

Meeting Minutes



QGC Regional Community Committee

Thursday 18 November 2010

Chinchilla Customer Service Community Centre, 80-86 Heeney Street, Chinchilla

1. Opening

The fourth meeting of the QGC Regional Community Committee was called to order at 10.06am on Thursday, 18 November 2010 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 proxy for Geoff Penton (Queensland Murray-Darling)• Bill Nicholas (AgForce)• Denis Sommerfeld (Southern Gas Field Community Committee)• Marion Loveday (Central Gas Field Community Committee)• Cecily Brockhurst (Northern Gas Field Community Committee)• Penny Hamilton (Condamine Alliance)• Scott Jones-Christ proxy for Desley Gobbert (Education Queensland)	<ul style="list-style-type: none">• Scott Smith, Negotiation and Relationships Manager• Tracey Lenz, Community Affairs Manager• Tony Heidrich, Social Performance Manager, Gas Fields• Dominique Van Den Berg, Lead Operations Superintendent• Meredith Connor, CSRM Secondee
Apologies	Independent Facilitator
<ul style="list-style-type: none">• Geoff Penton (Queensland Murray-Darling Committee)• Desley Gobbert (Education Queensland)• Floyd Leedie (Goondir Health Services)• Carolee Murphy (Western Downs Regional Council)	<ul style="list-style-type: none">• Jim Cavaye, Cavaye Community Development

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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>Apologies were offered for Geoff Penton (Queensland Murray-Darling Committee), Desley Gobbert (Education Queensland) and Carolee Murphy (WDRC).</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 provided a safety moment about water being splashed onto their car's windscreen by a passing truck which had obscured the motorist's vision. The Committee member noted that driving with safety in mind meant anticipating that there would be a need for windscreen wipers to be used.</p>
c. Follow up from last meeting	<p>Jim Cavaye led a discussion regarding action items from the last meeting. Key points were:</p> <p>CSR Social Monitoring Jim Cavaye advised the Committee that the Centre for Social Responsibility in Mining had completed their initial social indicator monitoring consultations with Community Committees.</p> <p>Jim Cavaye advised that further consultation between Community Committees would be initiated by the CSR.</p> <p>Meredith Connor advised that the CSR had been provided with feedback about the social indicator monitoring questionnaire.</p> <p>A Committee member requested for time to be allocated next year for discussion about social monitoring indicators, social issues and impacts, contracts and procurements and a Social Impact Management Plan update.</p> <p>Action: Include suggested discussion items on 2011 meeting agendas (Meredith Connor).</p>

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<p>d. Adoption of Minutes</p>	<p>Jim Cavaye asked the Committee to formally consider the August 27 minutes and asked for suggested changes.</p> <p>The August 27 Regional Community Committee minutes were adopted by the Committee.</p>
<p>e. Community Feedback</p>	<p>Jim Cavaye invited the Committee members to share feedback from their networks. Issues raised by community members included:</p> <p>Road Safety The Committee was advised that QGC had a partnership with the Queensland Police Service which resulted in brochures being produced. QGC also supported internal driver safety through an in-vehicle monitoring system that ensures drivers' keep to the speed limit.</p> <p>A Committee member asked if QGC regulated the distance between trucks. Tracey Lenz advised that Traffic Management Plans for the QCLNG project are still being developed.</p> <p>A Committee member asked if the effectiveness of the brochures would be monitored. QGC responded that the effectiveness of the Road Safety Campaign would be monitored.</p> <p>The issue of road conditions was discussed by the Committee. Key issues raised were driver etiquette such as driving with headlights on to ensure visibility to other motorists, leading by example would encourage positive driver behaviour, and the need for potholes to be repaired.</p> <p>Windibri Field Trip The Committee indicated that they found the Windibri Field Trip to be 'informative', 'very thorough' and had an 'excellent day'. Some Committee members said they found there was a lot of information to take in.</p> <p>Committee members provided feedback about the water presentation and indicated they would like ongoing water updates to provide general information as well as more technical aspects. The possibility of holding further field trips focussing on specific issues was discussed.</p> <p>Action: Email Committee members a copy of the water presentation given at the Windibri Field Trip (Meredith Connor).</p> <p>Fracking A discussion regarding fracking occurred. Tony Heidrich</p>

