

**COMMUNITY CONSULTATIVE COMMITTEE
AGL – CAMDEN GAS PROJECT**

MEETING NO.29

Held in the RPGP Conference Room, Menangle on 16 June 2011 at 5.30pm

MINUTES

Member / Guest	Attendance Type
Mrs Margaret MacDonald-Hill (MM) Chair	Present
Mr David Henry (DH)	Present
Mrs Diane Gordon (DG)	Apology
Cr Fred Anderson (FA)	Present
Mr Jeff Lawrence (JL)	Present
Ms Jacqui Kirkby (JK)	Present 5.51pm arrival
Mr Jai Rowell (JR)	Resignation Notification
Mr Michael Banasik (MB)	Apology
Mr Michael Hingley (MH)	Present
Mr Peter Bloem (PB)	Present
Mr Simon Hennings (SH)	Present
Mr Aaron Clifton (AC)	Present
Mr Adam Lollback (AL)	Present
Ms Janet Michalopoulos (JM)	Present
Miss Wendy Thompson (WT)	Present

Meeting Opened at: 5.31pm

ITEM	ACTION
<p>1.0 Welcome Welcome by Chair – MM.</p> <p>Welcomed Peter Bloem, the Manager from the Office of Environment and Heritage, (Illawarra Environmental Protection & Regulation), Janet Michalopoulos, AGL Drilling & Completion Manager, Fred Anderson, Camden Council representative and Jeff Lawrence, Campbelltown Council’s Director of Planning, to meeting.</p> <p>Margaret advised committee members that she is engaged by AGL as an independent chair, approved by the Director General of Planning and Infrastructure.</p> <p>Margaret declared to committee members that she is also a member of the Mine Subsidence Board and the Minister’s Arbitration panel.</p>	
<p>2.0 Apologies As above</p>	
<p>3.0 Confirmation of Previous Minutes MM advised that JK had questioned the integrity of the minutes, but she was not aware of the specifics, which she expected JK to clarify at this point. Other than amendments below, no one else indicated any issues.</p>	

<p>AMENDMENTS</p> <p>Item 28-4.2 <u>Remove:</u> <i>DH – Went to a 3 day conference purely on hydraulic fraccing and is shows how complicated it is.</i> <u>Replace with:</u> <i>DH – Noted that a 3 day conference was recently held in the United States, specifically regarding the impacts of hydraulic fracturing on drinking water catchments. This indicates the complexity of this matter and the increasing analysis and publicity it is receiving.</i></p> <p>Item 28-4.3 <u>Correction:</u> <i>DG questioned if there is no more concern from these areas, Remove DH as referenced speaker.</i> <u>Addition:</u> <i>DH – Reviewed Stages 1 and 2 of the project as part of a presentation given to Campbelltown City Councillors at the end of January 2011. This indicates that impacts on groundwater wasn't an issue which is illustrated by the fact that the Government Department responsible for the management of water at the time of Stage 2 (the Department of Natural Resources), did not make a submission.</i></p> <p>Item 28-8.1 <u>Remove:</u> <i>DH – We're going to ask for more information than would have been asked before.</i> <u>Replace with:</u> <i>DH – It is noted the recent DoP approval for the Gloucester Gas Project has contained a number of requirements in regard to water related impacts. The approval for the Camden Gas Stage 3 is therefore likely to contain more detailed conditions regarding this matter than previous stages of the Project.</i></p> <p>Moved: Simon Hennings Seconded: Michael Hingley</p>	
<p>4.0 Business Arising</p> <p>MM – 18/3/11 Wrote to DoP regarding recommendation of Jacqui Kirkby on committee. Confirmation has not yet been received from the DoP.</p> <p>Previous meeting minutes were distributed to Jacqui Kirkby.</p> <p>New committee members are being sought.</p> <p>MM – Referred to Hydrology report. Tabled report and will be sent with minutes to all members.</p> <p>MM – Referred to Assessment of Groundwater Impacts of Coal-Bed Methane Development, Cawdor NSW. Tabled report and will be sent with minutes to all members.</p> <p>AC – The Groundwater Impacts of Coal-Bed Methane Development report was written as part of the Stage 1 EIS when the project was seeking approval for PPL 1.</p>	<p>AC to invite Maurice Blackwood to attend next meeting</p> <p>Reports to be distributed with minutes</p>

