

Meeting Minutes



QGC Central Gas Field Community Committee

Wednesday, 23 May 2012
Chinchilla RSL, 61 Heeney Street

1. Opening

The eleventh meeting of the QGC Central Gas Field Community Committee was called to order at 9.30am on Wednesday the 23 May at the Chinchilla RSL 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">• Allison 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• Jim Strongman, Chinchilla Community Commerce and Industry	<ul style="list-style-type: none">• Brett Smith, Vice President Corporate• Rob Manuel, Field Operations Manager• Daniel Robinson, Negotiation Lead• Mark Riksen, General Manager Water Solutions• Lisa Cecchi, Manager Water Strategy & Communications• Ross Wilson, Manager Indigenous Relations• Zoe Carroll, Acting Social Performance Manager• Lauren Wyvill, Social Performance Assistant
Apologies	Independent Facilitator
<ul style="list-style-type: none">• Donna Ashurst, Western Downs Regional Council	<ul style="list-style-type: none">• Jim Cavaye, School of Agriculture and Food Sciences, University of Queensland

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3. Meeting agenda

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

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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>A Committee member reminded the group to be careful of working near overhead power lines when using large machinery.</p>
c. Actions from previous meeting	<p>Jim Cavaye reviewed the actions from the previous meeting.</p> <p>Statistics Zoe Carroll said information on QCLNG's construction workforce was provided to the Chinchilla Family Support Centre.</p> <p>Local content Zoe Carroll said the 'What's my Trade?' event is being considered for 2013.</p> <p>Contract workforce Jim Cavaye advised that the Committee's feedback on the contract workforce had been passed to QGC's Human Resources department.</p> <p>Indigenous participation Jim Cavaye informed the Committee that Ross Wilson, QGC's Indigenous Relations Manager, will present on QGC's approach to indigenous participation.</p> <p>Pond rehabilitation Zoe Carroll explained that Cultural Heritage officers conduct Cultural Heritage Surveys prior to construction work, including pond construction. Further information on indigenous employment will be covered later in the agenda.</p> <p>QGC's Strengthening Local Employment program The contact details for QGC's Strengthening Local Employment program project officer was sent by email on 8</p>

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	<p>March 2012.</p>
<p>d. Adoption of minutes</p>	<p>Jim Cavaye asked the Committee to formally consider the 22 February 2012 minutes and asked for suggested changes.</p> <p>The 22 February 2012 Central Gas Field Community Committee minutes were adopted.</p>
<p>e. Community feedback</p>	<p>Jim Cavaye invited Committee members to share feedback from their networks.</p> <p>Pipeline update Jim Cavaye asked QGC to comment on questions submitted by email on the delay and quality of QCLNG’s export pipeline. Brett Smith provided an update. It has taken longer to weld and bury the pipe than anticipated. This is due to a contractor extending their Christmas break because of expected wet weather and the time taken to calibrate the weld tests – no pipe is buried until we have checked and tested each weld.</p> <p>Welds are tested using ultrasonic welding technology, which picks up the smallest imperfections. In total, there will be 46,200 welds on the pipeline. If any welds fail to meet standards, they are repaired and re-scanned before being accepted. A third welding machine has been brought on to speed up the process.</p> <p>Progress is being made along the collection header. At 11 May, QGC had completed 100% (or 197kms) of the clearing, grading and stringing along the right of way. 89% (175kms) of the welding had been completed and 9% (18kms) of the trenching, lowering and backfilling was completed.</p> <p>QGC’s contractor is clearing the black plastic which has been a concern for producers. Landholders are encouraged to contact their land access consultants if they find any plastic remaining on their properties.</p> <p>QGC has made discretionary payments to offset the additional interruption to landholders’ businesses arising from the longer construction period.</p> <p>Gas leaks Jim Cavaye asked QGC to comment on a question submitted by email on a recent gas leak at a QGC drilling site. Zoe Carroll explained that on 6 May QGC suspended operations</p>

