



Policy Statement

Implementation of the Government's response to the Independent Scientific Panel Inquiry into Hydraulic Fracture Stimulation in Western Australia

In September 2017 the State Government announced the establishment of the Independent Scientific Panel Inquiry into Hydraulic Fracture Stimulation in Western Australia. The Panel handed its final report to the government in September 2018, which included 91 findings and 44 recommendations.

Following careful consideration of the Inquiry's report, the government accepted in-principle the Inquiry's recommendations; and on 27 November 2018 announced a raft of new, world-class controls to ensure risks associated with hydraulic fracturing are low and manageable.

Government's Policy Decisions relating to hydraulic fracturing in Western Australia:

1. lift the hydraulic fracture stimulation moratorium on all onshore petroleum titles existing as of 26 November 2018; and maintain the ban over the South-West, Peel and Perth Metropolitan regions;
2. ban hydraulic fracture stimulation in national parks, the Dampier Peninsula and other iconic natural heritage areas (to be defined and delineated on maps);
3. introduce a requirement for consent of relevant Traditional Owners and private landowners before hydraulic fracture stimulation production is permitted;
4. restore the 10 per cent royalty rate for all onshore petroleum;
5. establish a Clean Energy Future Fund (with a \$9-million seed allocation), using net royalties from onshore hydraulic fracture stimulation petroleum projects, to support facilitation of clean energy developments; and
6. prohibit hydraulic fracture stimulation within 2,000 metres of gazetted Public Drinking Water Source Areas.

To lead the government's response, a Senior Officials Steering Group (SOSG) has been formed, which includes officials from the Departments of the Premier and Cabinet; Water and Environmental Regulation (DWER); Mines, Industry Regulation and Safety (DMIRS); Health; Biodiversity, Conservation and Attractions; Jobs, Tourism, Science and Innovation; Planning, Lands and Heritage; and Treasury. This Group is co-chaired by DWER and DMIRS as the lead agencies charged with oversight of the Government response.

To drive the response, the SOSG has been tasked with developing an Implementation Plan, which is designed to address the Inquiry's recommendations and government's decisions relating to hydraulic fracturing. The Plan outlines the methodology and timelines of this process.

Implementation of the Plan is designed to strengthen regulation, ensuring industry is accountable for its practices and risks associated with hydraulic fracture stimulation are low and manageable.

All applications for onshore exploration and production hydraulic fracturing activities will now be referred to the Environmental Protection Authority (EPA) for assessment under the *Environmental Protection Act 1986*. Utilising the EPA process, underpinned by regulatory changes to environmental and petroleum legislation, ensures that issues of scale and cumulative impact of hydraulic fracturing activities are addressed and managed. New Code of Practice will also be developed, prescribing minimum enforceable standards for hydraulic fracturing activities.

A DWER 24-hour Pollution Watch Hotline will be utilised as a central point of contact for the public to report concerns relating to non-compliance of hydraulic fracturing activities.

In line with the Inquiry's report, the government is separating the responsibility for ensuring industry compliance with regulation and industry promotion activities. To provide the community with the utmost confidence in regulation, industry promotion and investment attractions are now the responsibility of the Department of Jobs, Tourism, Science and Innovation (JTSI). DMIRS remains the agency responsible for the regulation of the petroleum industry and will provide JTSI with any required geological, technical, and regulatory information.

Delivering the Implementation Plan will require a considered approach, allowing for adjustments where necessary. This will ensure deliverables and outcomes best meet the needs of the government, the community, and other stakeholders. Some of the recommendations may require further policy development and consultation to achieve the best outcome.

Progress on Implementation Plan activities will be reported via a dedicated website developed to provide a single source of information for stakeholders and parties interested in the Implementation Plan.

For more information about the government's response to the Independent Scientific Panel Inquiry into Hydraulic Fracture Stimulation in Western Australia, and to view the Implementation Plan, please go to www.hydraulicfracturing.wa.gov.au