<p>5.0 Correspondence</p> <p><u>OUT</u> 16/3/11 – Email to DoP regarding membership changes and submission by Serbian Orthodox Church 18/3/11 – Letter to DoP regarding CCC membership and proposing Jacqui Kirkby 2/6/11 – Email invitation to OEH regarding Sugarloaf 3 well</p> <p><u>IN</u> 16/3/11 – copied in on email from DoP re receipt of Serbian Orthodox Church submission 8/4/11 – Email invitation to visit AGL Upstream Gas marquee at the Camden Show 31/5/11 – Email from AGL re Sugarloaf Field maintenance with responses from and to Jeremy Buckingham 2/6/11 – Email from Camden Council confirming Cr Fred Anderson as David Funnell’s replacement</p>	
<p>6.0 Reports</p> <p>6.1 AC Introduced Janet Michalopoulos to provide a powerpoint presentation on Drilling and Completion Operations.</p> <p>JM Slide 1&2 – Explained drilling rig purpose is specifically used to drill a hole in the ground to gain access to the coal seam and obtain reserves. A typical drilling process takes approximately 21 days.</p> <p>Slide 3 – Explained Workover and Completion rig purpose is used to service and maintain wells. Maintenance can include removal of sand or coal debris.</p> <p>Slide 4 – Examples of Workover rigs.</p> <p>Slide 5&6 – Explanation of difference of Completions and Workover activities.</p> <p>Slide 7 – AGL Workover Rig built in 2010, designed to Australian Standards and RTA specification. Shipped to Australia in January 2011, and commissioned on site 31 March 2011.</p> <p>Slide 8&9 – Sugarloaf 3 well site, workover rig and equipment set up explained including typical distances of equipment locations.</p> <p>Slide 10 – Workover rig mud tank set up explanation.</p> <p>Slide 11 – Sugarloaf 3 workover objective explained, and identified activities that were being undertaken during recent foam observation.</p> <p>JL – Raised question regarding acid use in current Camden operation wells. JM – Advised acid has been used at diluted volumes and is usually spent</p>	

by the reaction down hole, therefore the returned water isn't acidic. Appropriate measures, including signage, are undertaken to warn of potential risks when working on the well.

JL – Asked if any instances where non spent acid water is returned.

JM – Confirmed is not aware of any circumstances where this has occurred.

6.2 AC – Video of foam observation shown to attendees

JM – Confirmed that this was not coming out of the well. It was coming out of the degasser on the mud tank unit. The wellhead is approx 15-20 metres away from this mud tank.

JK – Queried the release contents.

JM – Advised water, air and soap.

JK – Requested confirmation if methane release was present.

JM – Advised this cannot be confirmed, but AGL would not expect there to have been.

JL – Raised question of process if methane was suspected.

JM – Confirmed that this is not expected, however the degasser is in place as a safety measure to divert any methane away from personnel should a release occur.

AC – Advised that all methane emissions are required to be reported annually by AGL

6.3 AC – Presentation SL03 wellsite

JK – Queried that at previous meeting Mike Roy advised that a well could not be fraced unless chemicals are used.

All – Members sought clarification of definition of the difference between the terminology of chemicals and additives, and confirmation that sand and water mix is all that is included when sand and water are identified as being used.

JM – Confirmed Mike Roy would not have made that statement as fracture stimulation can be undertaken without chemicals and confirmed that yes sand and water only are used if that is what is stated, and a mixing piece of equipment is used to slurry the water and sand and pump down the well at high pressure and velocity.

FA – Asked to confirm the type of sand.

JM – Confirmed that it is man-made sand with various properties and particle sizes.

AC Slide 13 – Background information on Sugarloaf 3 well explained

Slide 14 – HSE systems in place for well workovers explained

Slide 15 – Workover Crew on Sugarloaf 3 at the time of the incident profiles

Slide 16 – Sugarloaf 3 Location Map

Slide 17 to 24 – Incident Details, Findings, Actions Taken and Preventative Actions

