project would be killed off along with all offshore gas and mineral exploration projects in waters off [New South Wales](#) under new laws proposed by the state government.

Penny Sharpe, the NSW environment minister, on Monday announced the Minns government had listened to concerned community members and would prioritise protecting the environment.

The legislation is expected to be supported by the opposition, who last year introduced legislation also aimed at stopping the long-troubled [Pep-11 gas exploration licence](#).

"We know an overwhelming majority of people in NSW do not support offshore mining," Sharpe said.

"The passage of this bill will give certainty that our government is prioritising environmental protection and our own local interests.

"This bill is a sensible amendment to our legislation to protect NSW against the risks of offshore mining." Petroleum Exploration Permit 11, known as Pep-11, is a petroleum exploration area about 50km off the NSW coastline between Newcastle and Wollongong.

The project prompted widespread opposition from coastal communities and residents of Sydney's northern beaches.

According to the Minns government, the legislation is designed to stop the most severe environmental impacts that can result from offshore exploration including oil spills and greenhouse gas emissions. The Central Coast minister, David Harris, said the legislation was in the state's "best interest".

"This is something our communities have long campaigned for and it is great to see it come to fruition," he said.

While the NSW opposition supports the banning of the Pep-11 project, it has criticised the government for not supporting its own bill to prevent offshore exploration and mining.

The opposition environment spokesperson, Kellie Sloane, accused the government of being "forced" to legislate the Coalition's policy in what she claimed was an "embarrassing backdown".

"After denying the opposition an opportunity to progress a bill dealing with Pep-11, it appears that Labor has just copied our homework," she said.

"We will review the new bill and consider whether any amendments are needed."

Last year the [federal government and Asset Energy agreed to void](#) the former prime minister Scott Morrison's decision to block further exploration of the gas field, before it played out in court.

In 2021, Morrison announced the federal government would reject a two-year extension of the exploratory drilling licence.

It was later revealed he had done so by swearing himself in as resources minister to get around the then resource minister Keith Pitt's plan to extend the licence.

Asset Energy then launched a federal court challenge in the wake of the scandal surrounding Morrison's multiple secret ministerial portfolios.

ATTACHMENT 2



Tabled, by leave,
MS Sheple
B.D. for.
13 3 124

ENVIRONMENTAL PLANNING AND ASSESSMENT AMENDMENT (SEA BED) MINING AND EXPLORATION) BILL 2024

STATEMENT OF PUBLIC INTEREST

Need: Why is the policy needed based on factual evidence and stakeholder input?

The Environmental Planning and Assessment Amendment (Sea Bed) Mining and Exploration) Bill 2024 (**Bill**) proposes amendments to the *Environmental Planning and Assessment Act 1979* (**EP&A Act**) to prohibit sea bed and subsoil petroleum and mineral exploration, recovery and related development, to ensure that development for these purposes cannot be undertaken in NSW.

The Bill gives legislative effect to the *Offshore Exploration and Mining Policy* which was published in February 2022 and reflects the position of the NSW Government with regards to offshore exploration and mining.

Objectives: What is the policy's objective couched in terms of the public interest?

The NSW Government does not support offshore mineral, coal or petroleum exploration or mining for commercial purposes in NSW coastal waters due to the negative environmental impacts associated with these activities.

To provide certainty to the community and industry, it is in the public interest to prohibit these activities as proposed by the Bill.

Options: What alternative policies and mechanisms were considered in advance of the bill?

The Government considers that the policy is best implemented by legislative amendment.

A State Environmental Planning Policy could also be used to achieve the policy intent of the Bill. However, the Bill was preferred as it will provide increased certainty as to the status of the prohibition, given a further Act of Parliament would be required to overturn the restriction.

Analysis: What were the pros/cons and benefits/costs of each option considered?

Given the current status of offshore mining and exploration in NSW, it is considered that the Bill does not impose any appreciable cost or burden on the public or any group of the public. For this reason and given the Bill simply legislates the current Government policy on offshore mining and exploration, the relative merits of alternative options have not been analysed.

Pathway: What are the timetable and steps for the policy's rollout and who will administer it?

If enacted, the provisions will commence on proclamation. This will provide the opportunity for any required regulations to be made under the provisions of the Bill.

The Bill inserts provisions into the EP&A Act, which is administered by the Minister for Planning and Public Spaces. Any regulations made under the provisions of the Bill will be made in consultation with the Minister administering the *Protection of the Environment Operations Act 1997*, being the Minister for the Environment and Minister for Climate Change.

Consultation: Were the views of affected stakeholders sought and considered in making the policy?

The Bill has been prepared by prepared by The Cabinet Office and the Parliamentary Counsel's Office in consultation with the Department of Regional NSW, the Department of Planning, Housing and Infrastructure and the Department of Climate Change, Energy, the Environment and Water.

The Bill was also developed with regard to the report of the Legislative Assembly Standing Committee on Environment and Planning report on the Minerals Legislation Amendment (Offshore Drilling and Associated Infrastructure Prohibition) Bill 2023.