

Queensland Government response to GasFields Commission Queensland (GFCQ) recommendations on the regulatory review of CSG-induced subsidence

3 May 2023

The GasFields Commission Queensland has conducted a regulatory review into coal seam gas-induced (CSG-induced) subsidence and made eight recommendations to the Queensland Government.

This report outlines the government's response to each of the recommendations.

A copy of the GasFields Commission Queensland review can be found [here](#).

GasFields Commission Queensland (GFCQ) recommendations

GFCQ recommendation 1

- Implement a management framework to establish a process for the assessment and management of CSG-induced subsidence at a regional and farm scale.

Queensland Government response

- Recommendation supported

Modelling and monitoring to date has identified that CSG-induced subsidence has and will continue to occur.

To address gaps in the current regulatory framework, the Queensland Government will establish and implement an adaptive management framework in the *Mineral and Energy Resources (Common Provisions) Act 2014* that assesses impacts from CSG-induced subsidence, and provides an appropriate remedy for affected parties, including those parties off-tenure. This framework will adopt the following principles identified by the GasFields Commission Queensland (the Commission):

- Landholder protection
- Protection of productive capacity
- Clear roles and responsibilities
- Risk-based approach
- Proactive management
- Off-tenure impacts
- Evidence-based approach
- Clear pathway costs borne by the tenure holder

The Government notes that the Commission is leading work to assess the consequences of CSG-induced subsidence at a farm scale (consequences project). The findings of this review will also inform the development of the adaptive management framework for CSG-induced subsidence.

The adaptive management framework for CSG induced subsidence will provide a process for assessing, monitoring, reporting, and communicating impacts from CSG induced subsidence at the regional and the farm scale. In line with the response to recommendation

3, the functions of the Office of Groundwater Impact Assessment (OGIA) will be expanded to undertake regional assessments and to develop tools to support tenure holders in undertaking farm scale assessments of CSG induced subsidence.

It is also proposed that the adaptive management framework will provide for a new subsidence agreement, which would detail an agreed management plan between a landholder and tenure holder, and outline the actions that a tenure holder would be required to undertake to manage farm scale impacts from CSG-induced subsidence. Additionally, the proposed subsidence agreement would provide for how and when any compensation to the landholder will be determined and paid.

The adaptive management framework for CSG-induced subsidence will be developed to align with any proposed reforms to the coexistence and land access institutions and potentially the Department of State Development, Infrastructure, Local Government and Planning's (DSDILGP) response to the Commission's regulatory review of the *Regional Planning Interests Act 2014* (RPI Act).

GFCQ recommendation 2

- Incorporate independent assessment and alternative dispute resolution processes

Queensland Government response

- Recommendation supported

Independent assessments that support evidence-based decision making and sustainable management are essential for positive coexistence outcomes. The Queensland Government will create a clear independent assessment and dispute resolution process for all affected landholders and proponents to resolve disputes relating to CSG-induced subsidence in a timely manner.

The Department of Resources is currently reviewing the roles and functions of the existing coexistence institutions, including the Land Access Ombudsman (LAO) and the Office of Groundwater Impact Assessment (OGIA) as part of the coexistence and land access institutional review. Recommendation 2 will be considered in this context.

GFCQ recommendation 3

- Expand OGIA's functions in relation to technical assessment and advice to enable further determinations relating to CSG-induced subsidence.

Queensland Government response

- Recommendation supported

The Queensland Government recognises the significant concerns of some landholders in the Surat Basin regarding the impacts of CSG-induced subsidence on farming operations. It is the Queensland Government's view that OGIA's existing regional scale predictive groundwater model, provides the best available science to predict the location and extent of regional scale CSG-induced subsidence. However, while OGIA's current remit does not allow further modelling or monitoring work to support farm scale assessment and the proposed adaptive management framework.

The Queensland Government will progress work to expand OGIA's functions to undertake regional risk assessments and develop modelling and monitoring tools to support farm scale assessments relating to CSG-induced subsidence. OGIA's expanded functions will focus on technical assessment and advice underpinning the adaptive management framework for CSG-induced subsidence. It will also allow for the development of tools to support farm scale assessments.

Legislative amendments to expand OGIA's functions will be progressed as part of the broader framework for managing CSG-induced subsidence. Government is also exploring mechanisms for OGIA to commence critical elements of subsidence assessment in the interim, including potential pilot farm scale assessments.

GFCQ recommendation 4

- [Ensure costs of appropriate agronomy and irrigation specialist services can be recovered by landholders.](#)

Queensland Government response

- Recommendation supported

The Queensland Government agrees that the reasonable costs of agronomy and irrigation specialist advice required to facilitate negotiations under the CSG-induced subsidence framework should be borne by resource tenure holders.

This approach mirrors the requirement under the *Mineral and Energy Resources (Common Provisions) Act 2014*, where tenure holders are required to compensate for any reasonably incurred negotiation and preparation costs of Conduct and Compensation Agreements (CCA).

Regulatory requirements around these costs will be considered as part of the broader framework for managing CSG-induced subsidence and will also align with any proposed reforms to the coexistence and land access institutions.

GFCQ recommendation 5

- Investigate mechanisms to ensure the protection of landholders affected by CSG-induced subsidence off-tenure.

Queensland Government response

- Recommendation supported

The Queensland Government supports the establishment and implementation of an adaptive management framework that addresses impacts from CSG-induced subsidence, and provides an appropriate remedy for affected parties, including those parties off-tenure.

Government will investigate how a risk assessment process may help resource tenure holders to identify the potential risks to nearby land uses, both on and off-tenure, including risks to agricultural industries, built infrastructure, linear infrastructure, and renewable energy development. The proposed risk assessment can help protect landholders off-tenure and provide them with valuable information to inform negotiations with a resource company.

Further investigation will be undertaken to ensure any proposed risk assessment does not duplicate current requirements for tenure holders.

Mechanisms to address off-tenure impacts will be part of the broader framework for managing CSG-induced subsidence, and will align with any proposed reforms to the coexistence and land access institutions.

GFCQ recommendation 6

- Undertake analysis of potential changes to regional overland flow

Queensland Government response

- Recommendation supported in principle, subject to further investigation

The Queensland Government recognises that potential changes to regional stormwater and rainfall runoff from CSG-induced subsidence may impact industries that use it as a water source, including agriculture.

The Department of Regional Development, Manufacturing and Water and the Department of Resources will work together to identify how this recommendation can be undertaken.

OGIA's assessment of regional CSG-induced subsidence and subsequent changes to landform will also support this work.

GFCQ recommendation 7

- Consider the potential for critical consequences

Queensland Government Response

- Recommendation supported in principle, subject to further investigation

The Queensland Government notes the Commissions' recommendation that research to date does not indicate whether critical impacts will occur. Further investigations will be undertaken to understand how critical consequences might be managed under the management framework and will be informed by the Commission's consequences project and the regulatory review of the RPI Act.

GFCQ recommendation 8

- Provide additional information and support to landholders

Queensland Government response

- Recommendation supported

The Department of Resources is reviewing the coexistence and land access institutions with a focus on the LAO, OGIA and the Commission, to ensure they are well aligned, contemporary and efficient.

A significant amount of regulatory support and information is expected to be required by landholders and resource tenure holders to help them understand their obligations and rights under any new CSG-induced subsidence framework. The coexistence and land access institutions review is considering options for the efficient delivery of information and support.

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