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	<p>on a drilling rig at a QGC-owned property on our Argyle block. A gas leak was detected and quickly contained. QGC published a media release when the leak was detected and a second media release when it was contained. An investigation is ongoing into the cause of the incident; once complete we will share the findings. Further information on QGC's routine leak detection and management program was provided in Rob Manuel's update.</p> <p>A Committee member asked whether leaks are common when drilling. Rob Manuel said they are rare. Pressure is closely monitored and drilling muds used to manage the pressure and thus the chance of any leak.</p> <p>Weed management A Committee member said African Love Grass is a problem in the Condamine area. Not a designated weed, it was asked whether QGC applies the same process to African Love Grass as we do for other weeds, as described at the meeting in February.</p> <p>Action: Zoe Carroll to report back on QGC's approach to African Love Grass.</p> <p>Drama in the Gasfields A Committee member mentioned Drama in the Gasfields has a new name 'Home Turf'. The program is well under way with the La Boite Theatre Company working with local schools in the region including Chinchilla State High School.</p> <p>Roads A Committee member advised that road quality is being impacted by increased traffic. Subsidence is visible along the Chinchilla – Condamine road.</p> <p>Brett Smith told the Committee that QGC is investing in road upgrades. We have agreements with both the State and local government. We are investing approximately \$20 million for impacts on State roads and \$180 million towards road upgrades in the Western Downs.</p> <p>Road maintenance and upgrades are carried out by Western Downs Regional Council. Road complaints should be reported to WDRC or the QGC community hotline number 1800 030 443.</p>

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	<p>Drug use A Committee member reported drug use is increasing in Chinchilla. Zoe Carroll stated that QGC had a zero tolerance for drug and alcohol in the workplace. Rob Manuel explained staff and contractors are routinely tested for drugs and alcohol.</p> <p>Ponds A Committee member asked if QGC’s ponds could be used for recreational use. Mark Riksen replied that treated water would be sent to the weir which is used for recreational activities.</p>
<p>f. QGC update</p>	<p>Rob Manuel provided an update on QGC’s activities in the Central region. Key points were:</p> <ul style="list-style-type: none"> • A Field Compressor Station is being built at QGC’s Bellevue block near Miles. • On the same block, gathering of wells is underway on a QGC property. • At Kenya and Kenya East ponds are being constructed. Also, under way at Kenya is a communications tower, which will improve site and mobile communications – a key safety measure. <p><i>Leak management</i></p> <ul style="list-style-type: none"> • QGC operates within DEEDI’s Code of Practice for Coal Seam Gas Well Head Emissions Detection and Reporting. • Monitoring includes a formal inspection programme and detection through routine visits. • Gas well operators wear a personal gas detector when visiting wells for their routine activities. The alarm will sound if it detects gas. <p>A Committee member asked how often QGC checks its wells. Rob Manuel replied that operating wells are visited approximately every three days to five days. Non-operating wells are visited twice a year. In addition, QGC monitors wells remotely.</p>
<p>g. Housing update</p>	<p>Brett Smith provided an update on housing. Key points were:</p> <ul style="list-style-type: none"> • Housing is a very visible impact from large projects. • Housing issues take a long time to resolve for a range of reasons, including land availability, permitting, and construction time.

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	<ul style="list-style-type: none"> • The housing market is complex and, again, there are a number of factors that contribute: access to financing, investors from outside the area, cumulative housing needs. • QGC considers impacts both on a rising market and a falling market. • QCLNG has conditions on housing from the Coordinator General. These include facilitating the construction of housing for 75% of the long-term, new settlers QCLNG employs in the Western Downs, and providing resources for affordable and community housing at a rate of one unit per eight imported workers. • QGC’s Integrated Housing Strategy sets out how QGC will meet these conditions. • QGC funded the Western Downs Regional Council’s Affordable Housing Strategy, which looks at the potential impact on housing of the ~40 major projects currently planned for the region. • Council has since established a housing trust to pool investments from project proponents to build social and affordable housing. • QGC will invest in the trust to meet our commitments to affordable and social housing as outlined in the Integrated Housing Strategy. <p>A Committee member asked whether QGC would look at investing in a rental subsidy while social housing is constructed.</p> <p>Zoe Carroll agreed to investigate whether QGC could support a subsidy for residents as a “stop gap measure” while social housing is constructed by Council. It will require an understanding of who will be eligible for social housing so they can graduate from the subsidy to Council-owned housing.</p> <p>Action: Zoe Carroll to investigate with the Chinchilla Family Support Centre.</p> <p>A Committee member said housing is available but not always accessible due to recommendations made by real estate agents. A Committee member replied that real estate agents have commercial incentives not to leave homes empty.</p>

