
MINUTES: SANTOS COMMUNITY COMMITTEE – UPPER HUNTER
Tuesday, **November 29, 2011**
Barry Rose Room, UHSC.

Attendance: Graeme Brown, Cate McMahon, Murray James, Cr Michael Johnsen, Wayne Bedggood, Sam Crafter, Paula Stevenson, Peter Bishop, Peter Miller, Steve Guihot, David Ross and Ard Battye.

Apology: Kathy Burns.



Discussion	Action/By Whom
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| 1. Welcome and introductions | <p>The Chair opened the meeting at 6:10pm.</p> <ul style="list-style-type: none">• Chair welcomed members of the Committee and outlined how the Committee will establish the parameters of the Committee over the next six months. The Chair reviewed the agenda and asked the Committee members to introduce themselves.
• Graeme Brown: from Gungal. An activist, president of the Merriwa Healthy Environment Group, committee member of the Wybong Action Group, and was involved with the Anvil Hill / Mangoola campaign. Was an operator in the coal industry for more than 20 years. Worked in Southern coal fields in two underground mines, and locally at Mt Thorley and Mt Arthur.• Cate McMahon: Community Relations Manager with Santos.• Ard Battye: a geologist with Dart, partner with Santos in PEL456. Attending the first meeting to introduce Dart to the Committee and welcome the members to the Committee. Santos is the operator of the PEL and will feed back to Dart relevant information from the Committee. The Chair clarified that Ard was not a member of the Committee and Ard’s attendance was merely to introduce Dart to the Committee members.• Steve Guihot: Runs a small business in town. Has three children and is interested in the future |
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of this area for his family.

- **Murray James:** Director of Environmental Services, UHSC. Has been in the position for seven months. Previously lived and worked in Scone in the late 80's, in Merriwa in the 90's and has family from the area.
 - **Cr Michael Johnsen:** Councilor of the UHSC. Personally wanted to be on the Committee since Council is not the consent authority; felt it was critical that Council has an integral part in this process. Is looking for everyone's constructive input in guiding Santos in their operations, for the good of the community, not just the good of the Company.
 - Chair stipulated **Cr Pam Seccombe** will be the alternate for Cr Johnsen, when he is unable to make meetings.
 - **Wayne Bedggood:** President of the Hunter Thoroughbred Breeders Association. Is strongly involved in lobbying government against the resource sector. Sees coal seam gas as a threat. Commented that the transparency with Santos to date has been good, but wants continued openness and transparency. Appreciates having a voice at the table.
 - **Sam Crafter:** NSW Community and Government Relations Manager for Santos. Lives in Gunnedah with his family.
 - **Chair:** Sam and Cate will be permanent representatives for Santos to ensure continuity.
 - **Paula Stevenson:** A member of the Save Bunnan group, which formed in response to appearance of Santos in Bunnan. The community strongly objects to the exploration. Interested in this Committee as in the early stages there was no communications with residents. The community wants open information. The unknown creates anxiety in the community and hopes more information will help.
 - **Chair:** Don Eather will be the alternative representative for the Save Bunnan Group.
 - **Peter Bishop:** Lives on the Merriwa side of Bunnan and has a cattle grazing business. Is not a member of the Save Bunnan Group, but shares many of their concerns. There are many others like him, he believes, who want to be informed and shape the process.
 - **Peter Miller:** 3 ½ years in Scone. Works in the coal industry. Mechanic for 30 years. Followed coal seam gas and is a supporter of the industry. Recognises there is a lot of negative media surrounding the industry and hopes people will get a better perspective of this clean energy.
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2. Roles and responsibilities

- Chair went through the **Charter** with the Committee. Stated it was developed by Santos, but was generally in line with the style of these Committees elsewhere. Asked for any feedback or changes to the Charter. Committee accepted the Charter.
- Peter Bishop asked if Committee members could share their **contact details** and email addresses for communication with each other. The Committee was comfortable with their email addresses being seen by each other.
- Michael Johnsen suggested that **all communication go through the Chair** at this point to ensure discussions remained within the meeting forum and indiscriminant communication did not occur. Wayne Beddgood supported the idea of all communications going through the Chair. The Committee agreed.
- Paula Stevenson asked the Chair about the **selection of Committee members**. The Chair met with all applicants and only two were not on the Committee, both of whom are alternates for other Committee members: Cr Seccombe and Don Eather. Graeme Brown asked how he was selected over other applicants. The Chair responded that Graeme Brown brought good environmental perspectives to the Committee and the other applicants had both agreed to be alternates members for their organisations, so his position was not at the expense of theirs. Paula Stevenson was concerned other members of Save Bunnan, Dennis White and Kerry Eather, had applied and not been called or notified. Cate McMahon confirmed applications had not been received from either of these individuals and they had communicated with all applicants.
- Paula Stevenson asked if the Committee was happy for an **alternative member of Save Bunnan** to represent their group if she was not able to attend a meeting. The Committee agreed. The Chair stipulated the alternate would need to be briefed by Paula Stevenson on relevant Committee business to properly participate.

Committee to ensure that all communication is distributed through Chair rather than through individuals.

