

DEPARTMENT OF TRADE, BUSINESS AND INNOVATION

Office of the Chief Executive Level 5, Charles Darwin Centre 19 The Mall DARWIN NT 0800

Postal address GPO Box 3200 DARWIN NT 0801

T 08 8999 5204 **F** 08 8999 5333 **E** michael.tennant@nt.gov.au>

File ref: C2018/0063

Ms Julia Knight
Committee Secretary
Social Policy Scrutiny Committee
Department of the Legislative Assembly
GPO Box 3721
Darwin NT 0801

Dear Ms Knight

Re: Nuclear Waste Transport, Storage and Disposal (Prohibition) Amendment Bill

The Departments of Trade, Business and Innovation and Environment and Natural Resources thank the Committee for the opportunity to provide further information regarding the above Amendment Bill. The Departments have worked collaboratively on these amendments and make this submission jointly. The Departments would welcome the publication of this submission.

The intent of the Bill is to provide clarity and certainty to the offshore oil and gas industry about the application of the *Nuclear Waste Transport, Storage and Disposal (Prohibition) Act* (the Act) to nuclear waste, including Naturally Occurring Radioactive Materials or NORMs, that may be incidentally generated from offshore oil and gas activities and subsequently brought into the NT. The Bill is intended to resolve ambiguities which have arisen due to the wording of exemptions currently contained in the Act, and achieves this by attempting to more clearly restate the exemptions.

The Committee has sought additional information from the Departments regarding the application of the exemptions to mining activities, in response to a submission made by the Minerals Council of Australia – NT Division (MCA), and the application of the 800km limit in proposed section 5(4)(b)(ii), in response to a submission by INPEX.

The objects of the Act and the exemptions contained in the Act demonstrate that the original policy intent of the Act was to exempt nuclear wastes that may be generated by mining or petroleum activities in the NT, while ensuring that these wastes are managed appropriately.

The MCA has raised concerns that NORMs from mineral sands and rare earths from mining projects within the Northern Territory could be captured by the Act.

The existing exemptions in the Act are suitable to address these concerns. Specifically, the proposed amended section 5(3)(b) would address the storage of NORMs on a mining site. The *Radiation Protection Act* would address the transport of the NORMs for sale of the resource.

In its submission, INPEX has suggested the inclusion of the 800km metric in proposed section 5(4)(b)(ii) could unintentionally exclude NORM waste generated from the development of new fields south west of the Ichthys field, despite that waste being processed via the Ichthys offshore facilities. INPEX also suggest that the 800km metric could permit nuclear waste from outside of Australia to be imported. INPEX therefore suggest that this subsection be reworded to read "is located within Australia's jurisdiction".

The Departments acknowledge the matters raised by INPEX, being where the operation of a platform is close to the 800km limit and the company having further tenements that are outside the 800km limit that would be logically developed by expanding current infrastructure (pipeline) to the new field. In this regard, the Departments note that the 800km limit only applies to nuclear waste that may be transported into the Northern Territory by a means other than a pipeline (e.g. via a vessel). Any extension of a pipeline to a tenement located further afield would not be limited by the proposed section 5(4)(b).

However, the Departments do not consider that an amendment in the form proposed, i.e. "within Australia's jurisdiction", provides the necessary certainty for industry as to the area covered, or meets the policy intent contained in the original exemption. Such an amendment may result in the importation of nuclear waste that more appropriately should be managed by another Australian jurisdiction and would exclude projects from other countries, such as the Indonesian Abadi LNG project, that logically would be best serviced from Darwin.

To address the concerns raised by INPEX the Departments propose to include a further clarification so that a prescribed project must be within the 800km limit or "be in a prescribed geoscience basin" such as the Browse Basin, Bonaparte Basin, etc. to maintain the intent of the Act. These would be listed in the accompanying Regulations, along with the list of prescribed projects. The existing proposed requirement that the project provides an economic and social benefit to the Territory would apply to both the 800km limit and to the "prescribed geoscience basin" approach.

The Departments consider that this further clarification is the most appropriate approach as it will ensure that all proposals to import nuclear waste can be examined individually, maintaining the original intent of the Act not to limit petroleum or mining activities whilst ensuring nuclear waste is not dumped in the Northern Territory.

We trust this is sufficient information to assist the Committee and will provide further information if required.

Yours sincerely

MICHAEL TENNANT

Chief Executive

Department of Trade, Business and Innovation

Date: 27/09/2018

JO TOWNSEND

Chief Executive

Department of Environment and Natural Resources

Date: 27/09/2018