

Meeting Minutes



QGC Northern Gas Field Community Committee

Wednesday 9 November 2011

Condamine Power Station, Power Station Road

1. Opening

The ninth meeting of the QGC Northern Gas Field Community Committee was called to order at 2.30pm on Wednesday 9 November 2011 at the Condamine Power Station, facilitated by Jim Cavaye, Independent Facilitator.

2. Attendees

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

QGC Northern Gas Field Community Committee Members	QGC Representatives
<ul style="list-style-type: none">• Sharn Pogan, Miles SHS P&C• Cecily Brockhurst, Murilla Community Centre• Rachel Kerwick, Miles Chamber of Commerce• Helen Devlin, Wandoan Chamber of Commerce• Lavinia Tyrell, Western Downs Regional Council• Joe Abbott, Murilla Landcare• Cecilia Donohoe, Wandoan Liaison Group• Ann Hoare, Miles Health Service	<ul style="list-style-type: none">• Angus Hetherington, Manager Condamine Power Station• Tom Clarke, North Area Asset Manager• Zoe Carroll, Gas Fields Social Performance Technical Coordinator• Mark Carden, General Manager Social Performance
Apologies	Independent Facilitator
<ul style="list-style-type: none">• Nancy Davies, Wandoan SS• Troy Gavin, Social Performance Manager	<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 Committee about motorbike safety and the importance of protective equipment.</p>
c. Actions from previous meeting	<p>Jim Cavaye reviewed the actions from the previous meeting.</p> <p>Local content event At the last meeting the Committee recommended QGC facilitate an event for local businesses to present their capabilities to contractors. Zoe Carroll advised the Committee that a local content event had been held in Chinchilla on 8 November. Twenty of QCLNG's main contractors had exhibition booths, and business assistance advice was provided by representatives of the Queensland Department of Employment, Economic Development and Innovation (DEEDI) and the Industry Capability Network. QGC worked with local chambers of commerce including the Wandoan and Miles Chambers to develop the invite list and encourage participating businesses to prepare materials to present to the contractor companies. Representatives from 95 Western Downs businesses attended the event and positive feedback has been received from both local businesses and the contractor companies who attended.</p> <p>Remnant vegetation The question regarding management of remnant vegetation on a QGC-owned property is addressed below as part of the QCLNG update.</p> <p>Nurses Bursary Zoe Carroll provided an update on the University of Southern Queensland's Nurses Bursary, which QGC partly sponsors. The Bursary supports two rounds of eleven nurses per year to undertake rural and remote clinical placements. In the first round earlier this year none of the nurses supported undertook placements in QGC's area of impact. This was USQ's first time</p>

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	<p>running the program and more has been done in the second round, which recently closed, to advertise the program in QGC's area of impact.</p> <p>Local content pilot program Zoe Carroll provided further information on the local content pilot program discussed at the last meeting. QGC provided assistance, through QMI Solutions, to strengthen the capacity of six small and medium businesses across the QCLNG footprint. The program assisted the businesses to understand their strengths and weaknesses; where they had to improve; and what they had to do meet the service delivery that would be required to compete.</p> <p>QGC has recently announced it will be expanding the program after the successful completion of the pilot. Businesses will be invited to submit expressions of interest to participate; this opportunity will be promoted via local chambers of commerce. There is no guarantee of work with QGC; this is part of QGC's social commitment to invest in supplier capability.</p> <p>Local community investment Social investment spend in the North is given below as part of the SIMP update.</p> <p>Road Aware Zoe Carroll thanked the Committee for the feedback on the QGC Road Aware program which was passed on to the project manager. Road Aware includes an education component of targeted demonstrations and presentations for school-aged students, as well as an awareness component, composing print, radio, online and billboard information, which is aimed at a broader audience. QGC will investigate opportunities to expand the education component of the program, as the Committee suggested. For example, a booth on Road Aware and practical demonstrations formed part of the recent QGC Tara Health, Safety and Environment day.</p> <p>CSG cash flows A Committee member asked QGC to comment on whether landholders are satisfied with compensation values. Zoe Carroll replied that compensation takes into account the value of land – as determined by independent land valuation professionals – and the scale of the impact or disturbance.</p> <p>QGC negotiates in good faith and will pay reasonable legal fees</p>