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	<p>advised that fracking was not currently taking place.</p> <p>Action: To set up a technical discussion between QMDC, Condamine Alliance, AgForce and QGC about fracking (Tony Heidrich).</p> <p>Water Treatment A Committee member requested an update on the water treatment plant at Chinchilla. Tracey Lenz advised that applications have been received and processed.</p> <p>A Committee Member advised they had a series of water questions for QGC to respond to. Jim Cavaye suggested that the questions be raised as an agenda item so that the correct technical information could be provided by QGC.</p> <p>Action: The list of water questions will be distributed to Regional Committee members prior to QGC's response at the next Regional Community Committee meeting (Meredith Connor).</p> <p>Land Access A Committee member advised that there is community uncertainty about gas companies' project schedules and road access. The Committee member also indicated that landholders were concerned about on-property thefts and being liable for insurance claims if injuries were received on their property. This was addressed in the land access discussion.</p> <p>Housing A Committee member asked about QGC's development of affordable housing in the Western Downs. Tracey Lenz advised that the Integrated Housing Strategy (IHS) was still under development and that the Coordinator-General has conditioned QGC to consult with Community Committees once the IHS is finalised.</p> <p>Another Committee member suggested that because developers are buying up houses, prices are affecting people on low incomes. A Committee member asked why gas companies do not collectively act to avoid paying excessive rents. Tony Heidrich advised that the IHS is structured so that QGC will not pay above market rates.</p> <p>Action: QGC to provide the Regional Committee with an IHS update (Meredith Connor).</p> <p>Final Investment Decision Committee members noted that post the Final Investment</p>

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	<p>Decision for the QCLNG project some local businesses were uncertain about how the project would progress forward.</p> <p>Committee members advised workers are arriving in Chinchilla uninformed about QCLNG project employment procedures and were expecting to gain immediate employment. The Committee discussed the development of greater community awareness about QGC's employment and sub-contracting procedures.</p>
<p>f. QGC Overview</p>	<p>Tony Heidrich provided an overview of Federal government approval for the QCLNG project and BG's Final Investment Decision. Key points included:</p> <ul style="list-style-type: none"> • QGC received Queensland Government approval for the Queensland Curtis LNG (QCLNG) project in June. • The Federal Government granted QGC environmental approval for the QCLNG Project in October. • This was the final stage in the environmental approvals process under Queensland and Commonwealth legislation. • Federal approvals have close to 300 conditions attached to them. • This is in addition to the 1200 conditions imposed by the Queensland Government. • Following receipt of Federal and Queensland Government environmental approvals BG Group took the Final Investment Decision in October. • The decision to proceed represents three years of intensive regulatory and public review with over 4,000 stakeholders including landholders, indigenous groups, conservationists, industry associations, regional councils and government agencies. • First phase of the QCLNG project includes: <ul style="list-style-type: none"> • Development of a two-train liquefaction plant on Curtis Island • Associated upstream and pipeline facilities • First LNG exports are planned to commence from 2014. <p>Dominique Van Den Berg commented that from an operations perspective it was exciting to have the EIS sanctioned and that QGC is committed to being a good corporate citizen and to ensuring that people with the right skills and leadership qualities are brought to the QCLNG project.</p>
<p>g. Land access discussion</p>	<p>Scott Smith took the Committee through a land access presentation and discussion. Key points included:</p> <ul style="list-style-type: none"> • QGC's relationship with landholders is crucial to the

