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Project	Gloucester Coal Seam Gas Project	From	Penny Barker
Subject	Community Consultative Committee	Tel	2 9239 7100
Venue/Date/Time	Friday November 27 2009 Gloucester Country Club, 11am – 1pm	Job No	21/17714
Copies to	All attendees		
Attendees	David Mitchell – Avon Valley Landcare Garry Smith – BGSP Alliance Tim Hickman – Community Representative Councillor Richard Webb – Gloucester Shire Council Terry Cox – Lower Waukivory Residents Group Marianne Johnson – The Gloucester Project Glen Wilcox – Gloucester Shire Council Sally Whitelaw – Port Stephens Council Councillor Peter Ainsworth – Dungog Council Councillor Karen Hutchinson – Great Lakes Council Terry Kavanagh – Dungog Shire Council Alex Caras – Great Lakes Council Stuart Galway – AGL Mark Bonisch - AGL Ian Shaw – AGL Penny Barker – GHD (Facilitator)	Apologies	Rod Williams – Community Representative

1. Introductions & Confirmation of Previous Minutes	**Action**
1.1 Is there an agreement on the purchase of land from Gloucester Coal? Stuart Galway informed that the contracts are currently under review.	
2. Project Update	
Stuart Galway provided an update of the project, including the Seismic programme and the hydrology studies.	Stuart will provide a copy of the Power Point presentation to the Committee

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2.1 Stuart Galway gave an overview of the Seismic Survey programme. Group meetings had been held with all affected landholders for the 3D work. Ian Shaw had also met individually with landholders. The main issues that were raised during consultation related to compensation, property access, restoration and work activities. AGL was in the process of working with each individual landholder to identify property access issues, and determine how disruption could be minimised. AGL will prepare a covering letter that would be sent out to all affected landholders that explained the compensation process and how properties would be accessed during the survey programme. The seismic survey was due to commence in January 2010 beginning from the south with the southern boundary of the Tiedeman property reached by about mid February.
2.2 A question was asked with regards to what would happen if a well was placed in the fault line. Mark Bonisch replied that a well in a fault line would produce nothing, and would be a waste of money. It was for this reason that it is necessary to undertake a seismic survey, so that underground constraints can be determined.
2.3 A question was asked as to why both 2D and 3D seismic surveys needed to be done. Stuart Galway replied that 2D was being undertaken to improve AGL's understanding of the geology within the basin and the 3D was being undertaken for a better understanding of the underlying geology including fault lines in the stage 1 area.
2.4 The same vehicles would be used for both the 2D and 3D seismic surveys. AGL have investigated ways to reduce compaction to landholders properties, and will be using quad bikes and Kawasaki Mules or similar where possible as a means to reduce impact.
2.5 A question was asked as to the length of time the survey will take. Stuart Galway stated that the 2D survey would take about 2 hrs for each property. The 3D survey is more time intensive work, and depending on the size of each property would take anywhere from 4 days to 10 days per property.
2.6 A question was asked as to whether cattle would be able to move around the cabling. Stuart Galway replied that cattle can move around the cables, but if landholders had any concerns then AGL would explore options such as agistment.
2.7. Seismic information was not acquired on bitumen roads, and where cables were laid over internal or main roads cable mats would be used. In addition cables would not be placed through dams.
2.8 A question was asked as to how many lines per day were recorded. Stuart Galway replied that information was recorded from 2 – 4 lines per day.
2.9. If a tractor is driven over the cables, it will not affect the cables and recording would continue once the machine had passed. AGL will be in constant communication with landholders, to ensure minimal disruption to the farming operations on the property.

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2.10 Stuart Galway gave an overview of the hydrology study that was commencing. The study will involve a monitoring programme to ensure that AGL's operations will not have a negative impact on groundwater. The monitoring programme will involve the installation of piesomenters which record a drop in groundwater pressure which indicates a decrease in the depth of water above the sensor. If a drop is detected management measures are implemented which involves the isolation of the particular affected area.

