

MINUTES:	SANTOS COMMUNITY COMMITTEE – UPPER HUNTER Tuesday, September 25, 2012 Barry Rose Room, Upper Hunter Shire Council office.
Attendance:	Wayne Bedggood, Sean Constable, Sam Crafter, Peter Bishop, Cr Michael Johnsen, Kathy Burns, Paula Stevenson, David Ross (Chair), Cr Wayne Bedggood, Deena McMullen, Ann Stewart (Santos), Graham Brown
Apology:	Peter Miller, Steve Guihot, Cate McMahon

	Discussion	Action/By Whom
1. Welcome	<p>The Chair opened the meeting at 6.18pm.</p> <p>Apologies Cate McMahon; Deena McMullen was attending in her place.</p> <p>Secretary Liz Flaherty is not looking to continue in the roll. The CCC is to find a permanent replacement. Chair thanked Liz for all that she's done.</p> <p>Chair introduced Ann Stewart who will make a presentation regarding the preparation of a Review of Environment Factors (REF) on behalf of Santos and Dart. Chair outlines that he hopes CCC Members will have a greater understanding of what's involved in a REF as a result of the presentation, allowing them to be better prepared and informed ahead of a completed draft REF being tabled at next month's meeting for review.</p>	
2. Review of Previous Minutes	<p>The CCC then went through the actions listed within the previous meeting's minutes (Attachment 2). Paula: I have questions about completed actions. With #28 I don't remember ever getting an answer, it may have been discussed at the last meeting,</p>	

but it wasn't minuted. Chair: As there were a lot of actions due, Santos put out their responses on a sheet (hands Paula a copy). Paula: I did not see that.

**3. Presentation
by Ann Stewart**

Sam: (Regarding the sponsorship question) The person who approached us regarding sponsorship didn't want us to disclose to the group and it's noted in there. We are also sponsoring an event in Scone next month. Paula: Well, it caused a lot of strife. It caused irreparable damage, vicious confrontations and split a committee and organised behind the back of the committee.

AS to send ESG2
Environmental
Assessment guidelines to
David to distribute.

The minutes for the August meeting were then confirmed by the committee as an acceptable record of the discussion held during that meeting.

Chair: hands over to Ann for presentation, following questions are asked before the presentation begins.

Graham: Can you give us a run through on the sort of mitigations you're talking about for air emissions? Ann: We're not allowed to vent, we can only flare gas. We now have that restriction and have to report on any emissions. We must report what emissions will be contained within the flarepit. The flarepit is like a big bucket, instead of sending the emissions into the air, it goes horizontally.

Graham: As an example will you have to identify different emissions? Ann: Under new greenhouse gas laws emissions and reporting yes you will.

Graham: Will the mitigation be in the content as well? Ann: Absolutely, Santos will never drill closer than 1km to an occupied dwelling even though official regulations require 750 metres. If requested a noise study will also be completed.

Graham: Will you tell the landowners what the mitigations are so they can identify if they are being done properly? Ann: We will work cooperatively with the landowner -

talk to him about anything that is relevant and together come up with solutions. We always want to coexist with the landowner.

Chair: Just to clarify that a new REF is compiled for every new site, it's not a copy and paste job from a previous job? Ann: No, it's not a copy and paste.

Ann delivers presentation and then is asked the following questions:

Peter B: With your regional descriptions of the geology, how in depth do you go? For instance we don't know much about the geology of this area, so how do you describe it if nobody actually knows what's there? Ann: We run a seismic truck over the area which gives us all sorts of data and we combine this with information on government websites and historical knowledge.

Peter B: If the available data is limited does that mean that part of the REF is based on flawed information? Ann: You'd be very loathe to put in a REF where you didn't understand the geology. We work with several different geologists to make sure we've got as much information as possible.

CCC is then divided into two groups (Group 1: Peter, Anne, Graham, Sean, Michael) (Group 2: Paula, Wayne, Kathy, Deena, Sam) by the chair to be able to acquaint themselves with an REF and to identify any concerns & issues that should be covered by Dart in their draft REF. Two copies of a dated Kahlua REF are supplied for CCC Members to review to give a sense of what goes into a REF. It was identified that only Paula, Graham and Wayne had experience with REFs previously. Chair: For the next half hour I would like people to write say 3-5 key issues that we can make sure are covered by Dart in their REF.