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	<p>A Committee member stated that they are talking with Origin about housing blockages. Zoe Carroll suggested it might be useful if QGC also attended.</p> <p>Action: Zoe Carroll to attend meeting with Origin.</p>
<p>h. Water update</p>	<p>Mark Riksen provided an update on QGC's approach to water management. Key points were:</p> <ul style="list-style-type: none"> • Water is a by-product of coal seam gas extraction. • Gas is trapped in the coals by water pressure. Water must be extracted to release the pressure and allow gas to flow. <p><i>Beneficial use</i></p> <ul style="list-style-type: none"> • QGC's objective is to make 97% of all produced CSG water available for beneficial reuse. • QGC is building a Water Treatment Plant in the Central region (Kenya WTP 92ML/day) and is planning to build a WTP in the Northern region (100ML/d). • The Kenya WTP will supply treated water to the Chinchilla Weir, through a pipeline built, owned and operated by SunWater. SunWater has entered into agreements to supply farmers, industry and the Western Downs Regional Council along the pipeline route and river. • The Kenya WTP is a large, state of the art facility, and highly complex. • Its commissioning date has been delayed. The plant which is made up of two parts is expected to treat up to 12 ML/d in July '12 and 80 ML/d in December '12. • Regular user updates will be provided through SunWater • The Committee was invited to take part in a tour of the facility. <p>Action: Zoe Carroll to coordinate WTP tour for the Committee in the coming months.</p> <p><i>Groundwater</i></p> <ul style="list-style-type: none"> • QGC has lodged its Stage 2 Water Monitoring and Management Plan, which describes QGC's approach to groundwater modelling; drawdown assessments; hydraulic fracturing; surface water monitoring and management; response actions and reporting commitments.

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	<ul style="list-style-type: none"> • The Plan will become available for the public to view in the coming months. • QGC is planning to spend more than A\$1 billion on water management. • Extensive groundwater modelling has been conducted to identify areas where bores will be impacted by CSG extraction. • QGC is close to completing the baseline assessment for landholder water bores. The bore baseline assessment provides a “snapshot” to measure potential changes to water levels moving forward. • As part of the bore baseline QGC has contacted owners of more than 2620 properties. • After three attempts, QGC has had responses from 1504 (57%) landholders. Of the 1504, 272 landholders had a total of 389 bores. • QGC has tested 201 of these bores to date and have made arrangements for the remaining assessments. • Results will be shared with landholders and DERM and the Queensland Water Commission. • Landholders are encouraged to get in touch with QGC if their bore has not yet been surveyed. • In addition, QGC is establishing a separate, ongoing, monitoring network. This involves installing bores into five aquifers to track water levels. <p>A Committee member reported that he had not been contacted regarding the baseline assessment. Zoe Carroll agreed to follow up.</p> <p>Action: Zoe Carroll to follow up with bore baseline assessment team.</p> <p><i>Underground Water Impact Report</i></p> <ul style="list-style-type: none"> • Queensland Water Commission has published the Underground Water Impact Report (UWIR) for the Surat Cumulative Management Area. • The findings are consistent with QGC’s modelling. • The UWIR predicts CSG production will have a (very) limited impact on overlying/underlying aquifers • Of 21,000 listed water bores in the Surat 85 are predicted to be impacted in first three years (of which 29 are in QGC tenements). • 528 predicted to be impacted in the long-term across all four CSG projects • QGC will enter into make good agreements for bores

