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Note that minutes are paraphrased to an extent and may not exactly match actual statements.

Project	Gloucester Coal Seam Gas Project	From	Michael Ulph
Subject	Community Consultative Committee	Tel	4910 7788
Venue/Date/Time	Thursday 17 April 2014 Gloucester Country Club, 10.10am – 12.00noon	Job No	21/17714

Copies to All attendees

Attendees	Ian Shaw [IS] – AGL Lands Officer Karyn Looby [KL] – AGL Community Relations Manager Toni Laurie [TL] – AGL Land and Approvals Manager Clr Tony McKenzie – Dungog Shire Council Ed Robinson – Lower Waukivory Residents Group Clr Aled Hogget [AH] – Gloucester Shire Council Dr. Gerald McCalden – The Gloucester Project David Mitchell – Avon Valley Landcare Linda Brook Franklin – Mid Coast Water (for Anna Kaliska) Ray Dawes – Barrington Gloucester Stroud Preservation Alliance Michael Ulph – GHD (Chair) Allen Rodwell – GHD (Minutes) Rod Williams – Community Representative (later) Jerry Germon – Community Representative (later)	Apologies	Anna Kaliska – Mid Coast Water Clr Karen Hutchinson – Great Lakes Council Graham Gardner – Gloucester Shire Council Larry Brown – AGL Operations Manager
		Others not present	Lisa Schiff – Great Lakes Council Clr David West – Mid Coast Water Lee McElroy – Port Stephens Council Dan Rose – CEO, Forster Local Aboriginal Land Council
	Observers / Presenters Tim Nelson [TN] – AGL Head of Economic Policy and Sustainability Kathryn Lamond – AGL Media Relations		



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Michael Ulph (Chair)

*Welcome and Acknowledgement of Country
Introductions for new committee attendees and observers*

Meeting commenced at 10:10 am

2. Meeting agenda

- Welcome, apologies and introductions
- Action items from previous meetings and acceptance of last meeting minutes
- Project Update (Toni Laurie)
- Community Engagement update (Karyn Looby)
- NSW Gas Demand presentation (Tim Nelson)
- Groundswell Gloucester (Ed Robinson)
- General business
- Next meeting and close of formal proceedings
- Lunch

3. Action items from the last meeting

Action items from the previous CCC were reviewed. Michael asked the CCC if there were any other questions in relation to the action items or previous meeting minutes. A summary document for the action items was distributed to the CCC by email and in hard copy.

1. AGL to arrange for an operations representative to present at the next CCC meeting

Larry Brown has joined the team in Gloucester as Operations Manager and is responsible for managing all our field operation activities.

Larry comes to AGL following a long and successful career in the oil and gas industry with over thirty years' experience. His most recent role as a consulting engineer included clients BHP Billiton Mitsubishi Alliance, QGC and Strike Energy. Previously Larry has filled senior leadership roles within Australia and overseas on both conventional and coal seam gas development projects, covering six countries.

For 23 years of his career Larry was with Chevron in a variety of roles and assignments. After leaving Chevron he has held senior management roles in Queensland in coal seam gas operations with Westside Corporation as Operations Manager and Icon Energy as Chief Operating Officer. His tertiary qualifications in BSc Petroleum Engineering are from the University of Missouri – Rolla.

Larry Brown is an apology for the meeting on the 17 April however



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he is looking forward to attending the GCCC meetings.	
2. Michael to follow up on email issued to Gloucester Council	
Refer email correspondence from Michael Ulph on 14 March 2014.	
3. AGL issue all project summary documents to GCCC	
<ul style="list-style-type: none">• Karyn forwarded the project update to Michael Ulph for inclusion in GCCC meeting minutes 20 February 2014.• AGL to provide a project update document for each meeting.	
4. AGL to provide a link to the soil and water report to the GCCC after it is uploaded on the website	
<ul style="list-style-type: none">• http://www.agl.com.au/about-agl/how-we-source-energy/natural-coal-seam-gas/gloucester-gas-project/irrigation-trial	
5. AGL to issue information about the energy saving scheme currently happening in Gloucester	
<ul style="list-style-type: none">• Following consultation with small businesses, and local residents, Mick Hanly, Customer and Community Relations, has been working with local residents, community groups and organisations along with Small Businesses in assessing their energy needs, offering general energy advice and looking at what services are available to assist local residents in reducing their energy costs.	
<ul style="list-style-type: none">• Mick Hanly has been available to the community of Gloucester for advice on the following:	
General home energy information.	
<ul style="list-style-type: none">• How to set up an account.• What industry services are available to assist residents?• The things to be mindful of when moving into and out of a property etc	
Billing information.	
<ul style="list-style-type: none">• What exactly is on an energy bill; explaining all the different areas of the bill and what it all means• What to check to ensure billing is correct• Customer requirements• How to get the most out of their energy provider	
Energy efficiency education.	
<ul style="list-style-type: none">• To show where and how energy is used within the home• Ways to reduce overall energy usage through the use of energy efficient products• Hints and Tips showing simple ways to use less and to save money	
<ul style="list-style-type: none">• Mick Hanly has been working with community groups and organisations to help local residents in understanding their	