The following concerns were raised by the two groups:

Group 1:

- Water: evidence of baseline and historical examples should be included in the REF
- Social impact: people impact (previous examples were light on with respect to socio-economic issues and reporting to the community), measurable data available (surveying the community & what they think), social licence (do you have one to do this activity – does the organisation care about social issues). A sense of whether there is a social licence would come from surveying the community.
- Environmental impacts identified must be specific to the area rather than providing a generic analysis; examples given were : flora, fauna, trees, soil, water, air
- Remediation & compensation – everybody, individuals through to communities, making something as good if not better than before
- Consultation & feedback. It was believed by the group that it is important for their ideas to be acted upon by Dart and Santos and that this should be reviewed and evaluated.

Review and evaluation of whether input has been acted on to be discussed at November meeting

Group 2:

- Stakeholder communications: landowner(s), council, wider local community, CCC, privacy issues prior to submission of REF.

Peter: What is the process now that the Strategic Land Usage plan has been released,

do you have to submit before the gateway process? Ann: A REF is part of the gateway process. If going to do a development process there is a requirement for an EIS.

Paula: The REF prepared earlier for PEL 456 covered Brawboy and Cuan holes etc, so is a new REF needed for the Grampian Hills hole and any others? Sam: Any work looking to be done from now on needs to have an REF

Paula: When will this be available? Sam: We are looking to finalise for the next CCC, pilot hole data being gathered at the moment, and hoped to be in position to talk about tonight, but expect to be able to in October.

Chair: Better we discuss it next month because now we have had extra time to understand.

Sam: (in answer to where the works are proposed to take place) It's not Grampian Hills.

Peter: Where is it?

Sam: We need to respect the landholder's complete rights, allow him to engage with his neighbours and his community and then we can come back here and report on it. We need to respect how he wants to go about it.

Ann: All new REF's have to come before the relevant CCC before they are lodged.

Sam: We are working with Dart as well, who are leading the preparation of the document. Have made it clear, can't lodge document before hand. If we had all info ready it would have been shown tonight, but we need to wait until October meeting

Paula: Are two REFs being prepared : for the pilot & exploration?

Sam: There will be two separate REFs but we are only currently working on one for the Pilot.

Paula: In relation to the well at Bunnan, what activities are planned and what is the timing?

Sam: We're not doing it sequentially, it will flow on.

Paula: The pilot work must come from previous exploratory well, and there are only high methane wells at Brawboy 2 Sam: No, there are other places where we have core holes.

Paula: But there weren't good results from the statistical data Sam: In good faith, it has been requested the landholder to not have discussion at this meeting about them. I can't comment on speculation. We would like to do more work first.

Chair: I am mindful of time and so am happy for you two to carry on discussions later on.

GH: I think this is a new type of REF

Paula: I'd like to make one comment about the old REF: it had lots of descriptive things not carried out, things like noise and dust mitigation etc; weren't actually carried out. Promises, promises, nobody seems accountable.

Anne: Where was that?

Paula: Brawboys.

Anne: That was not done perfectly.

4. General business

Paula: Well, I am pleased it is now a lot more comprehensive

Ann: The project execution plan, tells you everything and has given a lot of clarity to the work we do.

Graham: I don't really agree with that (referring to notes made by Group 2). Stakeholders are part of REF but we can't identify the landholder. How can you say there is consultation with the community when the landholder isn't known? It is a big issue there.

Chair: Is this something that Santos can control? And should they? Graham: Yes, they can, can't they?

Michael: Have to disagree. You can't ignore the privacy act

Kathy: What you're after is the name, if we want to identify with the group, let's find out what the problems are. We need info about the area.

Wayne: Graham the thing about transparency, is the issue with individuals who keep their information confidential. There is always going to be a landholder's right to keep certain things private. No way around it, if it was a council issue they would immediately have to let you know what is going on.

Chair: Sam or Ann, while under privacy legislation you can't mention that person's name, am I right in saying you still have to give a detailed assessment of their site?

Ann: In the REF we have to include in that the latitudes and longitudes, so people can identify once lodged where the site is but they do have rights before document goes public for privacy.