Alternates to be briefed by their colleagues before attending any meetings, as required

3. Overview of Santos' proposal

- Sam Crafter made a **presentation** on the activities of Santos in the Upper Hunter Shore Council. Please find copy of the presentation attached.
- Steve Guihot asked if it was **easier to source natural gas from conventional or unconventional?** Sam explained Santos do both conventional and unconventional natural gas and explained the processes and locations of the different sources of natural gas.
- Steve Guihot asked if **energy security** was a driving factor in the development of coal seam natural gas. Sam Crafter discussed the move towards changing the energy mix and incorporating more gas instead of coal for power stations.
- Steve Guihot asked about the **relative emissions of methane compared to coal.** Sam Crafter responded that we can go into much further discussions, but broadly 0.8 tonnes of emissions per Megawatt is generated from black coal and 0.4 from gas.
- Paula Stevenson asked if Santos can access **data from the government** for the seismic exploration. Sam Crafter confirmed they could access government data and needed additional data, hence their further seismic work.
- Paula Stevenson questioned why Santos was doing **seismic exploration** after the core hole exploration in the Kars Springs area. Sam Crafter explained further information was needed to correlate with the core hole data.
- Paula Stevenson asked if the data will determine the **location of the pilot wells.** Sam Crafter confirmed that was the case.
- Steve Guihot asked "**how accurate is the water monitoring?**"; explaining the Bickham water studies were disputed by other hydrologists and questioned how accurate their studies were or if they were best guess. Sam Crafter explained the core hole process does not draw any water and that it is only during test well operation that water is lifted. During test well operations quartz gauges are used to monitor before, during and after operation and the real time monitoring detects any pressure changes in the aquifers, which is the most accurate and immediate indicator of impact.
- Paula Stevenson asked if a **60 day period** was a mandatory requirement for the test operation and monitoring. Sam Crafter responded that the current licence for the test well described was 10ML over a 12 month period, but another licence has 60 days, so it is determined by the NSW Department of Primary Industries. He added that the proposed aquifer interference legislation may have 3ML restrictions.
- Paula Stevenson asked if the applications for Brawboy 3 and Bunnan had been approved. Sam

SC to provide the Chair with a copy of the presentation to go out with minutes

	<p>Crafter clarified that the Reviews of Environmental Factors (REF's) had been submitted for the core hole at Bunnan and the seismic work at Kars Springs. Paula Stevenson questioned if the REF's were put in earlier in the year. Sam Crafter confirmed they had, but further changes to the REF's had occurred and there had been various delays, so the REF's are yet to be approved.</p> <ul style="list-style-type: none"> • Graeme Brown asked how much water was pumped at the recent pilot well testing. Sam Crafter said 0.8ML. • Graeme Brown asked about the kinds of crops grown with treated coal seam gas water and the process for determining those crops and uses. The Chair said details of water use could be covered in more detail at a later date. Graeme Brown said he was interested to get more information on the types of crops grown and the details of the water content of the treated water. Sam Crafter said he would provide the information. 	<p>Santos to present on legislative approvals process at a future meeting</p> <p>SC to provide information on crops grown (at site in presentation) and the details of the water content of the treated water</p>
<p>4. Prioritising of issues</p>	<ul style="list-style-type: none"> • The Committee broke into two groups to determine what the priorities were for the Committee to address. The issues to address were identified as being: <ol style="list-style-type: none"> 1. the impacts of the coal seam gas industry drilling and fracture stimulation techniques on water; 2. the need for independent peer reviews of water monitoring; 3. better communication with the community; 4. timelines for proposed activities, including Santos activities, commercial in confidence matters and regulatory changes; 5. better education on the process and impacts of coal seam gas; 6. the cost of the industry to the community and how this may be recovered; 7. establishing baseline data of local aquifers; 8. the need for independent specialists such as hydrologists and geologists to provide information, and 9. how value can be added to the community through this process. • The main issue identified to address at the next Committee meeting is local baseline water monitoring. Sam Crafter agreed to get a Santos specialist to speak about the baseline date process. Peter Miller asked that the information also be available in printed form, which Sam Crafter agreed to. 	<p>Santos to invite water specialist to present at next meeting</p> <p>SC to provide information on local baseline water monitoring in written form.</p>

	<ul style="list-style-type: none"> • Steve Guihot asked Sam Crafter to bring copies of the REF's to reference the water information; Sam Crafter agreed. 	SC to table an REF at a future meeting
5. Other Business	<ul style="list-style-type: none"> • Sam Crafter raised the status of the pipeline projects of Eastern Star Gas, stating the pipeline project which was to impact some residents of the Upper Hunter Shire Council would be suspended, until the broader business plan for gas production and distribution was known. • The Chair tabled the media protocols for discussion. Peter Bishop emphasised he was not comfortable in members of the Committee talking to the media at all. Wayne Bedggood, Michael Johnsen and Sam Crafter all highlighted how their roles required them to speak about coal seam gas and their organisations regularly, but they would ensure their comments were confined to these roles and responsibilities and they would be clear they were not speaking on behalf of the Committee. • The Chair closed the meeting at 8:20pm. 	<p>DR to contact Committee members to determine the date for the next meeting.</p> <p>SC to present at a later date on the Eastern Star Gas pipeline projects once the business plan has been completed</p> <p>DR to provide Committee Members with copies of future media releases.</p>

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	
2.	Identifying the need for independent peer reviews of water monitoring;	
3.	Better communication with the community;	
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;	
7.	Establishing baseline data of local aquifers;	
8.	The need for independent specialists such as hydrologists and geologists to provide information, and	
9.	Understanding how value can be added to the community through this process.	

Attachment 2. Actions raised by Committee Members and progress made

	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	
2.	Alternates to be briefed by their colleagues before attending any meetings, as required	29 th November 2011	
3.	SC to provide DR with copy of presentation to go out with minutes	29 th November 2011	Completed
4.	Santos to present on legislative approvals process at a future meeting	29 th November 2011	
5.	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	
6.	Santos to invite water specialist to present at next meeting	29 th November 2011	
7.	SC to table an REF at a future meeting	29 th November 2011	
8.	SC to provide information on local baseline water monitoring in written form.	29 th November 2011	
9.	DR to contact Committee members to determine the date for the next meeting.	29 th November 2011	
10.	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	
11.	DR to provide Committee Members with copies of future media releases.	29 th November 2011	