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	<p>for landholders seeking professional legal advice for the negotiation and agreement of compensation.</p> <p>QGC has reached voluntary agreements with over 900 landholders and has not had to apply to Land Court, indicating landholders are relatively satisfied with compensation values. QGC does not operate on land without landholder agreement.</p> <p>Transferring agreements Zoe Carroll responded to the question of how successfully agreements have been transferred to new property owners. QGC's compensation agreements contain a clause that allows for the disclosure of confidential information to prospective purchasers. Transfers to new owners are automatic, as per legislation. QGC is not necessarily notified of transfers and runs title searches regularly to ensure our information is up-to-date.</p> <p>Make good agreements A Committee member asked when QGC would enter into make good agreements. Zoe Carroll replied that QGC is conducting water modelling to predict possible impacts to water levels. Our modelling data is shared with the Queensland Water Commission. QWC is aggregating data from all the CSG proponents to create a regional model.</p> <p>QWC will prepare an Underground Water Impact Report for the Surat Basin Cumulative Impact Area. The UWIR will identify areas that may be affected by water reductions and assign particular tenure holder responsibility for make good obligations and specified monitoring in 'off tenure' areas. More information on the UWIR can be found at: http://www.derm.qld.gov.au/factsheets/pdf/environment/en26.pdf</p> <p>When the Surat UWIR is approved, petroleum and gas companies will need to enter into agreements with bore owners about arrangements to maintain water supply in these areas. These arrangements are designed to ensure that the agreements will be in place before any potential impairment of water supply occurs.</p> <p>Make good measures will be agreed between the operator and landowner, and could include: deepening a pump or bore; drilling a new bore to a different aquifer; supplying alternative water; or compensation.</p> <p>Make good arrangements are not negotiated as part of</p>

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	<p>exploration and appraisal activities as flow testing will not adversely affect a bore.</p> <p>Zoe Carroll committed to presenting further information to the Committee in 2012 once the UWIR has been published.</p> <p>Action: Zoe Carroll to organise presentation on the UWIR and make good obligations.</p> <p>Bore monitoring A Committee member asked whether QGC would measure flow rates as part of the bore monitoring program. Zoe Carroll replied that QGC is testing water bores in our tenement areas to determine water level, quality, bore depth, diameter, type of construction, and pumping details. The baseline assessment provides single point of time data that enable changes to be tracked. Ongoing assessment of bores will give a progressive picture of actual water level response and allow QGC to refine water modelling.</p> <p>QGC is waiting for the outcome of the UWIR to identify flow-testing and make good obligations.</p>
<p>d. Adoption of minutes</p>	<p>Jim Cavaye asked the Committee to formally consider the 24 August 2011 minutes.</p> <p>The 24 August 2011 Northern Gas Field Community Committee minutes were adopted by the Committee.</p>
<p>e. Community feedback</p>	<p>Jim Cavaye invited Committee members to share feedback from their networks.</p> <p>Medical services A Committee member reported that an increasing number of people are presenting at Miles Hospital, without appointments, for non-urgent conditions. Miles Hospital will treat emergencies; however, for non-urgent conditions a doctor's appointment should be arranged through local surgeries.</p> <p>Miles Hospital has prepared guidance to employers and staff on accessing the Hospital services.</p> <p>Action: Zoe Carroll to circulate guidance to QGC staff.</p> <p>African Love Grass A Committee member reported that African Love Grass had</p>

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	<p>appeared along a corridor slashed for seismic. The weed may have been transported by vehicles used in the seismic survey, or simply by the wind and rain.</p> <p>Tom Clarke replied that QGC has rigorous wash down procedures to prevent against the spread of weeds. QGC operates both static and mobile wash down facilities. Two mobile wash down crews accompany largely road-based seismic surveys. For seismic surveys on public and private lands we have a fixed wash down facility in addition to the two mobile units. All wash downs are supervised by the Weed Hygiene Inspection Service, a professional weed hygiene company.</p> <p>A Committee member mentioned weed surveys have been conducted by QGC along the pipeline easement. In accordance with easement agreements, landholders can request a weed survey three months prior to pipeline construction.</p> <p>The Committee suggested QGC offer to conduct weed surveys to all landholders in QGC tenements prior to construction and provide landholders with the results.</p> <p>Action: Zoe Carroll to provide feedback to relevant QGC departments.</p> <p>Window on Wandoan The Committee recommended QGC approach Wandoan’s local newsletter, Window on Wandoan, to disseminate QGC news. QGC has utilised local newsletters in Miles, Tara and Dalby to provide project-related information to the community.</p> <p>Action: Zoe Carroll to investigate placing QGC News in Window on Wandoan.</p> <p>Fire breaks A Committee member asked QGC to comment on whether fire breaks on QGC properties are being maintained during the fire season.</p> <p>Zoe Carroll answered that QGC maintains fire breaks on our properties and around wells at least twice a year, either through grading or chemical spray. QGC manages vegetation on our properties to reduce the risk of fires. Our preferred option is to lease good quality land to farmers and graziers. On less productive land, we conduct prescribed burns and pasture</p>