Sam: For the context of tonight's meeting, we need to work out how to handle it,

would like to do some more stuff, would have to see how things play out over next month. The landholder wanted privacy maintained for this meeting.

Chair: So, by the time the REF is ready for ORE there will be enough detail for people to understand where the works will take place?

Ann: When you lodge a REF certain provisions have to be met and it specifies pretty clearly where the activity is taking place, the landholder understands that.

Peter: Do you ever put restrictions on what the landowner can say? Sam: the clause is at the landholder's discretion and that's something that's changed in last 12 months. Been really clear about that. So sometime landholders request that information is kept confidential, particularly the commercial aspect. It won't be at the company's discretion, it will be at the landholder's discretion.

Chair: Introduces Deena who explains that she works with Sam to improve stakeholder relationships. They are looking to determine how they can engage better, how to talk better, how to look outside normal avenues for ways to communicate with the community, how to do it through the CCC, what they are required to do by regulations and what they want to do above and beyond regulation. They believe that the CCC is the best place to start updating this strategy. They want to know:

- How can we improve the CCC?
- How can Santos best communicate with people outside the CCC?
- Best ways of determining how to communicate - newspapers, catching up over coffee, how and when, how often, what's useful.
- How to improve communications in the CCC itself?

Wayne: Personally I'm happy with level of communication. Things are dealt with. When I ask David for something it is there in an hour, Sam generally has the info at the next meeting, if not it'll be at the next meeting after and there is generally a good reason for it. I am happy internally.

Peter: In regards to the external communications the best way of getting things out there is the local rag, the generic average age of farmers is 57 farmer and in Merriwa they read The Wringer.

Discussion ensues about other options locally including the Advocate and the Hunter Valley News.

Paula: I'm not unhappy with the internal communications, questions that have been asked have been answered

Kathy: It's not an issue with the communication, I came along knowing nothing and I've learned about water and drilling as we've gone along. The question is though, where are we going with this? I don't want to sit here for another six months and not get info to the people. Have we got anything yet to take back to the people?

Paula: I understand Kathy's point. Sometimes I come away thinking we're just ticking boxes for Santos to say 'we consult with the community'. I don't think we're gathering any new information. I know answers to most of my questions, can get it from websites. What is the point? What are we gaining? What are we able to take back to our community? I can send info to my email community but what do the rest of members do? There's a much larger community out there that we're not touching at all.

Discussion on where the CCC is heading to be held in November meeting

Chair: With meeting running over time, suggests Deena return to further these discussions at a later meeting. CCC has been operating for a year, it's probably a good

time to do some navel gazing and discuss things like the 'charade of ticking the box', Deena will then be able to better understand what might need to be done differently to make you feel like it's worthwhile.

Paula: I can understand that things are a fait accompli and that they don't need to ask our permission. We need to be surveying larger community and seeing their opinions, we feel powerless when government is endorsing this activity. No matter how many CCCs you attend nothing's changed. I don't feel I've gained any new insights or feel that I have any more knowledge or that I'm able to influence what's happening in my community, that I have any power to change things.

Chair: (Speaking to Paula) Without being patronising whatsoever, compared to the rest of the group you are unique. Wayne: You are at 'ground zero'. Chair: Exactly. Out of your issues of the surveys and the consultation and feedback, if they were to take place would that make you feel like Santos is taking action? Paula: Well, it is all a bit after the event. They have been granted the licence, and they are going to drill. We know how the communication feels but it is still going to go ahead

Kathy: It's not Santos it's not whoever else. It's the government, who could only fine Santos, what, \$3000 for the spill in Pilliga. Sam: Yeah, that is correct.

Kathy: No one from the government has come and spoken to us. Michael: They have.

Chair: But you do raise a good point. As I said before, when it came to Graham and I finding water specialists to come and present, it was so difficult. They just put down the shutters and were not prepared to help.

Sam: But the government was not unique on that front, you had trouble getting specialists across the spectrum.

Chair: Is there anything else you want to talk about regarding internal (to the CCC)?

Deena: If you are not feeling like you get what you need there are often growing pains in the first year, and so it is probably a good time to do the navel gazing, re-set and make sure everyone is getting out of the meetings..