<p>AC – Advised independent samples taken and sent to ALS laboratories. JK – Queried the use of the word independent, and recommends AGL be clear with terminology used. AC – Aaron confirmed that AGL is a NATA accredited laboratory working to the one standard and is considered independent by AGL. Provided examples of use of independent vs third party/ external consultants.</p> <p>AC – Investigation findings (<i>Refer slide 19</i>). Internal sampling has been tested. URS has been to site and undertaken soil sampling. Report is due to be provided to AGL on 17/6/11. JL – Requested if a copy of report can be provided to meeting attendees. AC – Copy of report to be provided to members.</p> <p>JK – AGL employees were on TV asking Channel 10 to leave. AC – Explained that the employee on TV was working on Rosalind Park well site located on Medhurst Road on a private property. The AGL Field Production Manager went to the well site location and was prepared to answer questions, however the media advised they had enough footage and left site. The Sugarloaf 3 well site where the foam was observed is at an entirely different location. JM – Noted that the media crews had entered private property, they were not inducted, and were not aware of the risks of walking around well sites. AGL does not allow anyone not inducted or supervised to be walking around our wells.</p> <p>MH – Asked if the DoP were notified? AL – Confirmed that the DoP as the landowner was notified. MH – Raised a question if it is standard process to notify DoP, if they were not the landowner. AL – Advised yes as a regulator, they are advised.</p> <p>JK – Advised different information is being provided. Sought clarification on whether this shouldn't have happened. AC – Confirmed that as a company AGL views that there may always a better way of undertaking the work. Since the incident, AGL have improved operations to prevent recurrence. JK – Queried if venting will still occur but be unseen. AC – Advised that venting of the foam should not occur to the atmosphere. SH – Queried the ongoing concern after all studies are complete and there is no concern and there were no impacts found. JK – Seeking clarification if this was accidental, EPA should be called immediately. SH – Confirmed his understanding that AGL have identified that there were no impacts and have found a way since that is better.</p> <p>Members discussed queries raised for access and site visitation by community members. AGL requested that anyone from the community can come to site, but need to gain permission from the relevant landowners. AGL is happy to be approached should community members wish to be guided on site.</p>	<p>Copy of report to be distributed to members of CCC.</p>
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<p>MM – PB is here at Chair invitation to provide further information.</p> <p>PB – In terms of the community this is unacceptable. OEH focus is on improving the process going forward. Notification procedures have been reviewed. Primary focus is on the required environmental outcomes. An interagency investigation is being undertaken for this incident. Report and community concerns are taken seriously.</p> <p>SH – Queried if no concerns, why is it unacceptable. PB – Advised it is part of the process to go through and identify better process opportunities.</p> <p>MM – Summarised communication need to be transparent, forthright and accountable, driving a continued process of improvement.</p> <p>JK – Advised NSW Farmers Association has concerns on the independent reviews.</p> <p>AC – (<i>Refer Slide 24</i>) One additional preventative action – SCA have requested AGL notify their media advisor should future events occur. SCA confirmed that on the day of the incident there was no water in the canal so no water would have been contaminated if the release had travelled the 200m distance required to reach the canal.</p> <p>6.4 AC – Operations and HSE Update</p> <p>Refer to powerpoint presentation “Operations and HSE Update 11.03.11 – 16.06.11”</p> <p>AC – (<i>Refer Slide 4</i>) Additional notes: An Energy Efficient opportunities audit has been undertaken The Annual Environmental Performance Report has been made available on the AGL website. The Independent Environmental Audit reports for 2006 and 2008 are also available on the website.</p> <p>MH – Queried since the consents have been given, what follow up processes are used to ensure compliance to submissions and deadlines. MM – Requirements should be made available on the website. MH – Queried if this question can be raised with DoP. JL – The committee seek confirmation from the DoP as to the extent and nature and scale of its compliance activities relating to coal seam gas extraction activities to the Camden Gas Field in our local area of concern.</p> <p>(<i>Refer Slide 5</i>) JL – Queried if intersected ground water was foreseen. AC – Was not foreseen due to the shallow nature of the aquifer.</p> <p>(<i>Refer Slide 7</i>) JM – Advised the drilling rig acoustics were developed specifically to aid in heavy reduction of noise levels. Use of hospital grade mufflers on</p>	<p>MM to seek clarification from DoP</p>
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<p>current equipment. There is further work being undertaken to find options on further reducing any noise levels from these mufflers.</p> <p>6.5 AL – Community and Government Update</p> <p>Refer to powerpoint presentation “Camden Gas Project Menangle Park, and Camden Gas Project Northern Expansion”</p> <p>Slide 1 – Next location for the rig identified. The existing land use includes grazing for horses and cattle. Consideration is being taken for loss of grazing area and winter feed. Installation of new cattle fences and gates to benefit the landowner. Consultation with Landcom in regards to future development and well position including location of infrastructure around future line roads. Sound walls to be installed for noise mitigation. Implementation of modifications to gathering lines.</p> <p>Slide 2 – Railway underbore, application to ARTC. Approval of underbore design.</p> <p>Slide 3 – Beulah property Biobanking Agreement</p> <p>Slide 5 – AGL is currently at Submissions received stage of process</p> <p>Slide 6 – Northern expansion. Looking at water monitoring bores and responses to submission including consultation with landowners.</p> <p>AL – Highlighted bore locations on map. JK – Queried if aquifers interference studies are being undertaken. AL – Yes MM – Aquifer Interference Policy comes into play from 1/7/11 JK – Queried the application process for water monitoring bores. AL – Licence application has been submitted to the NSW Office of Water.</p>	
<p>7.0 General Business</p> <p>SH – Spoke to Barry Dickinson, a long term landowner who had no complaints with AGL gas wells or activities.</p> <p>JL – Requested an update of the potential well site near Campbelltown Station. AL – Advised that this well location has been removed and no longer forms part of application.</p> <p>PB – Advised that he was grateful to attend and is happy to attend if an agenda item requires OEH attendance in future meetings. MM – Thanks PB for his time and attendance.</p> <p>AL – Advised that AGL representatives had attended the NSW Farmers Associate meeting and that a few of those in attendance had been guests of</p>	