2.11 A question was asked to what would happen if there was an impact, and the intervention measure did not work, then what additional management measure(s) would be put into place. Mark Bonisch stated that the well would be turned off until a better understanding of the groundwater flows was obtained.

2.12 A question was asked as to what the long term consequence would be if the water table at lower depths was lowered, and is not being recharged. Stuart Galway stated that studies indicate that dewatering of the lower aquifers does not appear to be having any impact on the upper aquifers. As part of AGL commitment within the EA is to implement a groundwater management plan. If committee members had concerns about this, then this should be raised through the EA submissions process.

3. Field Update

Mark Bonisch provided an update on the current and projected field activities.

3.1. Mark Bonisch gave an update on the drilling programme.

Gloucester 2 is a stratigraphic hole, where the drill cuttings are analysed, being drilled by Lucas Drilling. TD is expected to be 1200 to 1300 metres. UPDATE TD called at 973 metres due to the hardness of the structure.

Nitschke Drilling are commissioning their new rig at Craven 7(another stratigraphic hole). This is a 24 hour drilling hole and should take to 14 days to reach TD of 1200/1300 metres

Stratford 10 producing 150 litres of fluid/day.

Faulkland 3 is producing 280 litres of fluid/day.

Waukivory 3 had been producing about 30,000 litres/day however this well is shut in for a zonal test to ascertain where the water is coming from to enable the source to be squeezed off by plugging with grout.

All produced water from the wells is stored in tanks on site then transported to Tiedeman's to be stored in the lined dams.

3.3 It was noted that exploration wells are not production test wells and upon completion of drilling these wells will be plugged with concrete and restored to DPI guidelines

3.4 Once commercial production is commenced the water that has been treated at the treatment facility is currently proposed to be used for irrigation purposes. About a megalitre of water is projected to be produced each day.

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3.5 A question was asked with regards with what impacts irrigation could have on salinity. Stuart Galway replied that a soil monitoring program is in place, and that protocols are followed to ensure salinity build up is not created.	
3.6 AGL requires approval in order to irrigate. Approval is provided by DECCW with set irrigation guidelines and criteria.	
3.8 A few queries have been raised by the community with regards to the Faulkland 1 Bench. AGL confirmed that it is a dam and not a bench.	
3.9 Mark Bonisch stated that 3 staff members have recently resigned (and were not laid off). AGL have recruited three new field operators.	
4. Environmental Assessment	
Stuart Galway provided an overview of the Environmental Assessment. Copies of the Executive Summary were distributed to the committee. The core components of the proposal are field development, construction of a central processing facility and the pipeline.	Stuart Galway will provide a copy of the powerpoint presentation to the Committee.
4.1 A mistake in the Environmental Assessment was identified in the second paragraph on the first page of the Executive Summary. The last sentence should end with 'project'.	
4.2 A question was raised as to whether odour will be put into the pipeline, in order to identify leaks. Stuart Galway stated that odour is only added to the gas for the retail market. The pipeline will be monitored for leaks on an ongoing basis. Monitoring will include: • Sniffer tests annually • Pipeline intelligence gauge used every 5 – 10 years • Earth leakage checked weekly.	
4.3 A question was raised with regards to damage to the pipeline. Stuart Galway stated that the pipeline is underground approximately 750 mm and therefore damage to the pipeline by vehicles etc is not an issue. The biggest risk to the pipe is by underground digging. On going consultation with landholders post construction will be undertaken to ensure safe farm practices occur within the easement area.	
4.4 The pipeline will run to Hexham, where it will then be connected into the main trunk network at Old Punt Road. It is anticipated that once the gas starts flowing, demand will increase. NSW currently sources 90% of its gas from interstate.	
4.5 A question was asked as to whether the gas would be available for Gloucester. Stuart Galway responded by saying that the demand for gas in Gloucester is not high enough to warrant the building of necessary infrastructure. If gas consumption was economically viable for big end users then it would make it feasible to construct the necessary infrastructure.	
4.6 A question was asked as to whether there was enough gas to fuel a power station. Stuart Galway responded by saying that he doesn't know the answer to that question. Currently, coal is more economical to	