Michael: If I can offer my perspective because this is my last night in this role on Santos CCC, I didn't have any preconceived opinions or ideas, I came for education. My expectation for any community consultation, was exactly that, a forum to allow people to exchange of information. Have not been disappointed. If you are coming in with preconceived ideas you may be disappointed, but I put it to the meeting that expectation has set up your disappointment.

Sean: With this talk about communication I'll just give some feedback from what I've seen working in council for the past seven years. Calling community meetings doesn't work. Hunter Valley Research Association conduct a well-being survey every year. It's anonymous, done by phone, sets up benchmark of how community is responding to whatever the issues are at the time. If you were to ask about CSG, then in a year's time you might get a different response. Need to start doing it, getting a measurement on community sentiment.

Santos to approach
Hunter Valley Research
Association

General discussion about this as an excellent option.

Peter: I question whether any of the information being discussed at the CCC is reaching government. Michael: Council receives minutes after every meeting as a matter of course.

SC to provide DR with
relevant government
contacts.
DR to contact
government and
Margaret McDonald-Hill
to discuss sending
meeting minutes to

Discussion then follows about whether there's a need for CCC to become a Statutory CCC. It is decided that the less complicated and more practical option is to send minutes to the relevant Ministers and people in government with David to write a

letter and a cover page summarising contents of minutes.

government.

Chair: Michael and Wayne, can you give us an update what the council election means regarding your position on the CCC now that you have been elected?

WB to ask HTBA for a representative for the CCC

Michael: As mayor I will now step back off this committee, Wayne will be nominated as the councillor to represent council. Michael is to be the alternate. This will allow for some sort of continuity of process and experience and the intent was also for the HTBA to provide another rep.

Hardcopies of Ann's presentation to be provided with the minutes

Sean: (To David) Is there much take-up from media on the back of media releases that are issued after each CCC meeting. Chair: Off the top of my head I haven't been interviewed for about 3-4 months. I was interviewed by the Advocate when we started, last November, and then by the ABC twice. But that may not have happened since March, I think.

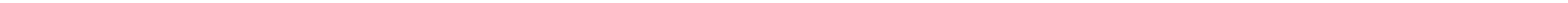
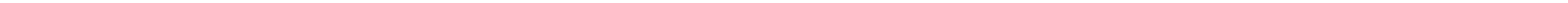
General discussion and then Sam suggests this is something that can be reviewed as part of their communication plan.

Paula: Sam can I ask if there are any more access agreements in the pipeline in the Bunnan area? Sam: We're still talking to people about access in the immediate Bunnan area, but there are others we are looking at. We've said we need to do the pilot and core hole, we are progressing on that and obviously there's a landholder we're worked with.

Paula: Once agreements are signed you'll let us know? Sam: Yes

Chair: Thanks Michael for his contributions

Chair closed meeting at 8.44pm.



Attachment 1. Issues prioritised by the Committee Members and progress made

	Issue Prioritised	Progress Made
1.	Understanding the impacts of the coal seam gas industry drilling and fracture stimulation techniques on water	Well integrity presentation – Feb 2012
2.	Identifying the need for independent peer reviews of water monitoring	
3.	Better communication with the community	Commenced at September meeting
4.	Providing timelines for proposed activities, including Santos activities, commercial in confidence matters and regulatory changes	
5.	Providing better education on the process and impacts of coal seam gas	
6.	An understanding of the cost of the industry to the community and how this may be recovered	Discussed at February meeting
7.	Establishing baseline data of local aquifers	
8.	The need for independent specialists such as hydrologists and geologists to provide information	
9.	Understanding how value can be added to the community through this process	

Attachment 2. Actions raised by Committee Members that are not complete

	Action Raised	Date Raised	Progress Made
1.	Committee to ensure that all communication is distributed through DR rather than through any other individual(s)	29 th November 2011	Ongoing
2.	Alternates to be briefed by their colleagues before attending any meetings, as required	29 th November 2011	Ongoing
3.	Santos to present on legislative approvals process at a future meeting	29 th November 2011	
4.	SC to table an REF at a future meeting	29 th November 2011	
5.	SC to present at a later date on the Eastern Star Gas pipeline projects once the business plan has been completed	29 th November 2011	
6.	DR to provide Committee Members with copies of future media releases	29 th November 2011	Ongoing
7.	Santos to report back to the Committee on the findings of the investigation in to spill	24 th January 2012	Ongoing
8.	Santos to report back on whether a prosecution is to go ahead	24 th January 2012	Ongoing
9.	Minutes to be provided to members within one to two days and members then to have five days in which to provide comments back to the Chair	24 th January 2012	Ongoing
10.	Santos to present on well integrity at next meeting	24 th January 2012	Ongoing
11.	DR to ensure there is another presentation on the impacts of CSG on water management	28 th February 2012	Ongoing

