

Meeting Minutes



QGC Regional Gas Field Community Committee
Thursday 12 May 2011
Chinchilla Customer Service Centre, 80-86 Heeney Street

1. Opening

The sixth meeting of the QGC Regional Gas Field Community Committee was called to order at 10.00am on Thursday 12 May 2011 at the Chinchilla Customer Service Centre, facilitated by Mr Jim Cavaye, Independent Facilitator.

2. Attendees

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

| QGC Regional Gas Field Community Committee Members | QGC Representatives |
|--|--|
| <ul style="list-style-type: none">• Cr Carolyn Tillman (Western Downs Regional Council)• Kathie Fletcher (Queensland Murray-Darling Committee)• Bill Nicholas (AgForce)• Denis Sommerfeld (Southern Gas Field Community Committee)• Marion Loveday (Central Gas Field Community Committee)• Desley Gobbert (Education Queensland)• Cecilia Donahue (Northern Gas Field Community Committee)• Peter Saxelby (Western Downs Regional Council) | <ul style="list-style-type: none">• Rob Manuel, Field Operations Manager• Tony Heidrich, Social Performance Manager, Gas Fields• Zoe Carroll, Social Performance Technical Coordinator• Ben Dixon, Social Performance Monitoring and Reporting Lead• Ryan O'Hanlon, Housing Manager• Debbie Govier, Manager Negotiation & Relationships |
| Apologies | Independent Facilitator |
| <ul style="list-style-type: none">• Cecily Brockhurst (Northern Gas Field Community Committee)• Penny Hamilton (Condamine Alliance)• Carollee Murphy (Western Downs Regional Council)• Floyd Leedie (Goondir Health Services) | <ul style="list-style-type: none">• Jim Cavaye, Cavaye Community Development |

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. A Committee member raised the issue of road safety and highlighted the importance of driver training and refresher courses.</p> |
| c. Actions from previous meeting | <p>Jim Cavaye reviewed the actions from the previous meeting.</p> <p>Land access Jim Cavaye informed the Committee that revised land access procedures, and communications with landholders would be the subject of a presentation at today's meeting.</p> <p>Integrated Housing Strategy Jim Cavaye similarly informed the Committee that a presentation had been prepared on QGC's Integrated Housing Strategy.</p> <p>Sustainable Communities Fund Zoe Carroll updated the Committee on how conflicts of interest would be managed on QGC's Sustainable Communities Fund. Committee members were advised that members of the Fund's Grant Assessment Panel are required to declare associations or relationships that might give rise to a potential, actual or perceived conflict of interest prior to participating in a funding round. Conflicted member are required to leave the meeting whilst the Panel considers that application. There are two proxies for the community representatives on the panel.</p> <p>QGC engagement with Banks The Committee was advised that information provided to banks regarding QGC's activities had been shared with the Chinchilla Community, Commerce & Industry. Tony Heidrich reported that QGC's dialogue with the banks is ongoing. QGC regularly meets with bank representatives to ensure they are well informed and have the confidence to lend in the region.</p> <p>Water workshop Zoe Carroll informed the Committee that preparation for</p> |