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	<p>QCLNG project.</p> <ul style="list-style-type: none"> • QGC is committed to good faith negotiation to reach voluntary agreement before statutory processes are used. • QGC has developed a compensation framework that aligns with international best practice. • The Queensland Government has provided certainty for landholders about minimum time for access arrangements and compensation agreements to be initiated and concluded. <p>QGC Compensation Approach QGC's compensation approach has been:</p> <ul style="list-style-type: none"> • Developed in conjunction with independent valuers and agricultural economists. • Compensation is determined in accordance with the legislation. • Compensation generally provides an upfront payment related to duration and area of land impacts and annual payments to recompense the impact of activities associated with the built infrastructure. • Compensation approach for the QCLNG project is covered by separate frameworks for wells, associated infrastructure, gathering systems and pipeline. <p>Block Delivery QGC's block delivery approach is an integrated approach to land access and development.</p> <ul style="list-style-type: none"> • The QCLNG Field Development Plan divides the project into units for development based on the graticular block. A graticular block is a defined area within a petroleum authority area. • The Petroleum and Gas Act defines a block as an area of 5 minutes of longitude by 5 minutes of latitude (about 7,600 Ha). • The block development approach includes: <ul style="list-style-type: none"> • Wells • Gathering • Field Compression Stations & Central Processing Plants • Trunklines • Electrical transmission • Ponds • General infrastructure • Access tracks & roads • QGC strives to achieve an overall understanding and be

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	<p>sympathetic of landholder’s property requirements.</p> <ul style="list-style-type: none"> • Integrated planning of all the infrastructure in a block allows for landholder considerations to be taken into account on ‘total impact’ basis so that impact can be minimised as far as possible. <p>Land Access activities during Block Development</p> <p>Engagement:</p> <ul style="list-style-type: none"> • QGC seeks to meet with landholders to discuss how they operate their property, particular points of operational or social sensitivity, heritage places and any relevant landscape features that landholders think may limit infrastructure placement. • QGC will, as far as reasonably possible in its development planning, seek to minimise impact on those areas of particular concern to landholders. • The information provided by landowners during this period is used during the conceptual design workshops to create a workable block layout that seeks to minimise impact on the landholder’s operations. <p>Consent to Entry:</p> <ul style="list-style-type: none"> • Once the Block has been laid out to minimise impact based on landholder’s information and assessed against Environmental and approval criteria – a conceptual plan is produced to show to the landholder. • Land Access then use individualised maps to approach each landowner and explain the proposal for their property. • Permission is then sought from the landholder to conduct survey on the land to confirm a final design. This permission will form part of a Consent to Entry document that the landholder would sign. QGC prefers to adopt a voluntary approach to access for preliminary activities rather than serving an official Entry Notice. <p>Site Survey and Clearances:</p> <ul style="list-style-type: none"> • During the site surveying phase the Land Access Co-ordinator act a liaison between the landholder and the pegging party team which surveys the locations and the environmental and cultural heritage clearances for the infrastructure on each property. • Landholders may request infrastructure relocation during the pegging process. • The other groups who participate in pegging include: <ul style="list-style-type: none"> • Environment • Cultural Heritage • Survey

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	<ul style="list-style-type: none">• Health & Safety, and• Engineering. <p>Final Alignment and Compensation Agreement:</p> <ul style="list-style-type: none">• Following site survey the final alignment drawings are prepared and final design checks are made.• Maps are then prepared and compensation is assessed by independent valuers (Landowners may seek their own valuers assessment).• Compensation and access rules are then negotiated with the landowner. <p>Execute/Construction:</p> <ul style="list-style-type: none">• Construction commences with landowners being provided with notice that meets their reasonable negotiated access requirements. <p>The Committee had a discussion about landholders who are affected by the QCLNG project. Key points included:</p> <p>Committee members commented that:</p> <ul style="list-style-type: none">• It was important for gas companies to understand that their land use requirements and schedules are different to landholders.• The biggest issue for landholders is feeling they have lost their land.• Landholders are concerned that statutory Government legislation means land can be accessed regardless of landholder's wishes.• A major problem for landholders is being unaware of who has legitimate access to drive on landholder's property and that <p>Scott Smith advised that:</p> <ul style="list-style-type: none">• QGC develops specific Access Rules in consultation with the landholder. The Access Rules operate in conjunction with the Government's Land Access Code.• All QGC employees and contractors are required to comply with the Land Access Code and the Access Rules agreed with the individual landholder; they have to check with land access to ensure the landholder's notification requirements and any special requests are respected.• QGC has had no difficulty complying with the Queensland Government's mandatory code of conduct