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<p>energy needs and usage and to identify areas that can be improved on. This is done in group settings, or one to one consultation. We have found that providing general information on how to understand energy bills and some energy saving advice can make a huge difference to a lot of people locally here in Gloucester.</p>	
<p>6. AGL to provide information on the management of potential spills as a result of exploration and operational activities</p> <p>Carried over - Toni to provide details at the next meeting</p>	
<p>7. AGL to investigate how to best publish the REF on the AGL website</p> <ul style="list-style-type: none">• The pathway – agl.com.au/Gloucester then Waukivory Pilot Program.• http://www.agl.com.au/about-agl/how-we-source-energy/natural-coal-seam-gas/gloucester-gas-project/waukivory-pilot-program	<p>Toni to provide information on the management of potential spills as a result of exploration and operational activities.</p>
<p>8. AGL to arrange for a representative of the research company to attend to discuss the research</p> <p>There was no take up by the group on the offer for a representative from the research company to attend GCCC meeting.</p>	
<p>9. AGL to provide a response to the GCCC's concern about the telephone survey conducted in 2013.</p> <p>AGL has taken the feedback onboard and will consider this for future surveys.</p>	
<p>CCC: what is meant by AGL will take feedback from survey on board?</p>	
<p>KL: We will take survey feedback on board for future surveys</p>	
<p>CCC: It has been said that some of the questions were commercial in confidence and I believe that these could have been left out in order to show us the questions. I am quite unsatisfied with AGL's response.</p>	
<p>The last meeting minutes were moved by David Mitchell and seconded by Ed Robinson as a true and correct record.</p>	
<hr/> <p>3. Project update:</p>	
<p>Toni Laurie provided an update of the Gloucester project to the CCC. A hard copy document summarising recent activities was also provided to the CCC. Key points are summarised below:</p>	
<ol style="list-style-type: none">1. Planning and design for the Gloucester Gas Project are on track and progressing well.2. AGL were a signatory to the Agreed Principles of Land Access, alongside Santos, NSW Farmers Association, NSW Irrigators Council and Cotton Australia Ltd.3. AGL will be making three minor modifications to the REF for the <hr/>	



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<p>Waukivory Pilot. The modifications are:</p> <ol style="list-style-type: none">1. Replacing the proposed turkey nest ponds with two temporary, above ground storage tanks located on the existing well pad, in order to place them above the 1 in 100 year flood level.2. An additional underbore under Waukivory Creek3. Amendment to the proposed flare configuration at the central flare at Waukivory 12 to 3 x 6m.	
<p>CCC: No flood study has been undertaken, so how can you say what is the 1 in 100 year flood level?</p>	
<p>TL: We have done a flood study using GRL data in order to avoid doubling up on flood studies. We are using a consultant who has the information and are running our own layouts and scenarios using the existing flood data.</p>	
<p>CCC: Why are you changing the flares?</p>	
<p>TL: It has something to with the output and efficiency of the flares – I can get back to you with an answer.</p>	<p>TL to inform CCC why the flares are being modified</p>
<ol style="list-style-type: none">4. There are four older coal holes within the vicinity of the Waukivory Pilot which will be plugged and abandoned commencing 28 April.5. Craven 6 continuing on flow test and expected to continue.6. Agriculture update<ol style="list-style-type: none">1. The sorghum crop is due for harvest around the week of 28 April – this will be the 4th cut. It will be replaced afterwards with triticale.2. The lucerne crop is due for harvest around the week of 28 April – this will be the 8th cut in 12 months.3. There are currently 274 head of cattle on AGL’s Gloucester properties.	
<p>CCC: Will the cattle be sold locally?</p>	
<p>TL: We don’t have plans to sell them at this stage.</p>	
<p>IS: It is expected that due to current low beef prices, the cattle will be grown out to feedlot weights.</p>	
<p>Michael: Can the minutes show that Jerry Germon and Rod Williams arrived at around twenty past the hour.</p>	
<p>CCC: The community is sensitive about seeing drill rigs in the area without prior notification. AGL need to inform stakeholders about the purpose of the rig in the area.</p>	
<p>TL: The rig became available to complete work on the plugging of the older coal holes at short notice. I will work with KL to notify stakeholders of any future works.</p>	
<ol style="list-style-type: none">7. Water Update: The hydrology study is being released on the website later today.	
<ol style="list-style-type: none">8. In response to a Midcoast Water query about water storages and	