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	<p>renovation.</p> <p>The Committee suggested QGC provide landholders with a contact to alert in the event of a fire near to QGC property or infrastructure. This information could be included in the QGC news printed in local newsletters.</p> <p>Action: Zoe Carroll to follow up on suggestion.</p> <p>Slip on units The Committee asked whether QGC could maintain slip-on units and other fire fighting equipment on QGC-owned properties in the North.</p> <p>Zoe Carroll replied that QGC currently has slip-on units at our central and southern properties. QGC plans to purchase a further slip-on unit to be held in the north. QGC has earthmoving equipment at our Delga Park property that can be deployed to assist with a fire.</p> <p>Payment advice A Committee member asked whether compensation payments include GST. Zoe Carroll replied that compensation payments exclude GST, but for payments for good and services, such as payments for gravel, GST is included.</p> <p>The Committee recommended that QGC state on compensation remittance advice that GST is not applicable.</p> <p>Action: Zoe Carroll to investigate revision to remittance advice.</p> <p>A Committee member asked whether remittance advice could be sent to contractors directly working for QGC.</p> <p>Action: Zoe Carroll to follow up on whether remittance advice can be sent to contractors working directly for QGC.</p> <p>Water bores A Committee member asked when the results of the water bore survey would be given to landholders. Zoe Carroll replied that the reports had been finalised and were due to be sent shortly.</p> <p>Communication A Committee member stressed the need for open and upfront communication with landholders on all activities – small or large – taking place on their properties. The laying of ancillary</p>

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	<p>equipment along the pipeline, such as fibre optic cables, and the temporary placement of gravel along the easement, had not been clearly communicated to landholders.</p> <p>Action: Zoe Carroll to provide feedback to relevant departments.</p> <p>Rosters The Committee discussed the 15 days on / 13 days off roster that QGC operates. Committee members thought the roster may encourage a fly in and fly out (FIFO) workforce instead of employees relocating to the area and integrating into the community. It could also increase fatigue amongst the workforce.</p> <p>Zoe Carroll replied that QGC operates a number of rosters, including the 15/13. Considerable research into the best roster for specific roles, employees, and their family life has been carried out to determine rosters. All rosters are reviewed by our health and safety department before being approved. An assessment is applied to calculate the risk of fatigue and put in place appropriate controls.</p> <p>Rosters are necessary in some roles as QGC operates a seven-day-a-week operation. In coal seam gas, as in mining, rosters are standard practice. In a competitive market for employees, rosters can help alleviate a simple ‘race to the top’ in remuneration which can distort local economies.</p> <p>Mark Carden added that FIFO is expensive and not offered to all staff, but for specialists that cannot be sourced locally. Moreover, these are not long term roles but are short term, largely for the construction period.</p> <p>QGC weighs a number of factors when deciding where to locate staff. The non-local construction workforce and short term staff are housed in camps to ensure they do not exacerbate pressures on housing and services. Our preference for long term, operations staff is that they settle in the community.</p> <p>Housing One caravan park has been sold to private developers and another is on the market. Long term residents of the caravan parks cannot afford to stay in the area.</p> <p>This is also having an impact on tourism as fewer visitors travel to the area due to the shortage in short term accommodation, which is affecting local businesses.</p>

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	<p>Developers are building housing for workers in Miles, but this is beyond the reach of basic and average salaries. The Committee stressed the urgency of the housing situation and the need to support some 'quick wins'.</p> <p>Jim Cavaye asked the Committee what suggestions they had for QGC. The Committee recommended QGC raise the issue of housing with Council and the Department of Communities as a critical issue; approach camp operators to set aside space for caravans; and explore expanding existing non-governmental aged care and social housing in the area.</p> <p>The Committee discussed the importance of considering social services alongside social and affordable housing to ensure residents receive the support they require, for example financial planning, job seeking assistance, and counselling services.</p> <p>The Committee stressed the importance of engaging the community, as well as council, to determine and address housing needs. Organisations such as the neighbourhood centres and Miles Health Service are well placed to advise on the number, placement, and design of appropriate housing.</p> <p>The Committee recommended existing structures form part of any solution, for example established social housing and the neighbourhood centres. The neighbourhood centres are exploring establishing a community housing organisation. A Committee member asked whether QGC could support such an organisation as part of its housing strategy or ensure a community reference group advise an outside housing company, if one were to be selected.</p> <p>Mark Carden thanked the Committee for the constructive feedback and agreed to investigate suggestions.</p> <p>Action: Mark Carden to investigate the suggestions raised by the Committee.</p>
<p>f. Condamine Power Station update</p>	<p>Angus Hetherington provided an update on Condamine Power Station. Key points were:</p> <ul style="list-style-type: none"> • Angus Hetherington thanked the Committee for visiting CPS and taking part in a tour. • CPS has recently completed confined space entry and working at heights training with local contractor companies. This enabled local contractors to successfully bid for work in the recent shut down.