Meeting Minutes



| Agenda item | Details |
|---------------------------------------|--|
| | <p>QGC's water workshop is progressing. Gasfields Community Committee members have been invited to the workshop and asked to submit questions which have shaped the agenda. A draft agenda was circulated. Committee members were asked to RSVP before June 1.</p> |
| <p>d. Adoption of minutes</p> | <p>Jim Cavaye asked the Committee to formally consider the 17 February 2011 minutes and asked for suggested changes.</p> <p>The 17 February Regional Gas Field Community Committee minutes were adopted by the Committee.</p> |
| <p>e. QGC and QCLNG update</p> | <p>Rob Manuel provided an operations update. Key points were:</p> <ul style="list-style-type: none"> • A program has been undertaken to upgrade and refit infrastructure affected by the flood. This is bringing a number of wells back into production. • Up to 850 wells have been visited as part of QGC's well site compliance activities. QGC has undertaken an assessment of the wells including infrastructure, fencing, signage, are of a consistent and high standard. • Staff from QGC's Windibri site are moving into Chinchilla to take up temporary office accommodation in town while preparations for QGC's new office continue. |
| <p>f. Community feedback</p> | <p>Jim Cavaye invited Committee members to share feedback from their networks. Issues raised by Committee members included the following:</p> <p>Combined community committees A Committee member asked for an update on combined community committees. Ben Dixon advised the Committee that QGC is continuing its discussions with other coal seam gas (CSG) proponents to develop combined community committees. The University of Queensland is working with QGC to develop a suitable framework. Committee members reiterated their support for combined committees to lessen the risk of consultation fatigue and address cumulative impacts of the industry.</p> <p>Action: Zoe Carroll to provide an update on combined community committees at the next Regional Committee meeting.</p> <p>Protests A Committee member spoke about the anti-CSG protests in</p> |

| Agenda item | Details |
|---------------------------------|---|
| | <p>the region. These protests do not have the full support of the community. QGC was advised to keep communicating with the protestors.</p> <p>Environmental compliance A Committee member asked about QGC’s breach of environmental conditions on the pipeline. A Committee member commented that non-compliance will damage the company’s integrity and result in a loss of trust.</p> <p>Pipeline A Committee member reported concerns that pipeline would be dragged along the right of way rather than transported by a vehicle. Zoe Carroll agreed to follow up this report.</p> <p>A Committee member asked whether spoil dislodged by the pipeline would be spread over the area or removed, and how top soil would be treated. A Committee member reported that on a recent QGC site tour a demonstration of pipe laying had taken place and top soil was separated from the spoil and replaced on top.</p> <p>Action: Zoe Carroll to report back to the Committee on the transport of pipe and land rehabilitation following pipe laying.</p> <p>Roads A Committee member asked about QGC’s roads strategy. The Committee expressed interest in having a presentation on the same.</p> <p>Action: QGC to provide a presentation on roads at the next Regional Community Committee meeting (Zoe Carroll).</p> |
| <p>g. SIMP reporting</p> | <p>Ben Dixon updated the Committee on QGC’s Social Impact Management Plan (SIMP) reporting. Key points were:</p> <ul style="list-style-type: none"> • The SIMP sets out QGC’s commitments to mitigate the project’s social and cultural heritage impacts and how the project will enhance benefits to communities. • The SIMP was developed following a comprehensive assessment of QCLNG’s potential impacts in consultation with members of the community and government. • Monitoring and reporting is a key aspect of the SIMP, ensuring both that we fulfil our commitments and our investments are effective. • A key audience for reporting is QGC’s Regional |

| Agenda item | Details |
|-------------|--|
| | <p>Community Committees. QGC has committed to report to the RCCCs on the following six areas on a six monthly basis: integrated housing strategy; local employment plan; local industry participation; community engagement and stakeholder management strategy; issues management; and grievance management.</p> <p>QGC’s first SIMP report to the Committee had been circulated in advance of the meeting. The Committee was asked to provide feedback on the format of the report. Key points were:</p> <ul style="list-style-type: none"> • The Committee asked for the report to be tied back to the specific commitments in the SIMP and impacts being mitigated. • The Committee asked for progress against commitments to be clearly outlined. A table format was suggested. • A Committee member suggested the presentation-style report complement a more detailed report. • The Committee asked for the report to be shared two weeks ahead of a Committee meeting. • The Committee requested that questions, clarifications and key areas of interest in the SIMP report be discussed at six-monthly meetings. It was discussed that this may require a longer meeting so as not to rush other topics on the agenda. • It was agreed that Zoe Carroll would collate questions from Committee members ahead of the meeting to structure the presentation. <p>Ben Dixon thanked the Committee for their feedback. An updated report would be circulated to Committee members taking into consideration their comments.</p> <p>Action: Ben Dixon to circulate updated presentation.</p> <p>Sustainability Indicators Ben Dixon updated the Committee on another aspect of QGC’s monitoring framework, the sustainability indicators. These indicators were developed by the University of Queensland’s Centre for Socially Responsible Mining to measure the impacts of the QCLNG project on the region. QGC’s Community Committees provided input into the development of the indicators. Draft indicators have been circulated to the Committees by CSR for comment. A number of Committee members indicated they had not</p> |