<p>AGL who had toured and visited well locations. The meeting forum was of a landowner understanding their rights, community information sharing and issues identified included well design and surface locations. Feedback received indicates perception of information was well received.</p> <p>FA – Advised that he has previous understanding from 1999 when this industry was moving into area, and at that time recalls a lot of concerns were raised, since then it seemed to settle down. The information provided to the community needs to be communicative.</p> <p>JK – Asked question on 60 day moratorium and what it applies to. MM – Advised of process as available on DoP website. JK – Would recommend AGL waiting for the aquifer regulation before commencing the water monitoring program.</p>	
<p>8.0 Next Meeting Date</p> <p>29 September 2011</p>	

Meeting Closed at: 8.00pm

ADDENDUM



12th October 2011

Ms Margaret Macdonald-Hill
Executive Officer
NSW Association of Mining Related Councils
PO Box 273
BELMONT NSW 2280

Re: My record of the Minutes of the Community Consultative Committee (CCC) meeting, AGL Camden Gas Project – Meeting of 16th June 2011 and requested changes to those Minutes

Dear Margaret:

I refer to the Minutes of the CCC meeting of June 16th 2011. As agreed, I have made amendments based on my own records of the meeting. A key concern throughout this is that records of interaction in the meeting have been removed that were important to the interpretation of my comments. A further concern is that these Minutes should be able to be understood by the public, not just by committee members. Nevertheless I have tried to keep my amendments succinct and just focus on the key points. Obviously comments from others will need to be approved by them:

Page 4, 6.2: Amendments to first three statements and insertion after 4th statement from end as follows (in red):

JM: Referred to air and soap contents. Confirmed that this was...

JK: Queried the release contents as TV footage suggested liquid as well.

JM: Confirmed there may have been water in the contents.

...

JM: Advised this cannot be confirmed, but AGL would not expect there to have been.

AC: AGL is in the methane business and sometimes has to vent methane to protect its staff.

Page 4, 6.3: Insert after second point (i.e. after the point attributed to "All"):

JM: Stated that she did not know what the definition of a chemical is.

Page 5, 6.3: Insertion at end of second paragraph from the top of Page 5:

AC: Investigation findingsprovided to AGL on 17/6/11. Confirmed URS is employed by AGL on a non-independent basis for a variety of projects.

Page 5, 6.3: Insertion of missing information at beginning of third paragraph (otherwise the point attributed to me is wrongly interpreted) plus my response needs to be changed as follows:

AC: Explained that AGL reported the Sugarloaf 3 well foam incident to the OEH two days after the event because AGL did not think it had done anything wrong and only reported when it realised it had been filmed and that this would cause community concern.

P.O. Box 5946, MINTO NSW 2566
Email: kirkby@scenic hills.org.au

JK: Queried when AGL knew about the filming because Channel 10 News reportage showed AGL employees were on TV asking Channel 10 to leave.