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produce base power loads, with gas power stations providing power at peak times. If there was an increase in the cost of coal, then the use of gas may become more economically viable to provide base loads.	
4.7 The technical studies for the Environmental Assessment were done in accordance with the Director General's requirements. With regards to noise impacts, the central processing facility was designed to meet guidelines with mitigation measures in place. A noise management plan will also be prepared, and AGL will be required to self monitor. A third party regulator will also monitor noise levels.	
4.8 A question was raised as to whether compliance with conditions of consent will fall on Council. Glen Wilcox noted that from previous experience on other projects in the Gloucester area it was noted that complaints were forwarded to the consultative committees to assess. If deemed appropriate the complaint is then forwarded to the Minister who then decided if a member of DECC needs to undertake a site visit. Consultative committees can also get independent monitoring arranged if required. Councils sit on consultative committees. The EPA monitors the Camden Gas Project on a regular basis. A question was asked to what is a water bath heater. Stuart Galway replied saying this is a warm water structure to prevent the gas from freezing when it is depressurised at the gate station Catalytic converters will be installed to ensure there are no air quality exceedances.	
4.9 It was noted that the public exhibition period will extend to 8 weeks. The exhibition period will finish on 15 January 2010. There are 4 Community Drop-In Sessions proposed for December 2009 Advertisements have been arranged in the local papers to notify the community of these sessions. AGL's geologist will be attending the sessions, along with Stuart Galway, Mark Bonisch and Ian Shaw. A newsletter will be prepared and distributed to all affected stakeholders. The newsletter will provide guidance on how to make a submission to the Department of Planning.	
4.10 A suggestion was made that along with advertisements in the paper, an article should also be prepared which outlines the project, encourages the community to attend the community drop-in sessions, and make a submission.	Stuart Galway to follow up on the preparation of an article for the newspaper. The newsletter has been printed for inclusion in the Gloucester Advocate on Wednesday 9th December 2009
4.11 The timeframe for construction is 2012. This will be dependant on demand and market price which may delay construction.	
4.12 A question was asked as to whether the Central Processing Facility would be located at Site 7 or Site 1. Stuart Galway responded by saying that it is 95% certain that the facility will be located at Site 7	

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4.13 A question was raised with regards to alternative road access at Atkins property. Stuart Galway responded by saying that AGL have purchased land so that a road can be built to eliminate the need to drive down Fairbairns Road.	
4.14 It was noted that the photo used on the front cover of the Environmental Assessment did not depict Gloucester very well. Stuart Galway apologised for the use of this photo, and stated that it was not intentional to show the valley during a dry period, although it is too late to change.	
5. Legacy Program / update from community	
5.1 Ian Shaw gave a brief outline of the Community Support/ Development program. A significant amount of work has been done by the core group. The program is now getting to the difficult stage where programs will need to be designed. AGL is looking to recruit a part-time coordinator to design and manage these programs.	
5.2 A question was asked as to whether Section 94 contributions will be available for road dilapidation? It was noted that the Minister will require Council to consult with AGL with regards to road issues, and then the Minister will sign off on the agreement.	
5.3 A question was asked on what benefits the project will bring to the community. Stuart Galway stated that there will be a large number of staff during the construction phase and once completed 30 -40 staff will be employed during operations, which will result in up skilling of the local community. Contractors will also be required during operations. AGL are currently investigating to commence an apprenticeship programme as part of its operations.	
6. Next Meeting	
6.1 The next meeting is proposed for February 2010	AGL will notify the committee of the date of the next meeting.

Penny Barker

GHD - Stakeholder Solutions