

Meeting Minutes



QGC Central Gas Field Community Committee

Wednesday 11 September 2013

QCWA 53 Heeney St Chinchilla

1. Opening

The 16th meeting of the QGC Central Gas Field Community Committee was called to order at 09:00am on Wednesday 11 September at the QCWA Hall facilitated by Mr Jim Cavaye, Independent Facilitator.

2. Attendees

The following people attended the QGC Central Gas Field Community Committee meeting:

QGC Central Gas Field Community Committee Members	QGC Representatives
<ul style="list-style-type: none">• Brooke Bird, Chinchilla Community Commerce and Industry• Don Bell, Chinchilla and District Landcare• Leanne Evans, Chinchilla Community Unity Group• Trudy Tronc, Department of Communities	<ul style="list-style-type: none">• Brett Smith, Vice President Sustainability• Mark Riksen, General Manager Water Solutions• Kिरrily Addison, Manager Water Solutions & Communication• Kristelle Townsend, Central Social Performance Coordinator• Craig Eustice, Construction Manager• Jamie Kemshead, Land & Community Superintendent – Central
Apologies	Independent Facilitator
<ul style="list-style-type: none">• Tim Reid, Condamine Cods• Mike Boniface, Western Downs Regional Council• Allison Young, Chinchilla State High School• Doreen Goldsmid, Chinchilla Family Support Centre	<ul style="list-style-type: none">• Jim Cavaye, School of Agriculture and Food Sciences, University of Queensland

Meeting Minutes



3. Meeting agenda

The following items of business were discussed as per the meeting agenda:

Agenda item	Details
a. Introductions and meeting overview	<p>Jim Cavaye led roundtable introductions of Community Committee members and QGC representatives.</p> <p>Jim Cavaye gave a broad overview of the meeting format.</p>
b. Safety moment	<p>Jim Cavaye invited Committee members to share a safety moment.</p> <p>Kristelle Townsend spoke about seat belts and the important role they play with regards to road safety.</p>
c. Water Update	<p>Mark Riksen provided an update on QGC's Water Management. Key points were:</p> <p>To produce gas from coal seams, the pressure in the coal seams must be reduced. In the Surat Basin this means water is produced. The water is brackish (salt content is around 1,500 – 9,000 parts per million) which makes it only marginally suitable for irrigation or stock watering.</p> <p>During gas extraction water will be taken from the Walloon Coal Measures. Connectivity between the aquifers will be monitored to determine whether there are any changes in overlaying and/or underlying aquifer pressure when gas production is underway.</p> <p>QGC's groundwater modelling predicts that depressurisation in the Walloons will not materially impact the shallow groundwater systems within the QCLNG Project area. In the unlikely event that depressurisation does occur, QGC would 'make good' such impacts to landholder bores.</p> <p>QGC's activities are subject to a range of State and Federal statutory requirements. Including:</p> <ul style="list-style-type: none">• The Federal act - the <i>Environmental Protection and Biodiversity Conservation (EPBC) Act 1999</i>; and• the State act - <i>Water Act 2000</i>• The Queensland Government has also established a body to develop a water model of the Surat Basin. This body is called the Office of Groundwater Impact Assessment (OGIA) (formerly Queensland Water Commission). <p>The Water Act 2000 requires QGC to:</p> <ul style="list-style-type: none">• Create a baseline assessment plan• Develop an underground water impact report, with