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	<ul style="list-style-type: none"> • CPS is in the process of building another reverse osmosis plant on site. • CPS is pleased to announce the appointment of its first female production technician. • A mock training exercise has been completed with local emergency services; including the hospital, police, fire brigade and ambulance service, to ensure familiarity with the site should an incident occur.
<p>g. QCLNG northern area update</p>	<p>Tom Clarke presented on QCLNG’s northern area update. Key points were:</p> <ul style="list-style-type: none"> • Petroleum lease 276 granted enabling early works and camp construction on Delga Park to commence. • Water treatment plant engineering, procurement and construction contract awarded to a GE and Lang O’Rourke consortium. • QGC is continuing to drill appraisal wells to understand the most suitable well design and how to best develop a field. • QGC has purchased the Gledswood property – the site for the Polaris field compression station and pond. Remnant vegetation on the site had largely been cleared prior to QGC’s purchase; two patches of remnant brigalow remain. • QGC’s permission to clear limited by Environmental Authority under <i>Environment Protection Act 1994</i>; <i>Nature Conservation Act 1992</i>; and federal <i>Environment Protection and Biodiversity Conservation Act 1999</i>. • DERM mapped regional ecosystem will not be impacted. • Small amount of clearing for right of way for gathering. may be required, but we will seek to avoid it where possible. • Along the collection header of the pipeline, approximately three quarters of the area has been cleared and graded; half the stringing and a third of the welding completed. <p>A Committee member asked how long it will take to clear and rehabilitate land along the easement.</p> <p>Action: Tom Clarke to follow up on timeframe for completing pipeline activities.</p>
<p>h. SIMP update</p>	<p>Zoe Carroll presented on the Social Impact Management Plan. Key points were:</p> <ul style="list-style-type: none"> • QGC has three funding mechanisms <ul style="list-style-type: none"> ○ Sponsorships and donations for small, one-off

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	<p>donations under \$10,000;</p> <ul style="list-style-type: none"> ○ The QGC Sustainable Communities Fund for grants between \$10,001 and \$ 50,000 for one-off projects no longer than 12 months in duration which have been recommended for funding by a joint community and QGC grants assessment panel; and ○ Partnerships under the Social Impact Management Plan that support programs to meet QGC’s SIMP commitments and make a long term positive contribution to communities in which we operate. <ul style="list-style-type: none"> ● QGC has taken a regional approach with SIMP initiatives ● Opportunities for local investment have been through the SCF and sponsorship and donation program. In 2011, \$113,325 donated to Miles and Wandoan-based organisations through the SCF and Sponsorship program. ● Successful organisations included: Jundah Rodeo, Wandoan Show Society, Wandoan and District Kindergarten, Wandoan Lions Club, Wandoan State School, Murilla Community Centre, Miles Bluelight Association, Miles Golf Club, Miles & District Show Society, Miles Primary School, Miles Junior Rugby, Miles Historical Society, Miles SHS, Miles Chamber of Commerce.
<p>i. Items for next agenda</p>	<p>Jim Cavaye invited the Committee to propose agenda items for the next meeting.</p> <p>The Committee proposed to revisit make good obligations and housing.</p>

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4. General Business

Jim Cavaye informed the Committee that Ann Hoare, Nursing Director at Miles Health Service had joined the Northern Gas Field Community Committee following the Committee's recommendation that the health sector be represented. The Committee welcomed Ann Hoare as a member of the QGC Northern Gas Field Community Committee.

Zoe Carroll thanked Committee members for their contributions and involvement in the Committee over the past year and the substantial time volunteered in attending and preparing for meetings. The Committee thanked QGC for organising the meetings.

Zoe Carroll shared with the Committee the dates and venues of the 2012 meetings.

5. Meeting Close

The meeting was closed by Jim Cavaye at 4:30pm

The next QGC Northern Gas Field Community Committee meeting will be held on February 22 from 2.30pm to 5.00pm at the Wandoan Customer Service Centre, 6 Henderson Road.

6. Northern Gas Field Community Committee Members

Representative	Organisation
Helen Devlin	Wandoan Chamber of Commerce
Cecilia Donohoe	Wandoan Liaison Group
Joe Abbott	Murilla Landcare
Rachel Kerwick	Miles Chamber of Commerce
Cecily Brockhurst	Murilla Community Centre
Lavinia Tyrell	Western Downs Regional Council
Nancy Davies	Wandoan SS P&C
Sharn Pogan	Miles SHS P&C
Ann Hoare	Miles Health Service