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	<p>identified as being within the Immediately Affected Area outlined by the UWIR in the next three years.</p> <ul style="list-style-type: none"> The UWIR will be reviewed and updated every three years. <p><i>Brine</i></p> <ul style="list-style-type: none"> QGC is investigating options for brine management. Brine is a by-product of treating CSG water for beneficial reuse. QGC's preference is commercial use and four trials are taking place to demonstrate the technical feasibility. <p>A Committee member asked where QGC is storing water with the WTP plant not ready. Mark Riksen replied that additional wells will not be brought on line until the WTP is operational.</p> <p>A Committee member said landholders with agreements to take the produced water are frustrated by the delay to the WTP and the lack of communication. Landholders have invested significantly in irrigation equipment.</p> <p>Zoe Carroll advised that landholders should continue to contact SunWater. Zoe Carroll apologised for the delay in responding to submitted questions and explained that the presentation today had been developed to answer these questions.</p> <p>A Committee member reported seeing gas bubbling in the Condamine River on an Origin tenement. Brett Smith said QGC would get in touch with Origin.</p> <p>Action: QGC to follow up with Origin (Zoe Carroll).</p>
<p>i. Indigenous participation</p>	<p>Ross Wilson presented on QGC's approach to Indigenous participation. Key points were:</p> <p><i>Traditional Owners and cultural heritage</i></p> <ul style="list-style-type: none"> QGC's Traditional Owner groups in the Western Downs are: the Iman People; the Mandandanji; the Bigambul and the Barunggam, Cobble Cobble, Jarowair, Western Wakka Wakka and the Yiman. QGC has entered into Indigenous Land Use Agreements with Traditional Owners whether or not they have registered native title claims. Where there is an unclaimed area we advertised and consulted widely to identify stakeholders.

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	<ul style="list-style-type: none"> • QGC conducts regular engagement with Traditional Owner groups through implementation committee meetings. • Our cultural heritage approach includes surveying areas prior to activity, mitigation strategies to preserve and protect artefacts and monitoring during construction to observe cultural heritage not visible from surface checks. • Cultural Heritage Officers are employed from the Traditional Owner groups to survey in their country. <p><i>Employment, training, business development strategy</i></p> <ul style="list-style-type: none"> • QGC’s strategy is to deliver sustainable employment, education and training and business development opportunities for Aboriginal and Torres Strait Islander people. • Open to Traditional Owners and non-Traditional Owners. • Developed in collaboration with other CSG producers, government, industry, and indigenous communities. • We map work force demand across our business and in the sector and look at supply opportunities for indigenous people. • We have tailored training and mentoring programs for indigenous staff. • We work with contractors to ensure indigenous participation. Recently supporting a Drilling Training initiative on recruiting, training and retaining indigenous employees. • We support indigenous trainees and apprentices, directly through a program with QGC and also through our non-CSG skills and apprenticeship program. <p>A Committee member asked about how housing for indigenous people is dealt with. Ross Wilson said those concerns can be raised with Social Performance.</p> <p>A Committee member suggested school-based trainees and apprentices be given more guidance from people in the industry to make better choices. Ross Wilson thanked the Committee member and said QGC would talk to schools on how we best engage trainees and apprentices.</p> <p>A Committee member said there were indigenous people who were not aware of the opportunities with companies. Ross Wilson said he would be happy to talk at another event.</p>

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	Action: Zoe Carroll to investigate opportunities for QGC's Indigenous Relations team to address the wider indigenous community.
j. Items for next agenda	<p>Jim Cavaye invited the Committee to propose agenda items for the next meeting.</p> <p>It was proposed we cover the Chinchilla airport upgrade.</p> <p>A Committee member enquired about funding opportunities. Zoe Carroll directed them to the QGC Sustainable Communities Fund.</p>

4. General Business

Jim Strongman took over as the representative for the Chinchilla Community Commerce and Industry. Doreen Goldsmid has been appointed as the Central Gas Field Community Committee representative on the Regional Community Gas Field Committee.

5. Meeting Close

The meeting was closed by Jim Cavaye at 12.00pm

The next QGC Central Gas Field Community Committee meeting will be on 22 August from 9:00am to 11:30am at the Chinchilla RSL.

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
Jim Strongman	Chinchilla Community Commerce and Industry
Donna Ashurst	Western Downs Regional Council