Meeting Minutes



Agenda item	Details
	<p>reference to the bore trigger threshold for impacted areas:</p> <ul style="list-style-type: none"> (i) for a consolidated aquifer – 5m; or (ii) for an unconsolidated aquifer – 2m <ul style="list-style-type: none"> • Undertake baseline assessment and establish a groundwater monitoring network • Enter into make-good agreements for immediately affected bores • Review and update the underground water impact report every three years • Undertake monitoring at various depths. <p>OGIA will produce for the Cumulative Management Area this UWIR every three years.</p> <p>Produced Water Management Strategy:</p> <ul style="list-style-type: none"> • QGC aims to make 97% of all produced water available for beneficial re-use • Beneficial use means that produced water will be treated and made available for irrigation, industrial use and/or municipal water supply • Use of reverse osmosis (RO) technology is deployed to treat the water to enable beneficial use • QGC has two large state-of-the-art facilities with combined capacity of almost 200ML/day at peak capacity to treat the water. QGC partners with SunWater and utilises existing water supply schemes to enable effective beneficial use. <p>Salt Handling: QGC is currently exploring two different options for handling salt. These are:</p> <p>Selective Salt Recovery (SSR)</p> <ul style="list-style-type: none"> • QGC, APLNG and Arrow Energy are collaborating to determine the technical and commercial feasibility of this option • Four pilot trials have been completed in France, Germany, US and Australia (Adelaide) which have demonstrated the technical feasibility • The next step is a pre-FEED program to Demonstrate technical feasibility at industrial scale to produce commercial grade salts and minimise waste. <p>Regulated waste facility</p> <ul style="list-style-type: none"> • This is the Environmental Impact Study (EIS) base case for all CSG proponents • It entails mechanical brine crystallisation and storage of (dry) mixed salt in dedicated cells • Improved control/containment in a tailor-made regulated

Meeting Minutes



Agenda item	Details
	<p>waste facility</p> <ul style="list-style-type: none"> • Best available technology approach for encapsulation. <p>Upon completion of the pre-FEED for both SSR and RWF, QGC will make an independent assessment of the preferred management approach prior to commencement of the FEED stage (early 2014).</p> <p>QGC has enough ponds storage for its produced brine until 2017.</p> <p>Northern Infrastructure Corridor (NIC)</p> <ul style="list-style-type: none"> • Part of NIC investigations include survey of a produced water infrastructure corridor to connect the northern and central water treatment plants • QGC are preparing to survey a 132km route for a pipeline easement from Woleebee Creek to Kenya, east of Miles • The NIC easement is 60m-wide, primarily intended to transport produced water and by-product from the water treatment plants however other infrastructure in the corridor may include utility services (i.e. power and fibre-optic cables). <p>QGCs Approach to make good:</p> <ul style="list-style-type: none"> • The Surat Basin has approximately 21,000 water bores • Over the life of the project 529 bores are predicted to be 'impaired' as per OGIA's UWIR report • QGC has a make good obligation for <ul style="list-style-type: none"> - 34 bores identified in immediately affected area of the Surat Basin (up to 2015); and - 96 bores (over project life) - Number of bores may change with revised model output - Groundwater monitoring network will assist assessment • The make good process includes: <ul style="list-style-type: none"> - Bore assessment - Identify make good options - Negotiate and execute make good agreement - Implement make good agreement - Plug and abandon bores which QGC expect to become gaseous once make good agreement is implemented. • Assigned additional 86 bores identified in long-term affected area

Meeting Minutes



Agenda item	Details
	<p>Groundwater monitoring network:</p> <ul style="list-style-type: none"> • The groundwater monitoring network is currently 75% complete and should be fully installed by early 2014. • The baseline groundwater assessment has been completed for the QCLNG project and has been used to determine what the bore levels were at during the time of monitoring.
<p>d. Pond Construction and Maintenance</p>	<p>Craig Eustice gave an overview of QGC's water storage pond network. Key points include:</p> <ul style="list-style-type: none"> • The ponds provide capacity for storage of produced water before purification at QGC's reverse osmosis (RO) treatment plants at our Kenya and Woleebee (under construction) sites • Construction timeframes vary from 5 to 9 months depending on pond size, ground conditions and impacts from the weather • All recently constructed ponds are built for an expected life span of 25 years. They consist of clay with two millimetres of liner • Lined ponds vary in size from 113ML up to the largest at 2000 ML at Kenya (Chinchilla). The average size is approximately 480ML. <p>There are several codes with which QGC ensures compliance. The main earthworks and concrete codes are:</p> <ul style="list-style-type: none"> • AS 1289 – Method of testing soils for engineering purposes • AS 3798 - Guidelines of Earthworks for commercial and residential developments • AS 1726 – Geotechnical site investigations • AS 3600 - Concrete Structure. <p>Some points about pond lining were shared including:</p> <ul style="list-style-type: none"> • Pond liner is high-density polyethylene (HDPE) • Relevant standard: Certifying Engineers Specification • HDPE offers great ultraviolet protection and resistance from the intense stresses of weather and ageing • HDPE liner can shrink and expand over a meter in length per 100m depending on temperature variations • Older ponds are being decommissioned. <p>Lined ponds use a dual liner system:</p> <ul style="list-style-type: none"> • Primary liner (top Layer), is HDPE Liner • Second layer is 'selected clay' • Pond floor like a gable roof and gutter arrangement – hips and valleys feed bi-axle strip drains between the liner and the ground allow any water to travel to sumps at the lowest end of the pond.