12.	DR to ensure there is a presentation on fracture stimulation in future presentations	28 th February 2012	
13.	Pilliga issue to remain on the agenda for March meeting	28 th February 2012	Ongoing
14.	Santos to provide before and after photos of the Brawboy 2 site at the next meeting.	27 th March 2012	Ongoing
15.	Next water management presentation to respond to the issue of geological flaws and cracks	27 th March 2012	
16.	Santos to provide updates on progress of organising future joint forums	27 th March 2012	
17.	Produce written update on work schedule in PEL 456	27 th March 2012	Ongoing
18.	Sam and Steve to discuss property values and potential impacts on neighbours	28 th August 2012	Ongoing
19.	PB and PS to discuss organising a cattle property tour with Santos	27 th March 2012	Ongoing
20.	Santos to talk to Frank Krstic and the EDO to identify what they could offer to the SCC or local solicitors	22 nd May 2012	Ongoing
21.	SC to identify Santos sites in the audit	22 nd May 2012	Ongoing
22.	Santos to contact the Knights and provide them with appropriate details (when there is a date for seismic)	22 nd May 2012	Ongoing
23.	PS and SC to discuss obtaining water quality data from landowners	22 nd May 2012	Ongoing
24.	Chair to approach Canberra Uni for a water specialist after input from GB	24 th July 2012	Ongoing
25.	GB to provide names of insurance companies who do not insure properties with CSG activities	24 th July 2012	Completed

Attachment 3. Actions raised by Committee Members that have been completed

	Action Raised	Date Raised	Progress Made
1.	SC to provide DR with copy of presentation to go out with minutes	29 th November 2011	Completed
2.	SC to provide information on crops grown (at site in presentation) and the details of the water content of the treated water	29 th November 2011	Completed
3.	DR to contact Committee members to determine the date for the next meeting.	29 th November 2011	Completed
4.	DR to forward Kathy a copy of the previous minutes	24 th January 2012	Completed
5.	CM to source information on costs of running a desalination plant	24 th January 2012	Completed
6.	CM to report back on Santos' policy on community investment	24 th January 2012	Completed
7.	CM to report back on progress on joint water forum	24 th January 2012	Completed
8.	DR to contact Committee members to determine the date for the next meeting	24 th January 2012	Completed
9.	SC to resolve Santos mail out database	28 th February 2012	Completed
10.	SC to provide DR with possible government contacts for presentation	28 th February 2012	Completed
11.	DR to discuss list of government contacts with PS	28 th February 2012	Completed
12.	DR to invite government regulator to present at next meeting	28 th February 2012	Completed
13.	SC to respond to Foreign Correspondent story at March meeting	28 th February	Completed

		2012	
14.	Electronic copy of Santos report on the Pilliga to be forwarded to the Committee	28 th February 2012	Completed
15.	Hard copy of Santos report on the Pilliga to be sent to Don Eather	28 th February 2012	Completed
16.	SC to identify the date for licence renewal	28 th February 2012	Completed
17.	Santos to present on well abandonment at March meeting	28 th February 2012	Completed
18.	DR to invite WB, MJ and PB to present their views on the land use forums at the next meeting	27 th March 2012	Completed
19.	DR to talk to Julie Moloney about landowner rights	27 th March 2012	Completed
20.	DR to talk to Julie Moloney about responding to road sales in April meeting	27 th March 2012	Completed
21.	DR to ensure that staging of works to be a set agenda item	27 th March 2012	Completed
22.	MJ to provide DR with background information on enquiry for DR to forward to committee	24 th April 2012	Completed
23.	Santos to invite water specialist to present at next meeting	29 th November 2011	Completed
24.	Liz to forward Committee Charter to Michael J for Council	28 th August 2012	Completed
25.	Santos to consider appointing an independent consultant to assist landholders with what information is available to them during negotiation	24 th April 2012	Completed
26.	Liz to also email Steve Guihot a copy of the Update	24 th April 2012	Completed
27.	Santos to provide CCC with copy of its submission	24 th April 2012	Completed

