



CHIEF MINISTER

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Telephone: 08 8936 5500
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The Hon Malcolm Turnbull MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Dear Prime Minister

s 22(1)(b)(ii)

On a related matter, and as we recently discussed, the Northern Territory Government looks forward to considering the final report of the Independent Scientific Inquiry into Hydraulic Fracturing of Onshore Unconventional Reservoirs in the Northern Territory, which will inform whether the Northern Territory Government either bans fracking, or allows fracking under highly regulated conditions in tightly prescribed areas.

The Hydraulic Fracturing Report will also provide an important contribution to the national evidence-base in relation to environmental impacts and risks, national gas access policies and the regulatory framework for Australia's onshore gas supplies over the longer term.

Yours sincerely

s 22(1)(b)(ii)

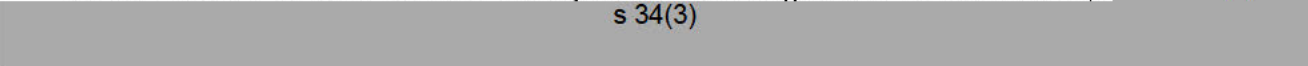
MICHAEL GUNNER

- 9 OCT 2017

s 34(3)



I also note the Northern Territory has announced that it will accept the recommendations of the Final Report of the Scientific Inquiry into Hydraulic Fracturing in the Northern Territory. s 34(3)



s 34(3)



s 22(1)(b)(ii)

From: Andrew Cowan <Andrew.Cowan@nt.gov.au>
Sent: Thursday, 10 May 2018 8:17 PM
To: s 22(1)(b)(ii) (Unclassified); Bulman, Ryan; Beswick, Wayne
Cc: s 22(1)(b)(ii)
Subject: RE: Petroleum Resource Rent Tax and unconventional shale gas production in the NT [SEC=UNCLASSIFIED]

Thanks s 22(1)(b)(ii)

This is very helpful. Will pass on to Hayley to follow up from an NTG perspective.

Regards

Andy Cowan
Deputy Chief Executive
Department of the Chief Minister
Northern Territory Government of Australia

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From: s 22(1)(b)(ii)
Sent: Thursday, 10 May 2018 10:44 AM
To: Bulman, Ryan - (PMC) <ryan.bulman@pmc.gov.au>; Beswick, Wayne - (PMC) <wayne.beswick@pmc.gov.au>; Andrew Cowan <Andrew.Cowan@nt.gov.au>
Cc: s 22(1)(b)(ii)
s 22(1)(b)(ii)
Subject: Petroleum Resource Rent Tax and unconventional shale gas production in the NT [SEC=UNCLASSIFIED]

Hi Ryan, Wayne and Andy,

I asked a question at the Forum last week about whether the Commonwealth's Petroleum Resource Rent Tax (PRRT) is applicable to any unconventional shale gas production in the NT. No-one was immediately able to answer the question.

I've done some follow-up:

<https://industry.gov.au/resource/Enhancing/ResourcesTaxation/PetroleumResourceRentTax/Pages/default.aspx>

Changes in that came into operation in 2012 incorporated onshore production into the PRRT regime.

The Department of Industry, Innovation and Science (Onshore Energy Branch, Resources Division) has confirmed the PRRT would be applicable to unconventional shale gas production in the NT. The Department further advised the Treasurer released a review report on the PRRT on 28 April 2017 which recommended certain changes.

<https://treasury.gov.au/review/review-of-the-petroleum-resource-rent-tax/final-report/>

Treasury has been undertaking further consultation with industry to inform the Government's response to the recommendations. I assume the NTG has been involved in the review.

Regards

s 22(1)(b)(ii)

NT Land Section I Land Branch

Housing, Land and Culture Division I Department of the Prime Minister and Cabinet p.

s 22(1)(b)(ii)

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I w. www.pmc.gov.au Jacana House, 39-41 Woods St Darwin I GPO Box

9932 DARWIN NT 0801

The Department acknowledges the traditional owners of country throughout Australia and their continuing connection to land, sea and community. We pay our respect to them and their cultures, and to their elders both past and present.



PRIME MINISTER

Reference: MC18-028357

10 MAY 2018

The Hon Michael Gunner MLA
Chief Minister of the Northern Territory
Parliament House
DARWIN NT 0800

Dear Chief Minister

A handwritten signature in black ink, appearing to read 'Michael', written over the typed name 'Dear Chief Minister'.

s 22(1)(b)(ii)

I note your Government has accepted all 135 recommendations of the Independent Scientific Inquiry into Hydraulic Fracturing in the Northern Territory and welcome your decision to lift the moratorium on fracking. My Government is committed to developing the North, and with the moratorium lifted we will be pleased to work with your Government on gas development.

