



Fact Sheet: AGL in Gloucester.

AGL Gloucester Gas Project
January 2015

What you need to know.

AGL has recently completed hydraulic fracturing of four wells in the Gloucester Basin as part of the Waukivory Pilot Program. These wells were originally drilled in 2012 to help us better understand the gas and water characteristics of the area. As well as delivering essential information, this pilot program will also fulfil key approval conditions of the Gloucester Gas Project.

Why AGL is working in Gloucester.

- > Natural gas is an affordable source of energy, right on our doorstep in NSW.
- > NSW needs energy for homes and businesses, but the state is facing a gas supply shortage as interstate providers – particularly Queensland – begin redirecting gas supplies offshore from later this year.
- > The Gloucester Gas Project Stage 1 will comprise 110 wells, providing up to 15% of NSW's energy needs – enough to supply over one million homes – by 2018.
- > The Gloucester Gas Project will also create several hundred jobs throughout construction and commissioning phases, and up to 40 ongoing local jobs during operations.
- > AGL's Solving for 'x' modelling suggests NSW could experience up to 21 days of gas supply shortages from winter 2016. Any shortages would cause significant disruption to the NSW manufacturing industry. All gas from Gloucester will remain in NSW.
- > A 1,000-page Review of Environmental Factors found that the Waukivory Pilot Program's impacts are minimal to low, provided AGL continues to follow stringent operating guidelines.
- > The independent NSW Planning Assessment Commission approved Gloucester Gas Project Stage 1 in 2011. This approval was upheld by the Land & Environment Court in 2012. Our Commonwealth approval was granted in 2013.

Working with the community.

Since 2009, AGL has engaged in an extensive program of community consultation in the Gloucester area.

This work includes holding community events and site tours, holding over 20 public information sessions, undertaking regular letter box drops and door-knocking sessions to inform local residents of our activities and participating in over a dozen meetings with the Gloucester Community Consultative Committee.

We also publish fortnightly e-newsletters and community updates in the local paper and are always available to answer questions via our website (YourSayAGL.com.au), our 1300 number, and at our local office in Gloucester.

AGL listened to what agricultural landholders were saying and earlier this year signed the Agreed Principles of Land Access with the NSW Farmers Association, Cotton Australia and the NSW Irrigators Council.

AGL also supports the local community through a number of initiatives including the Gloucester Community Investment Program, which directs investment back into the local community via donations, sponsorships and community development programs.



AGL's Karyn Looby with local Westpac Careflight volunteer.

Keeping local water supplies safe.

AGL wants to ensure that none of our activities harm the local water supplies that are so important across the Gloucester Basin. We have installed 47 water monitoring bores and nine surface water monitoring sites, delivering comprehensive water level and water quality data about the Gloucester area's water cycle, how water travels, and when and why water volumes change.

We also make sure the community knows what we are doing, sharing our plans and ensuring they have access to data. We routinely publish our water monitoring data and will soon make available real-time data from our water monitoring bores on the internet.

Our gas wells are designed to make sure our activities do not interfere with local water supplies. Gas wells are drilled deep, and fracture stimulation takes place at least 380m below the surface, well beneath the surface water and beneficial aquifers in the Gloucester Basin.

Before any well is hydraulically fractured, it is cased in up to four layers of steel and concrete over beneficial aquifers to ensure isolation from the well. Hydraulic fracturing fluid, used to open cracks in deep coal seams and deposit sand in the cracks, is returned to the surface and disposed of safely with minimal interaction with the surrounding environment.

Safety is at the heart of everything we do.

At AGL, we work to ensure all our activities are safe and sustainable. Our people undertake stringent safety training and are under ongoing scrutiny to ensure our operations comply with approvals, meet the highest standards and have minimal impact on the surrounding environment, farmland and communities.

What is hydraulic fracturing?

- > Hydraulic fracturing is a proven, decades old technology that allows natural gas to be released from coal seams deep under the earth.
- > In hydraulic fracturing, a fluid that is more than 99% water is mixed with sand and pumped down a well to open millimetres-wide cracks in coal seams. The fluid additives are mostly substances found in food products (such as guar gum and acetic acid) and household cleaners.
- > This fluid is pumped back to the surface and disposed of in an environmentally safe manner. The sand is left in the coal seams to hold the cracks open.
- > Gas and produced water is then able to flow to the surface via a well cased with steel and cement.
- > We have over a decade's experience safely and successfully running hydraulic fracturing operations side by side with farmers and landholders, including 117 wells at Camden, south-west of Sydney, and recently four wells in Gloucester.

Water monitoring site at AGL's Waukivory Pilot Program.



Join AGL's online community

www.yoursayagl.com.au

Phone: 1300 799 716 or 02 6558 2692

Address: 22 Tate Street, Gloucester NSW

Email: gloucester@agl.com.au

Web: www.agl.com.au/gloucester

Energy in
action.®

Since 1837