28.	SC to find out who approached Santos for rodeo sponsorship	22 nd May 2012	Completed
29.	SC to identify the sponsorship contribution Santos has made locally	22 nd May 2012	Completed
30.	Santos to consider how to communicate landholder negotiations to general public while maintaining the privacy of individuals	22 nd May 2012	Completed
31.	Santos or DR to contact John Ross, Gavin Mud or Phillip Pells to present on local hydrogeology	22 nd May 2012	Completed
32.	Mark to discuss with Santos compensation for neighbours under the new compensation package	24 th July 2012	Completed
33.	Mark to get the conversion rates of roads to drill pad areas.	24 th July 2012	Completed
34.	Mark to ensure obligations to make good are included in compensation promotional materials	24 th July 2012	Completed
35.	CM to investigate if Santos is aware of these companies.	24 th July 2012	Completed
36.	MJ and WB to call their insurance companies re: action 38	24 th July 2012	Completed
37.	CM to find out when a storage pond becomes an evaporation pond.	24 th July 2012	Completed
38.	CM to find out where the storage pond will be located in Bunnan.	24 th July 2012	Completed
39.	CM to find out the names of the seams being targeted in the Bunnan area.	24 th July 2012	Completed
40.	CM to review newsletter mailing list and name of the newsletter	24 th July 2012	Completed
41.	Santos to go to government to ask for accurate mapping of the region to be undertaken by government.	24 th July 2012	Completed
42.	Chair to write to AGL Community Committee Chair offering support on behalf of the Santos Committee	24 th July 2012	Completed
43.	DE and GB to forward names to the Chair for independent water specialists within one week of July meeting.	24 th July 2012	Completed

44.	AS to send ESG2 Environmental Assessment guidelines to David to distribute.	26 September 2012
45.	Review and evaluation of whether CCC input into REF has been acted on to be discussed at November meeting	26 September 2012
46.	Discussion on where the CCC is heading to be held in November meeting	26 September
47.	Santos to approach Hunter Valley Research Association about possibility of having questions relating to CSG be included in their next survey. SC to provide DH with relevant contacts for this.	26 September 2012
48.	DR to contact government and Margaret McDonald-Hill to discuss sending meeting minutes to government.	26 September 2012
49.	WB to ask HTBA for a representative for the CCC	26 September 2012
50.	Hardcopies of Ann's presentation to be provided with the minutes	26 September 2012

PILLIGA UPDATE

Information for the Santos Community Committee – Upper Hunter, September 2012.

- Contractors have been engaged to undertake rehabilitation projects around sites in the Pilliga.
- Pilot scale remediation trials have been conducted at the Bohena and Bibblewindi dieback sites to assist in formulating the rehabilitation implementation program. The program is currently undergoing regulatory review.
- Planning work is underway for new water management process and facilities.

PEL 456 UPDATE

Information for the Santos Community Committee – Upper Hunter, September 2012.

Exploration activities

As discussed at the last meeting Dart and Santos are currently preparing a Review of Environmental Factors (REF) to drill an appraisal well on a landholder's property. The information gathering for the REF is not yet complete but once it is we will present it to the committee for review and discussion before lodging it with the Government. We are looking at doing this at the October meeting.

PEL 456 Renewal

The NSW Government announced on 11 September that they would be offering a renewal for PEL 456. This process is underway. The Government also released the Strategic Regional Land Use Policy and Santos issued a media release about the SRLUP and PEL renewals. We have also distributed copies of the media releases from the Government and Santos.

Water bore testing

Water bore testing is planned in PEL 456. The baseline testing will take place this week on the properties of landholders who have either requested their water be tested or have agreed testing could be carried out on their land.

Community Sponsorship

As previously mentioned Santos is sponsoring the Scone Professional Bull Riders Touring Pro Division event which will be held in October.