

Media Release

AGL's irrigation trial produces top crops for local farmers' livestock feed

19 November 2013

Produce from crops harvested on AGL's property outside Gloucester has been sold to local farmers, desperate for livestock feed during a recent dry spell in the region.

At the company's Tiedmans property, triticale and lucerne were planted over winter and grown and harvested inside paddocks that are part of the irrigation trial.

Over seven months, an approximately six hectare area of triticale (a wheat/ Rye crop used for livestock feed) has grown so successfully that more than 130 silage bales, or 65 tonne, has been sold to local farmers.

Andrew Lenehan, AGL's overseer at the Tiedmans property about 10km from the township of Gloucester, said the triticale was grown from a blend of fresh water and water produced from coal seam gas production on the property.

"All the farmers and industry who came to us to buy the triticale knew exactly how it was irrigated; not one had an issue with it and bought the feed in small and large quantities," Andrew said.

"While we started off selling it at the market price, as more farmers became desperate for feed due to the dry conditions the market value of the bales increased. However to help out the local community in a challenging time, we sold it at the original lower price.

"We used local people to harvest the triticale and local people to transport it, so income has been generated by turning a non essential product into a viable resource."

In addition to the successful triticale crop, another paddock of feed (not part of the irrigation trial) was harvested and more than 500 bales sold to local farmers with the help of dairy farmer/harvest contractor Mark Harris.

"I approached AGL and asked if I could purchase their feed, bale it up and on-sell it to local farmers who had starving cattle during a couple of months of really dry weather up here," Mark said.

"It's harvested in a paddock next to the irrigation trial and like the triticale there's absolutely nothing wrong with it. Farmers need to feed their livestock, it's as simple as that."

Mark is a seventh generation dairy farmer – third generation in Gloucester – and also has a coal seam gas well on his property.



"I have 350 head of dairy cattle and the money I make from having that well, which only takes up the space of two vehicles, I would never earn for the same size land from milking," he said.

"AGL said I could put it wherever I wanted and they have been really easy to get along with. They are constantly doing water and soil monitoring and following all the Government guidelines and regulations."

The Waukivory Pilot Program in Gloucester will gather data from four natural gas wells drilled in 2012 at two properties near Forbesdale. The Program plans to monitor how much water is produced from the coal seams, assess the natural gas potential of the wells and determine the impact (if any) on overlying groundwater systems. It comprises fracture stimulation, workovers, completions, associated civil works, groundwater testing and data and flow testing.

A date is yet to be confirmed for commencement of hydraulic fracturing of four wells as the Review of Environmental Factors is currently being assessed by the Office of Coal Seam Gas. No work is expected to start before Christmas.

Mike Moraza, Group General Manager Upstream Gas, said hydraulic fracturing could occur at the same time as other independent water studies because it will add to the knowledge base about the area's gas and groundwater.

"Hydraulic fracturing is not new in this area. Twelve wells have already been fracture stimulated in Gloucester. Four were performed by AGL after acquiring the exploration licence," he said.

"NSW will require additional supplies of gas from 2016, and this pilot program is important because it supports AGL's efforts to unlock a significant volume of gas in the Gloucester region to meet the needs of NSW families, communities, businesses and industry."

Further inquiries:

Kylie Keogh, Media Relations Manager
Upstream Gas
Direct: 9921 2388
Mobile: 0477 724 839
email: kkeogh@agl.com.au

About AGL

AGL is one of Australia's leading integrated renewable energy companies and is taking action toward creating a sustainable energy future for our investors, communities and customers. Drawing on over 175 years of experience, AGL operates retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has one of Australia's largest retail energy and dual fuel customer bases. AGL has a diverse power generation portfolio including base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources including hydro, wind, landfill gas and biomass. AGL is Australia's largest private owner and operator of renewable energy assets and is looking to further expand this position by exploring a suite of low emission and renewable energy generation development opportunities.