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measures for protection of spillages – For any of AGL’s operations, the only open water system is above ground storage. Everything else is enclosed so there is no chance of spillages. If there is a breakdown in the integrity of a storage for some reason, sites will be bunded to capture 110% of the storage capacity. The above ground storages are double lined, contain a leakage detection system, are built to be above the 1 in 100 level, maintain freeboard and are equipped with pumps.

- 9. Long term water storages have a double liner and leakage detection system, whereas the original turkey nest storages have a single liner that is thicker, but includes seepage monitors. Field crews also inspect these sites on a regular basis and we have had no issues to date

CCC: Which is the storage that leaks when there is more than 25mm of rain?

TL: It doesn’t leak. At the irrigation trial site, the way the storage has been designed is that it captures the first 25mm of land runoff which will contain any salts in the soil, which are then pumped into AGL water storages. After the 25mm of runoff is captured, there is no risk of salts being transferred, with the system designed to flow freely from this point like a natural system.

Verbal Addendum: There is a deficit of irrigation on site. The catch dams kick in only once the soil becomes full, meaning that any salts or nutrients that leak are captured.

CCC: Has a newsletter produced by Groundswell [Gloucester] been misleading? People are just receiving flyers without an accompanied technical document. I believe this is misleading.

[Discussion around this point]

CCC: Everyone puts out summarised information, including AGL, the Council and so on. As long as they reference the source, that is the main thing. I have reservations about the trials and their ability to catch salt. However this appears to be a media game that is not helping the community work through this issue.

CCC: What is the lifespan of the liners?

IS: Approximately 30 years, but I will confirm this for you.

AGL to confirm the lifespan of liners.

CCC: Is there any way to monitor the integrity of the pipe work once it is in the ground?

TL: For the gas the pressure of the pipelines is monitored and any drop in pressure, would be investigated. For water again it’s a pressure scenario. Water is run between sites but not constantly. I can report back to the group on the ways in which pipelines are monitored.

TL to report back on water pipeline monitoring mechanisms.

Morning tea break 10:43

4. Community Engagement Update – Karyn Looby

Karyn Looby provided an update to the CCC about recent community engagement events. KL issued a document that outlined these



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activities. Key points are listed below.

- AGL is represented on the Gloucester Dialogue. (see below)
- AGL sponsored the Mid Coast Science and Engineering Challenge held in Taree between 7 & 11 April 2014.
- AGL held a stand at the Gloucester Show, where people asked questions about the project that were answered directly or taken on notice and people registered to be added to the community e-news distribution list.
- AGL is looking forward to attending the Stroud Show on 25-26 April.
- AGL hosted a visit for beef farmers at the Tiedmans Property on 16 April and will soon start advertising in the local paper for tours of the property, including offering opportunities to service groups such as Rotary etc.
- The next Community Newsletter will be printed this month and distributed to 3414 stakeholders in the 2422 & 2425 postcodes. KL asked CCC if there were any postcodes missing and will add the 2415 postcode to newsletter for distribution.

**KL to update
Newsletter
Distribution List.**

Chair: Is everybody aware of what the Gloucester Dialogue is?

CCC: What is the relevance of the Gloucester Dialogue to this committee?

CCC [AH]: It was decided to be put in place as a parallel process to the CCC that functions at a different level with different participants. The Gloucester Dialogue is looking at opportunities to overcome poor communication and also includes government agencies which is a shortfall of the CCC. The CCC focuses on operational issues, whereas the Gloucester Dialogue focuses on a more strategic level where participants are likely to have more influence over significant decisions. It is expected that there will be some crossover in issues, with issues raised at CCC that cannot be resolved, being elevated to this forum. It is an experimental process but we are looking for opportunities to streamline communications.

CCC: Will all minutes from these meetings be available to the general public?

CCC [AH]: A formal communiqué will be published in the local paper and will outline points of consensus and points of difference.

CCC: Who will prepare the communiqué?

CCC [AH]: It will be prepared by the Office of the Land and Water Commissioner and approved by all participants prior to circulation.