Meeting Minutes



| Agenda item | Details |
|--|--|
| | <p>received the indicators.</p> <p>Action: Zoe Carroll to circulate the sustainability indicators for comment.</p> |
| <p>h. Integrated Housing Strategy</p> | <p>Ryan O’Hanlon presented to the Committee on QGC’s Integrated Housing Strategy. Key points were:</p> <ul style="list-style-type: none"> • The IHS is a multi-pronged approach to managing QGC’s impact on housing availability and house prices. • QGC will manage direct impacts by providing accommodation for the project workforce, and invest in affordable and community housing solutions to manage indirect impacts. • QGC will invest in a mix of housing solutions including temporary accommodation facilities, detached dwellings, medium density, tourism and aged/social housing. • Construction workers will be housed in camps to minimise the impact in towns associated with a large, predominately male workforce. • QGC will rent, purchase or construct ten transitional houses for operational staff moving to the area. • Operational staff in the Western Downs are expected to peak at 500 by the end of 2012 and plateau for the life of the project. 160 of these are already in place. For the remaining positions, QGC expects to recruit 75% locally (defined as being from the Western Downs). 25% or 60 additional families are expected to be non-local families who settle in the area. • QGC will facilitate the build or purchase of a further 46 houses in the Western Downs to manage the impacts of these 60 additional families settling in the area. • Houses will be distributed across Chinchilla, Dalby, Miles and Tara and depend on several factors, including distance from work and the preferences of staff. Whether QGC constructs houses or purchases will depend on the availability of housing stock. • QGC will monitor house and rental prices and our housing needs. The strategy will be reviewed on a six-monthly basis. • In terms of affordable and social housing, QGC will work with council. Options include a Council housing unit or partnering with another organisation such as a housing company. <p>A Committee member asked who would be eligible for social</p> |

Meeting Minutes



| Agenda item | Details |
|-------------------------------------|---|
| | <p>housing. Ryan O’Hanlon replied that QGC did not want to get involved in determining who goes into those properties. Our preference is that council would manage this. The Committee indicated that they would want housing to benefit local people and particularly the elderly and key workers.</p> <p>A Committee member asked whether the buildings would follow an eco-friendly and sustainable design. Ryan O’Hanlon responded that QGC was not yet at the design stage, but housing companies consulted built to these specifications.</p> <p>A Committee member reported that a house was recently rented in Chinchilla for AU\$ 1000 a week. The house was rented to five individuals. The Committee member was concerned that this would become a trend. Ryan O’Hanlon commented that QGC provided housing for its construction workers on camps, and major contractors must similarly do so. Furthermore, QGC regularly monitors housing and rental prices, QGC workforce numbers and our housing needs and reviews the IHS on a six-monthly basis.</p> |
| <p>i. Land access update</p> | <p>Debbie Govier provided an update on land access. Key points were:</p> <ul style="list-style-type: none"> • Prior to 2011 QGC would approach landowners at different stages to negotiate, for example, pipelines, wells and access roads. This led to multiple points of contact and an impression of ‘constant door knocking’ • We also listened to feedback from landowners about improving our understanding of how they use their land and run their businesses. • QGC’s block development approach is providing landowners with greater certainty over field development and reducing consultation fatigue. • All infrastructure is mapped on a block (an area of 8km² NB a property may be over two blocks), providing opportunities for collating infrastructure, minimising construction impact and allowing for greater conceptualisation and business planning. • In order to map infrastructure, landowners are consulted on their land use and business activities. Landowners are asked to voluntarily fill in a template. A Committee member asked to see the template. <p>Action: QGC to provide Committee members with the template (Zoe Carroll).</p> |