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	<p>as QGC's systems and processes have been in place for some time.</p> <ul style="list-style-type: none"> • The Petroleum and Gas Act requires that landholders are indemnified for incidents associated with coal seam gas infrastructure (excluding the landholder's negligent acts).
<p>h. Sustainable Communities Fund</p>	<p>Tracey Lenz introduced the Committee to QGC's Sustainable Communities Program. Key points included:</p> <ul style="list-style-type: none"> • QGC's community engagement and investment activities will be amalgamated under the Sustainable Communities Program. • The Sustainable Communities Program will encompass a range of QGC community activities including: <ul style="list-style-type: none"> – Sponsorships and donations – Sustainable Communities Fund – Community Committees – SIMP related activity – Social and community investment partnerships – Impact monitoring regime activity • The Sustainable Communities Program launch date is February 2011. • There are three types of investment or grants within the Sustainable Communities Program: <ul style="list-style-type: none"> – Sponsorships and Donations – Sustainable Communities Fund – Social Investment and Impact Mitigation Projects, Initiatives and Partnerships • The Sustainable Communities Fund is a key element of QGC's Sustainable Communities Program and supports QGC's commitment to ensuring that communities benefit from our presence on an enduring basis. • The SCF will be supported by three Grant Assessment Panels established across the QCLNG project area. • The Grant Assessment Panels will represent communities in the local government areas of the Western Downs, North Burnett/Banana Shire and Gladstone. • The Grant Assessment Panels will have equal numbers of community and QGC members and will provide an opportunity for meaningful community input into project selection. • Two funding rounds will be held each year with one-off grants of \$10,001 - \$50,000. • Expressions of Interest forms for the Grant Assessment Panels will be distributed to Community Committee representatives.

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	<p>The Committee provided feedback about the Sustainable Communities Fund. Key points included:</p> <ul style="list-style-type: none">• The Committee felt positive about the concept.• Some Committee members were concerned that corporate outcomes may take precedence over long-term community sustainability. Tracey Lenz explained that QGC is committed to achieving a sustainable long-term legacy with communities.• A Committee member said that some members of the community might perceive community funding to be a type of pay off from the gas companies.• A Committee member asked who can apply for funding. Meredith Connor said applications will follow the normal guidelines of funding organisations not individuals.

4. General business

Jim Cavaye advised the Committee that due to time constraints the agenda item about workforce construction would be held over until the next Committee meeting.

A Committee member suggested that meetings could go for longer to enable more in-depth discussion of meeting agenda items. Tracey Lenz asked the Committee to provide feedback about Committee meetings being held quarterly in 2011. Jim Cavaye suggested that Committee members could provide feedback via email.

Tracey Lenz advised the Committee that there was potential for a more collaborative relationship with QGC's Community Committees in the gas fields and other LNG companies. Tracey Lenz said that QGC was aware that over-consulting with communities often leads to consultation fatigue. Jim Cavaye asked the Committee for their views about establishing a more collaborative relationship with other gas companies. The Committee indicated that this would be a positive move.

Action: To keep the Committee briefed of progress forward with establishing a more collaborative relationship between QGC's Community Committees and other gas companies (Tracey Lenz).

Agenda items for the next meeting were sought. No agenda items for the next meeting were offered.

5. Meeting Close

The meeting was closed by Jim Cavaye at 12.35pm.

The next QGC Regional Community Committee meeting will be at 10.00am sharp on Thursday, 17 February 2010 at the Chinchilla Customer Community Centre, 80-86 Heeney Street, Chinchilla.

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Regional Community Committee Members

Committee Representative	Organisation
Bill Nicholas	AgForce
Carollee Murphy	Western Downs Regional Council
Cr Carolyn Tillman	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
Geoff Penton	Queensland Murray-Darling Committee
Marion Loveday	Central Gas Field Representative
Penny Hamilton	Condamine Alliance