Page 5, 6.3: Insertion of missing information at beginning of 5th paragraph from top of Page 5 (otherwise my point is without meaning) and alter my comment as follows (in red):

AC: Said foam should not have been visible to the public and AGL would ensure that in future it was not.

JK: Advised different information is being provided. PR Manager [Nathan Vass] had stated on TV that this was an accident that should not have occurred. JK sought clarification as to whether this was an accident or whether it just should not have been seen.

Page 5, 6.3: Last paragraph is not a correct coverage of the discussion. Suggest the following changes and additions (in red):

Discussion took place about CCC members' knowledge of visitors to the Camden Gas Project (in this case, Channel 10 and Jeremy Buckingham). AC requested that anyone from the community can come to site, but need to gain permission from the relevant landowners. AC asked that, as a courtesy, members should refer any known visitors to AGL. JK confirmed her understanding that Mr Buckingham only viewed from a public road and that's where the footage of the Sugarloaf 3 well was taken. JK said people are free to view from a public space without AGL permission. AC confirmed that AGL is happy to be approached should community members wish to be guided on site.

Page 6, 6.3: PB was not correctly quoted here and, following my sending him a copy of Minutes, has confirmed to me his version which he said he would send to Wendy Thompson for inclusion.

Page 6, 6.3: Second last point attributed to me ("Advised NSW Farmers etc") is without its context. I believe that we were talking about concerns over independent monitoring, investigation and reporting. Suggest the following change to my contribution to explain this better.

JK: Raised concerns about AGL being able to monitor, investigate and report on itself. Advised NSW Farmers Association has raised similar concerns about coal seam gas mining companies generally.

Page 6, 6.4: Insert missing information at end of paragraph 2, as follows (in red):

AC: (Refer Slide 4)...are also available on the website. **The 2010 Audit is not yet published and is being discussed between AGL and its auditors, URS.**

Page 6, 6.4: Last two points are without sufficient context for the public to understand without the slides and there is missing information. I think that community complaints should be registered in the Minutes. Suggest the following introduction with additional commentary from AGL:

(Refer Slide 5)

AC: Menangle Park gas gathering line - 3000 L of waste water was emptied into a paddock due to vandalism, a hose was stolen. AGL wondered if an environmental group was responsible, called the police and notified the OEH. Site security has been intensified and pumping procedures amended.

JL: Queried if intersected water....etc.

(Refer Slide 6)

AC: Menangle Park overhead power line struck and brought down during rig move. Endeavour Energy investigating. Incident reported to the DII.

(Refer Slide 7)

AC: April 29, adjoining landowner to KPO6 site complained to the OEH about noise levels at night, despite prior efforts of AGL to resolve the matter.

JM: Advised the drilling rig.....etc.

(Refer Slide 8)

AC: May 29, adjoining landowner to MP22 site complained about dust levels during the rig move. AGL will improve use of dust suppression trucks to suit road and weather conditions.

Page 7, 6.5: Missing information (in red):

AL: Highlighted bore locations on map: **Denham Court and Eschol Park.**

Page 8, minute No 7, last point is incorrect and should be replaced with the following:

JK: Requested that AGL's water monitoring proposal for the Scenic Hills not go ahead before the Northern Expansion project had been determined by the Department of Planning and ahead of new regulations. Asked that more detailed information be forwarded to her about the proposal.

AL: Agreed to send more detail.

With regard to the last point, I followed up with an emailed confirmatory letter to Adam Lollback on 23rd June which was also copied to you (see attached). I made two further requests for that information in a letter emailed to Mike Moraza on the 22nd July and in another email to Adam (copied to Mr Moraza) on 1st August where I indicated that I would not ask again but would refer to the AGL Chairman. This was my point in the last CCC about AGL's non-response within 28 days. I received no response to any of these letters/emails regarding this matter. It appears to us that, given our objections, AGL wanted to bed down this project before providing us with the details. This does not engender trust within the community. I hope this clarifies my comments in the last two CCCs.

Thank you for the opportunity to clarify my understanding of the contents of this meeting. I'd be happy to review a draft of these changes to ensure that they have gone into the right places in order to save time at the next meeting.

Yours sincerely



Jacqui Kirkby
Scenic Hills Association

Cc Adam Lollback, Aaron Clifton