Meeting Minutes



| Agenda item | Details |
|-------------|---|
| | <ul style="list-style-type: none"> • QGC provides landowners with a map for them to mark important sites, including access roads or areas significant to the family. • These maps together with the information gained through consultation enables us to build a level of landowner constraints into our conceptual design, wherever possible. This is an additional layer to the environmental, cultural heritage and social constraints. • Once maps are prepared with the proposed layout we will undertake on-the-ground surveys and detailed site investigations - a further opportunity for landholders to work with QGC in order to minimise impact. • NB the nature of exploration and appraisal activities mean that it is difficult to have a field development plan until these activities are complete. During exploration and appraisal the company is trying to get a picture of the resources below and cannot weigh the pros and cons of different development options until this is gained. • Before reaching agreement an independent valuer is engaged to advise on compensation, taking into account the impacts and land value. • After reaching agreement, information will be provided on our activities, including the number of workers on their property, duration of work, and work undertaken. • We comply with legal requirements around preventing the spread of noxious weeds, taking rubbish, and leaving gates closed unless otherwise advised. • New legislation on communication has been released requiring ten days notice of works in writing. In addition, QGC will give verbal notice 48 hours in advance. • All QGC staff will be inducted into the new Land Access Code. We are in the process of rolling out training. A Committee member asked for a copy of the code. <p>Action: QGC to circulate Land Access Code (Zoe Carroll).</p> <p>A Committee member asked about the process in rural residential blocks where there is a higher population density. Debbie Govier replied that QGC has a draft Rural Residential Code. The Code is being revised on the basis of consultation recently undertaken by an independent consultant. The Code sets out requirements for consultation, locating of infrastructure in relation to dwellings, minimising impacts and health and safety. A Committee member asked to see the updated code.</p> |

Meeting Minutes



| Agenda item | Details |
|--|---|
| | <p>Action: circulate the updated Rural Residential Code when available (Zoe Carroll).</p> <p>A Committee member asked about land which had sections partitioned off for wildlife. Debbie Govier replied that this should be identified during consultation with the landowner. The Committee member offered to provide more information to Debbie Govier.</p> <p>Action: information on wildlife properties to be shared with QGC (Zoe Carroll).</p> <p>A Committee member asked if QGC would train landowners to become well head operators to reduce intrusion onto properties. Debbie Govier replied that this is something QGC is looking at, however, there are liability concerns around compliance with health and safety.</p> <p>A Committee member asked if compensation was only paid for productive wells. Rob Manuel answered that QGC compensation is based on impacts not production.</p> |
| <p>j. Items for next agenda</p> | <p>Jim Cavaye invited the Committee to propose agenda items for the next meeting.</p> <p>Committee members proposed QGC present on the company's approach to roads.</p> |

Meeting Minutes



4. General business

The Committee was reminded to RSVP to the Water Workshop arranged for QGC's Gas Fields Community Committees. This is an invitation only event.

5. Meeting Close

The meeting was closed by Jim Cavaye at 12.30pm.

The next QGC Regional Gas Field Community Committee meeting will be on Thursday 11 August 2011 from 10.00am to 12.30pm at the Chinchilla Customer Service Centre.

6. Regional Gas Field Community Committee Members

| Representative | Organisation |
|-------------------|---|
| Bill Nicholas | AgForce |
| Carollee Murphy | Western Downs Regional Council |
| Cr Carolyn Tilman | Western Downs Regional Council |
| Cecily Brockhurst | Northern Gas Field Representative |
| Denis Sommerfeld | Southern Gas Field Representative |
| Desley Gobbert | Department of Education and Training. DDSW Region |
| Floyd Leedie | Goondir Health Services |
| Kathie Fletcher | Queensland Murray-Darling Committee |
| Marion Loveday | Central Gas Field Representative |
| Penny Hamilton | Condamine Alliance |