

## TERRITORY COORDINATOR BILL 2024 | CONSULTATION

Australian Energy Producers | 17 January 2025

Australian Energy Producers welcomes the opportunity to provide feedback on the Territory Coordinator Bill (the Bill).

The timely development of the Northern Territory's vast gas resources represents a significant economic and societal opportunity for all Territorians. The oil and gas industry employs more than 6,000 Territorians, including in regional areas, and contributes around \$5.8 billion annually to the economy<sup>1</sup>. Natural gas currently meets 70% of the Territory's energy needs and will play an important and long-term role in ensuring reliable and affordable energy for the NT's households and industry. The NT is also a major source of potential new gas supply to address looming shortfalls in Australia's southern states, and to meet growing demand in our region.

Australian Energy Producers considers the Bill, if properly enacted, will assist the Territory in attracting investment and realising the substantial economic and energy security benefits of its natural gas resources.

Australian Energy Producers supports the objectives of the Bill to:

- **Streamline approvals and enhance regulatory efficiency**, delivering faster project approvals and a more attractive investment climate. Actions to reduce regulatory complexity, avoid approval delays, and eliminate overlaps in processes are welcome. Mechanisms like step-in rights and exemption notices can be important to help overcome potential project development hurdles.
- **Clarify and streamline infrastructure planning and approval**. Provisions for an infrastructure coordination plan can help to ensure better planning and execution of large-scale oil and gas projects and streamline approval processes.
- **Create flexibility in regulatory powers** to address issues on a case-by-case basis, including through the ability to issue exemption notices and other prioritisation mechanisms.
- **Improve transparency and accountability** and to enhance public trust through robust reporting. This includes an annual report and the publishing of Office of the Territory Coordinator (OTC) activities online.

To ensure the objectives of the Bill are met, Australian Energy Producers recommends:

- **Additional clarity is provided for some powers and processes in the Bill**, such as the role of infrastructure coordination plans and the relationship between the OTC and other approvals. If areas of ambiguity are not addressed, they risk creating implementation challenges for the Bill.

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<sup>1</sup> [dtbar.nt.gov.au/publications/reports/economic-valuation-of-the-maritime-agribusiness-minerals-oil-and-gas-industries](https://dtbar.nt.gov.au/publications/reports/economic-valuation-of-the-maritime-agribusiness-minerals-oil-and-gas-industries)

- **Section 13 Information Sharing:** The authority to request or mandate the sharing of information or materials must respect confidentiality considerations, including commercial sensitivities and privacy concerns. Robust measures should be implemented to ensure that a proponent's confidential or sensitive information is not disclosed to another proponent under Section 13.
- **Step-In Powers (Part 5, Division 3, Subdivision 1):** Proponents should be given a fair opportunity to address issues pertinent to the 'Primary Principles' outlined in approval documentation. They should receive adequate prior notice when the use of 'step-in' powers is considered.
- **Progression Requests – Suspension of Approval Process (Sections 53(1)(b) and 53(3)):** The ability to pause the approval process could disrupt projects in exploration or development stages. Such delays may jeopardise investments or contractual commitments made prior to securing approvals.
- **Condition Variation Notices (Part 5, Division 3, Subdivision 3):** Section 71(1)(d) appears to broaden the scope for imposing conditions on certain approvals. Similarly, Section 71(1)(e) enables significant discretionary powers to set conditions, depending on the specifics of the regulations.
- **The Bill should include provisions for declaring critical infrastructure projects.** Incorporation of provisions like those available to the Queensland Coordinator General would prioritise public utility easements, enhance major project delivery and efficiency, and support timely infrastructure development.
- **Safeguards are provided to avoid overreach.** Powers allowing the OTC to authorise land entry without consent and to perform works are of concern. Such provisions may require sufficient safeguards, including insurance or liability provisions, to avoid overreach.
- **Stringent review mechanisms should be put in place.** Decisions made under step-in notices are not subject to appeal except through judicial review. Including a review mechanism in the Bill would allow for potential remedies for stakeholders and may strengthen stakeholder/public acceptance of the Bill.
- **The duration of development areas should be reconsidered and a mechanism to extend added.** The four-year period for Territory development areas, with no clear mechanism to extend, may be insufficient for completing large-scale projects, including oil and gas projects.
- **Further consideration is required on how the OTC can constructively engage with agreements and protections outlined in Section 14,** to ensure that the perspectives of the OTC are fully considered in relevant decision-making processes and that Section 14 does not prevent the achievement or strengthening of mutually beneficial outcomes.

- **Greater emphasis should be placed on facilitating cross-border projects.** Coordination with neighbouring States for cross-border projects like pipelines or roads requires greater emphasis in the Bill to ensure such initiatives are adequately supported.
- **The timeline for legislative disallowance should be increased.** The three-day period for the Legislative Assembly to disallow exemption notices is insufficient for comprehensive scrutiny and risks undermining the ability of the Assembly to make robust and informed decisions.
- **There is strong coordination between the OTC and the Commonwealth** to avoid duplication and to maximise the efficiency and efficacy of the OTC.
- **The OTC must be adequately resourced** to ensure it can conduct its work effectively and efficiently.
- **Broader regulatory reform** may be required to fully realise the benefits of the OTC and to avoid the Bill's objectives being frustrated by practical constraints.

Australian Energy Producers remains committed to working with the NT government to ensure the Bill, and the OTC, benefit all Territorians and industry stakeholders.

Yours sincerely,



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