Meeting Minutes



Agenda item	Details
	<p>Pond maintenance and repairs were discussed. Key points were:</p> <ul style="list-style-type: none"> • A leak detection monitoring system monitors water flow under the liner. Sensors report back to the central control room (project currently in design phase) • Each week personnel check the ponds and maintain pumping equipment • Ponds are inspected annually by an independent certifying engineer and after major weather events (floods). <p>Pond leaks:</p> <ul style="list-style-type: none"> • Test water quality – fresh or produced • Monitor rate of flow from leak • Determine if flow rate will erode ground under the liner. <p>Pond repairs:</p> <ul style="list-style-type: none"> • Reduce water level to carry out repairs (preferred) • Locate defect using remote operated vehicle and leak detection equipment • Send drivers to patch leak with GCL (like a blanket that seals leaks) and weigh it down with ballast. Monitor flows to determine if repair has been successful.
<p>e. Royalties for Regions</p>	<p>Brett Smith provided an update on the Royalties for Regions program. Key points were:</p> <ul style="list-style-type: none"> • The Royalties for Regions program was established in 2012 with the purpose of reinvesting \$495 million of royalties over four years into community infrastructure to benefit communities in resource regions. • After the initial four years, \$200 million per year has been committed. • Royalties are paid by the gas industry for each export cargo in addition to domestic supply sales. • Royalties for Regions is open to all regional councils outside of South East Queensland. • Royalties for Regions requests are initiated through local Councils; however the State Government will make the final decisions on allocation of funds. • Money has to be spent in areas which will potentially be impacted by the resources industry. However the money does not need to be invested directly into the council region from which the royalties were produced. • In order for projects to be considered, councils are required to present well written and considered project proposals for assessment that are ready to be delivered in the region. • While many Royalties for Regions projects currently

Meeting Minutes



Agenda item	Details
	<p>focus on hard infrastructure, softer community infrastructure projects will also be considered. Round 1 of the program was a pilot and commenced in September 2012. It produced 18 projects across six local government areas, with a total worth of more than \$49 million.</p> <ul style="list-style-type: none"> • Round 2 of the program closed on Friday, 16 August 2013 with a total of \$95 million available; \$46 million of which is pre-committed to crucial road projects. Successful projects from Round 2 will be announced in December 2013. • To date, QGC has contributed towards multiple Royalties for Regions initiatives including road upgrades and weed wash down facilities in Western Downs, Toowoomba and Maranoa regional councils. • When operations, the QCLNG Project will contribute \$150 million per annum to State royalties, with a combined total of \$1billion a year in both royalties and taxes). • Should anyone from the community be interested in proposing an initiative, they need to speak directly with their local council. • More information on the Royalties for Regions program can be found on the Department of State Development, Infrastructure and Planning website: <p>http://www.dsdip.qld.gov.au/grants-and-funding/royalties-for-the-regions.html</p>
<p>f. Housing Update</p>	<p>Brett Smith provided an update on QGC's housing investment initiatives. Key points were:</p> <p>The Coordinator General requires QGC to address housing impacts on regional communities from the company's operations. These requirements are outlined in the Coordinator General's Conditions and QGC's Social Impact Management Plan.</p> <p>QGC has multiple housing projects including:</p> <ul style="list-style-type: none"> • The Integrated Housing Strategy, which will see up to 56 houses built. The houses will be a combination of worker housing and affordable housing. To date, 27 houses have been completed and six of these houses have been leased to community organisations. • QGC has provided \$200,000 to Western Downs Regional Council to develop the Western Downs Housing Strategy, which included the formation of the Western Downs Affordable Housing Trust. • QGC has invested \$5.7 million towards the Western Downs Affordable Housing Trust. QGC has also leased