I welcome the Northern Territory's decision to accept the Inquiry's recommendation to ensure regions generating taxation revenue from shale gas extraction benefit from that activity. As you would be aware, the Council of Australian Government's Energy Council accepted Recommendation 4.3 of the Finkel Review which includes a commitment to outline how governments will adopt means to ensure that landholders receive fair compensation.

While it is not the Commonwealth Government's position to match revenue arising from state or territory royalty arrangements, I am pleased that lifting the moratorium provides other opportunities to support the development of a sustainable gas industry in the Northern Territory. On 27 April 2018, the Minister for the Environment and Energy, the Hon Josh Frydenberg MP, announced the Beetaloo Sub-basin will be assessed under the Geographic and Bioregional Assessments Program. This represents a direct Commonwealth contribution to the needs of the Strategic Regional Environmental and Baseline Assessment.

My Government is committed to meeting Australia's international commitments under the Paris Agreement, while maintaining energy security and affordability and the competitiveness of our industries. The recent review of climate change policies found the existing suite provides the right approach to meeting our international commitments. The Government will work in partnership with you to help manage greenhouse gas emissions from onshore shale gas development using these policies.

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I note the next statutory review of the *Environment Protection and Biodiversity Conservation Act 1999* is due to commence by October 2019. The Review will consider the operation of the Act, including the Water Trigger.

s 22(1)(b)(ii)

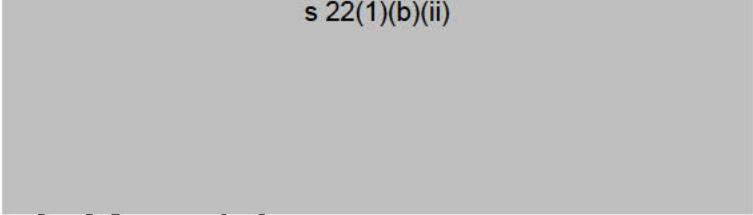


s 22(1)(b)(ii)



Yours sincerely

s 22(1)(b)(ii)



~~M~~ALCOLM ~~T~~URNBULL



PRIME MINISTER

Reference: MS17-004403

25 SEP 2017

The Hon Michael Gunner MLA
Chief Minister of the Northern Territory
GPO Box 3146
DARWIN NT 0801

Dear Chief Minister *Michael,*

I am writing to seek your assistance in ensuring Australian businesses and households have access to secure and affordable gas and electricity.

Today the Australian Energy Market Operator (AEMO) and the Australian Competition and Consumer Commission (ACCC) have both released reports into the state of the Australian gas market. These reports highlight that the east coast gas market outlook has deteriorated significantly. Based on updated estimates of projected supply and demand, there is likely to be a significant shortfall of gas supply in 2018 of around 54 petajoules, rising to around 110 petajoules if domestic demand is higher than expected.

These market conditions are resulting in high domestic prices and making it difficult for commercial and industrial users to secure reliable and affordable gas supplies, putting at risk Australian industries and jobs.

My Government is continuing to take strong actions to ensure that more gas is directed into the domestic market, rather than being sold offshore. However, both reports highlight the urgent need to address the underlying problems of a lack of gas supply and diversity of suppliers in the east coast gas market.

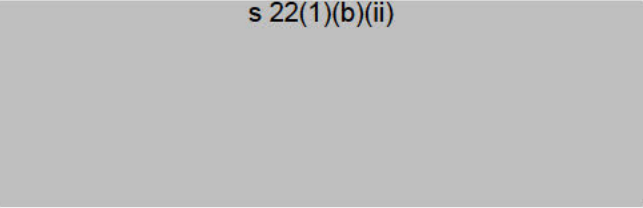
Blanket moratoriums on new gas development in some states and territories are putting our energy security, industries and Australian jobs at risk. As mentioned in my letter to you on 14 August 2017, I welcome the recent interim report on the Scientific Inquiry into Hydraulic Fracturing in the Northern Territory, and look forward to the final report.

Document 7

I would like to remind you of your responsibility to ensure that Australian industry and households have access to enough gas as you consider the policies you have in place and what more can be done to safely develop our gas resources.

Yours sincerely

s 22(1)(b)(ii)



MALCOLM TURNBULL