CCC: How often are the meetings and how does the public get input to this process?

CCC [AH]: Meetings are held once a month and there are two Councillors and two community members who will represent the



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community on the panel.

CCC: What has been covered at these meetings so far?

CCC [AH]: Council tabled a mining policy and raised some issues that have been raised by community.

CCC: Who are government representatives on the panel and how many are on the panel?

CCC [AH]: The Land and Water Commissioner, Office of Water and Office of Coal Seam Gas are all represented on the panel and there is a guarantee that senior representatives from any agency will be available for meetings as required. There are approximately 12 members made up of four AGL representatives, four Council and Community representatives and three or four Government representatives.

CCC: I am concerned that the Gloucester Dialogue will undermine the CCC. Why do we bother coming to this meeting? I'm concerned that a closed discussion is going on and we have no input to that discussion as it is consensus based.

CCC [AH]: I don't want to duplicate things. The main aim of the Gloucester Dialogue is for the community to have access to decision makers from government. It is an evolving process and my main concern is that I don't want to see it undermined and that the community does not respect it. It is the result of community concern as people felt they weren't getting the answers they needed.

CCC: The minutes from these [Gloucester Dialogue] meetings should be open and transparent for everyone to see – not consensus. I fear that people will not give the Gloucester Dialogue credibility because of a lack of open and public minutes. We need to give this time to mature and I hope that it is open.

Chair: This forum can be modified if it is not seen to be working, however having a project proponent organisation such as AGL meeting with stakeholders at various levels is quite common.

That said, this CCC forum should not be about bashing Gloucester Dialogue, Groundswell Gloucester or other organisations. You are free to put questions to those organisations if you have issues.

5. NSW Gas Demand Presentation – Tim Nelson

Tim Nelson gave a presentation on the East Coast Gas market and informed CCC members that copies of the presentation slides and academic papers discussed will be made available. The slides have been appended to these minutes, with a link to the academic papers.

CCC: How realistic is it to assume that all 6 gas export lines will be operating at once?

TN: They will need to operate at full capacity in order to recover their capital expenditure.



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CCC: I believe there are two other options to meet domestic gas demand. The government could put in place a price guarantee for domestic and export gas, or switch to renewable energy.

TN: There is not enough time to make the switch to renewable to meet the immediate shortfall in supply and placing a price guarantee will reduce the economics and viability of gas exporters.

CCC: Surely this problem could be solved by the market?

TN: The Australian gas market is so heavily regulated that large users sign up for big contracts and the government can still intervene to ensure that the public has enough gas. The state by state nature of gas ownership makes solving the problem difficult.

CCC: Did you do some sensitivity analysis of the shortages in the model?

TN: Yes. Demand related to factors such as weather along with some businesses switching from gas to other energy sources due to cost has been factored in.

6. Groundswell Gloucester Report

CCC: I cannot see the relevance of the Groundswell Gloucester Report being an agenda item at this meeting? Can any group table anything at this forum?

Chair: If it is relevant to the project than it may be tabled at the discretion of the Chair.

CCC: I want members of the CCC to know that a study has been undertaken by Groundswell, that these studies are going on and are there if you would like to read them. That is all.

7. General Business

CCC: I am attempting to access land titles held by AGL in this area. I would like it noted that this is an ongoing process

KL: This forum is an opportunity for members to outline what they are working on and contribute to the CCC. Is the information we are providing you, what you want? Does anything need to change? Is there anything else we or you can do so that the CCC is of greatest benefit to you and your represented stakeholder groups?

CCC: There is a void between what is circulating in media and AGL addressing issues. It is getting out of hand and tarnishing the reputation of this area. AGL needs to start putting some stuff back out in the media. An issue has been raised about information that has been circulating in the local community about the potential contamination of stock feed by activities related to AGL's Gloucester Gas Project. I am concerned that if this is not true, it should be refuted by AGL as it is damaging the reputation of the region.



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TL: AGL is currently undertaking investigations into this issue. If there is anything in the meantime, I suggest that issues are forwarded to the CHAIR to direct back to AGL.	AGL to provide a response on the assertion of contaminated feed.
CCC: We need to see where Gloucester Dialogue is going to go to determine relevance of the CCC moving forward	
CCC: I would like to thank AGL for the hard copy summarised reports provided at this meeting.	
<i>No further business was raised.</i>	

8. Next meeting

Meeting closed at 12:15

Next meeting to be held in Thursday 19 June 2014 at 10am, at the Gloucester Country Club.

Michael Ulph

GHD – Stakeholder Engagement