Meeting Minutes



Agenda item	Details
	<p>back four properties to the Trust for two years to provide immediate additional housing to the rental market. An additional two houses have also been provided to the Darling Downs Hospital and Health Service in Miles.</p> <ul style="list-style-type: none"> • Western Downs Housing Trust will be overseeing the process of the houses donated to the trust by QGC. All questions regarding these houses should be directed to the trust. • Renovations are planned for eight rural properties that QGC has purchased for its activities. Construction is to be completed by the end of 2013. Applications for use of these properties closed at the end of August. Local businesses were encouraged to apply. <p>An update on some of the actions from QGCs Regional Gas field community committee was provided to the committee including two letters which this committee will be sending to the Gas Field Commission outlining the community's ongoing concerns on affordable and social housing.</p> <p>Action: Update the Central Community committee as to the outcomes and response from the Gasfield Commission to these letters.</p>
<p>g. Road Update</p>	<p>Brett Smith provided an update on QGC's road investment initiatives. Key points were:</p> <p>The total road travel for the QCLNG project will be in excess of 100 million kilometres. Within the project area there is approximately 900km of roads used.</p> <p>QGC has a road funding agreement with Western Downs Regional Council.</p> <p>QGC uses the In vehicle Monitoring System (IVMS) to continuously provide information to the company on vehicle use and driving behaviours from over 650 cars.</p> <p>Through use of the IVMS QGC is monitoring its road use and working to create a safer road environment through:</p> <ul style="list-style-type: none"> - Road improvements - Up-to-date information bulletins - Regular reviews of road conditions - Assessment and minimisation of QGC impacts <p>QGCs approach to driving is:</p> <ul style="list-style-type: none"> • Proactive: <ul style="list-style-type: none"> - Traffic analysis and safety investigations - IVMS - Community involvement • Vigilant: <ul style="list-style-type: none"> - Traffic counts

Meeting Minutes



Agenda item	Details
	<ul style="list-style-type: none"> - IVMS analysis - Regular road inspections • Communication <ul style="list-style-type: none"> - Map-book and bulletins - SMS alerts - Toolbox talks - Community presentations <p>QGC monitors impacts in various ways including:</p> <ul style="list-style-type: none"> • IVMS: Recording hard braking, harsh acceleration, speeding, seat belts use etc • Manual traffic count • Speed monitoring: speed surveys using speed radar gun • Road inspections: before; during and after activities <p>Through monitoring of driver behaviour QGC is working to map intersections and roads where improvements could be made. An example of this is where numerous harsh breaking incidents are recorded; it could indicate that improvements are necessary. Road inspections are done of the area and suggested improvements be implemented. These could be simple enhancements such as better signing or road linings.</p> <p>QGC is implementing numerous initiatives to minimise their impacts. These include:</p> <ul style="list-style-type: none"> • QGC road restriction for road usage: <ul style="list-style-type: none"> - Approved roads map-book - QGC enforced road restrictions on approved roads • Signage: <ul style="list-style-type: none"> - Whole day classified counting • Incident reporting and consolidation <ul style="list-style-type: none"> - Identify safety issues as they occur - Implement notifications and changes to road use conditions - Report to government on performance • Road closure and hazard notifications <ul style="list-style-type: none"> - Provide coordinated advice on road conditions - Use SMS and email for field staff - Ensure issues are followed-up and closed-out - Email concerns to road-issues@bg-group.com <p>Traffic management plans (TMP)</p> <ul style="list-style-type: none"> • Contractors provide a TMP for each construction activity • TMP's detail major hauls, traffic volumes, routes used, bus routes and maps of all routes • They are reviewed by QGC Roads, Land & Community, Social Performance and HSSE • MapBook of roads in WDRC approved for QGC use is updated and published monthly and distributed across the project

