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Namoi Catchment Water Study extreme hypothetical dismissed by independent review

An independent review of the Namoi Catchment Water Study's Scenario 7 has dismissed the scenario's extreme coal and gas development assumptions as being 'completely unrealistic' and lacking analysis, the Australian Petroleum Production & Exploration Association said today.

The review, conducted by Professor Don Barnett and available on the NSW Government's resources website*, questions the assumed growth in coal and gas production which overestimates the resource sector's best case development plans over the period considered.

APPEA Chief Operating Officer Eastern Region, Rick Wilkinson said: "Scenario 7 is not an accurate reflection of future production.

"Indeed, it's farcical given natural gas production in NSW has been at a standstill for the last two years as the government moves to place severe restrictions on exploration.

"As Professor Barnett's independent review reveals, Scenario 7 far exceeds resource activity planned in the region and lacks analysis of the scale of mining and coal seam gas activities."

The review also criticises the scenario's lack of 'careful analysis of the risk to water resources' from coal mining and coal seam gas production.

In his review, Professor Barnett writes that Scenario 7 is:

"Completely misleading...as its assumed production targets are simply unachievable."

Although not part of the Namoi Catchment Water Study terms of reference, the Government agreed to the development of an additional worst-case scenario at the request of the Stakeholder Advisory Group last year.

Mr Wilkinson said: "Scenario 2, which reflects the most likely development of the CSG industry in the region, shows the draw-down in the alluvium from CSG activity is insignificant.

"While sourcing natural gas is crucial to the state's energy needs, the industry is equally committed to ensuring protection of Namoi water sources."

The Namoi Water Catchment Study was released last year and demonstrates that gas production and agriculture can co-exist in the catchment area.

*The independent review of Scenario 7 is available at http://www.resources.nsw.gov.au/info/namoi-catchment-water-study

The Australian Petroleum Production & Exploration Association represents the upstream oil and gas industry in Australia. APPEA member companies produce around 98 per cent of Australia's oil and gas.