Meeting Minutes



Agenda item	Details
	<ul style="list-style-type: none"> • This process work is in the majority of cases but is not perfect • System improvements are continually being investigated • QGC is working with WDRC to collaborate for solutions • Signage used to restrict access to certain roads • Ongoing communications with landholders by Land & Community team. <p>Major QGC funded works in WDRC include:</p> <ul style="list-style-type: none"> • Kumbarilla Lane – upgrade to seal • Gadsby Road – upgrade to seal • Powerstation Road – upgrade to seal • Gaspers Road – new unsealed road • Goombi Fairymeadow Intersection with Warrego Hwy upgraded. <p>Minor QGC funded upgrades in WDRC include:</p> <ul style="list-style-type: none"> • Sundown Road – seal widening • Bundi Road – seal widening • Montrose Road – seal widening • Dougalls Road – gravel re-sheet <p>QGC funded intersection upgrades for Queensland Government Traffic and Main Roads (TMR) include:</p> <ul style="list-style-type: none"> • Jackson Wandoan Rd / Leichardt Hwy • Jackson Wandoan Road / Bundi Road • Fosters Road / Leichardt Hwy • Montrose Road / Kogan Condamine Road <p>QGC funded TMR Highway widening upgrades include:</p> <ul style="list-style-type: none"> • Leichardt Highway • Jackson Wandoan Road • Tara Kogan Road • Kogan Condamine Road <p>The committee questioned whose reasonability it is to fulfil the maintenance items listed and whether QGC have any authority with monitoring the driving behaviour of their contractors.</p> <p>Brett Smith responded stating that there are two options:</p> <ol style="list-style-type: none"> a) Council can complete the upgrades with the Department of Traffic and Main Roads where necessary; or b) A private provider can be contracted to complete the work to council specifications and QGC hold a warranty for the work. <p>In relation to driving behaviour, where QGC has direct contracts with its Tier 1 contractors, this assists QGC in making contractors abide by accountable driving behaviours. QGC is however working to improve their contracts to ensure stronger</p>

Meeting Minutes



Agenda item	Details
	management over driving behaviours occurs.
Adoption of minutes	<p>Jim Cavaye asked the Committee to formally consider the Wednesday 19 June 2013 minutes and asked for suggested changes.</p> <p>The 19 June 2013 Central Gas Field Community Committee minutes were adopted.</p>
h. Community feedback	<p>Jim Cavaye invited Committee members to share feedback from their networks.</p> <p>A committee member commented on the amount of litter on road sides throughout Western Downs Region. Conservation volunteers from Landcare have been trying to address the issue but it is an ongoing problem.</p> <p>Illegal dumping along road sides and vegetation areas is also an ongoing problem that Landcare is trying to bring more attention to.</p> <p>Action: QGC to continue messaging to contractors and staff about the importance of respecting the local environment and not littering.</p> <p>A committee member enquired about the tender process for contractors and suppliers to QGC.</p> <p>Action: QGC to provide further information on QGCs local content processes to the committee, in particular Chinchilla Community Commerce and Industry.</p> <p>A committee member mentioned the upcoming activities planned for Disability Action Week and thanked QGC for their support for the awareness events.</p> <p>Actions from last meeting were addressed through presentations on water, pond construction and roads at this meeting.</p>
i. Items for next agenda	<p>Jim Cavaye invited the Committee to propose agenda items for the next meeting.</p> <p>QGC to provide further information on local content and procurement process.</p>

Meeting Minutes



4. General Business

Kristelle Townsend told the committee that the next round of committee meetings would be the final meetings at which Jim Cavaye would be the independent facilitator. Jim thanked the group and explained he had commitments elsewhere. The committee would be notified of a replacement at the December meeting.

Kristelle also informed the group that Rebecca Crawford would be finishing with QGC as the Social Performance Manager in October. Kristelle passed on Rebecca's thank-you to the committee for making her feel welcome in Chinchilla.

The next meeting was discussed. Kristelle suggested to the committee that a Christmas and goodbye/thankyou breakfast could be included in the next meeting as a way to finish off the year and the committees' time with Jim. The committee suggested an 8am – 11.30am to accommodate this. It was decided that the meeting would be rescheduled to an 8am – 11.30am meeting.

5. Meeting Close

The meeting was closed by Jim Cavaye at 11.45am.

The next QGC Central Gas Field Community Committee meeting will be on 11 December 2013 from 8:00am to 11:30am (including breakfast and morning tea) at the QCWA Hall, 53 Heeney Street Chinchilla.

6. Central Gas Field Community Committee Members

Representative	Organisation
Alison Young	Chinchilla State High School
Trudy Tronc	Department of Communities
Don Bell	Chinchilla and District Landcare
Leanne Evans	Chinchilla Community Unity Group
Doreen Goldsmid	Chinchilla Family Support Centre
Tim Reid	Condamine Cods
Jason Johnston	Chinchilla Community Commerce and Industry
Mike Boniface	Western Downs Regional Council