

# Shire of Irwin

## Community Roundtable Workshop

- Notes (Draft)

**Date:** Wednesday, 8<sup>th</sup> November 2017

**Time:** 6:00pm to 8:00pm

**Venue:** Irwin Recreation Centre

**Attendees:**

- Alan Alcock (Community/F.A.I.R)
- Annette Copeland (Community/F.A.I.R)
- Barrye Thompson (Shire of Irwin)
- Bev Clarke (Community)
- Darryl Abbott (Department of Water and Environmental Regulation)
- Don Krink (AWE)
- Dianne Horne (Community/F.A.I.R)
- Erin Greaves (Shire of Irwin)
- Jane Aberdeen (AWE)
- Jeff Haworth (DMIRS)
- Jenny Devereux (Community/MidWest Labour Pool)
- Jim March (Community/F.A.I.R)
- Joy Pratt (Community)
- Judie Laurie (Community/F.A.I.R)
- Julie Burr (Community/F.A.I.R)
- Isabelle Scott (Shire of Irwin)
- Ian West (Shire of Irwin)
- Kris Barnes (Facilitator)
- Lyn Fontanini (Community)
- Lynette Sunderland (Community/F.A.I.R)
- Maria Brown (Community/F.A.I.R)
- Mary O'Connor (Community)
- Peter Nunn (Community/Nufab)
- Robyn Watts (Community/F.A.I.R)
- Rod Copeland (Community/F.A.I.R)
- Simone Van Hatten (Lock the Gate)
- Steve McCracken (AWE)
- Wayne Wickham (Ray White)

**Wise use:** The information in these notes are intended to reflect the key points discussed at the workshop and should be taken in this spirit.

**Purpose:** To provide a clear line of communication for upcoming AWE Projects (especially Waitsia Project) in the Mid West between local community members, Traditional Owners, landowners, local business, government, local not-for-profit groups and AWE, as well as each other.

## **Scene Setting and Agenda**

Kris Barnes set the scene for the evening and thanked everyone for coming.

## **Invited Speakers (AWE): Jane Aberdeen and Steve McCracken Project Update**

*A full copy of the presentation slides can be found on the website hosting the community roundtable information: [www.meet2create.com](http://www.meet2create.com)*

### AWE in the Perth Basin – Jane Aberdeen

- Extensive acreage and AWE's long presence in the Mid west
- Significant gas discoveries
  - Dongara Gas Field production started in 1971
  - Waitsia Gas Field production started in 2016
  - Significant investment and contributions to the local community

### Operational status – Jane Aberdeen

- Main facilities are Xyris Production Facility, Hovea Production Facility (care and maintenance), Dongara Gas Plant (Temporarily Shut-in) and Mt Horner Production Facility (Care and Maintenance, recent well decommissioning)
- Gas produced for AWE is from Waitsia Stage 1A – conventional field with no fracking
- Stage 1A production has outperformed expectations
- Facilities employees based at Dongara Gas Plant

### Development update – Steve McCracken

- Waitsia field discovered by AWE in 2014, the largest onshore conventional gas discovery in Australia for the last 40 years
- 100 TJ/d a day for at least 10 years (equal to 10% of WA gas demand)
- Conventional field with no fracking
- AWE is preparing for the Final Investment Decision (FID) in December 2017
- Next steps for AWE
  - Design competition concluding end of November 2017
  - Liaising with Beach Energy asset sales during transition period
  - Preparing for suite of regulatory approvals and assessment processes

### Decommissioning project status – Jane Aberdeen

- Involves ~75 wells and facilities no longer in use throughout AWE permit areas. Some of these wells were inherited
- Study undertaken to develop decommissioning plan
- Progress
  - Approximately 15 wells decommissioned to date
  - Plan to decommission 35 wells over next seven years
- Decommissioning is a significant project in its own right

### Benefits from AWE in the Community – Jane Aberdeen

- Employs local people to run its gas production facilities and uses local businesses and support services wherever practical
- AWE invested more than \$16m in FY16 and more than \$10m in FY17 into the Mid West economy
- Not a lot of people are employed full-time at the facilities (~12 staff)

## Questions

Question: Is Beach Energy about to be on sold?

Answer: Beach Energy is buying the Lattice Energy assets. No participant knew of any other sales plans. Beach Energy is best placed to answer this question.

Question: How many more wells are coming in the area?

Answer: About 17 or 18 planned, less than number of wells used for Dongara field. Some will be from same well pad. No need to frack for Stage 2. May be less wells over life of the project depending on appraisal results.

Question: How big is the area to be consumed by the activity? Can this be put into perspective with other activities in the area? (Comment from Floor: 90% of activity is below the surface. It's like and iceberg)

Answer: Proposed new facility will have smaller footprint than the Hovea Production Facility area. Refer to Dongara gas field area, producing since 1971, which looks like farm land (e.g. existing wells and infrastructure are not noticed by many people now and new development will be similar in appearance). Decommissioning project means overall number of wells will decrease despite Stage 2 development.

Question: How many people in the community will receive training so that they can apply for some of the potential jobs?

Answer: Facilities operators live locally and are employed through a contracting firm who trains them for the job. Most of the jobs will be through contractors during construction phase. Noted after the meeting: AWE sponsors a STEM scholarship at Geraldton TAFE and people interested are welcome to apply.

Participants Jenny Devereux (Community/MidWest Labour Pool) – provided an example of an 18 year old who was employed for two weeks work experience by a contractor to AWE.

(In addition, please refer to Q&A document – Question 24. The Q&A document can be found on the website hosting the community roundtable information: [www.meet2create.com](http://www.meet2create.com))

Question: Can we get a breakdown of the \$16m in FY16 and \$10m in FY17 into the Mid West economy? Who are the top 10 beneficiaries?

Answer: The amount for FY 16 reflects local spend increased as a result of the Stage 1A development. Some of the top ten local companies included Dongara Skip Bins, Mitre 10, MidWest Labour Pool, Dongara Drilling and Dongara IGA. Estimated FY 17 amount provided is based on rates, sponsorships, local wages and work contracted in the Shire. An updated local spend analysis is underway and will be made available.

Action: Jane offered to provide a breakdown of expenditure into local economy once the update is available.

Question: What does the local community get long term?

Answer: see previous answer.

(In addition, please refer to Q&A document – Question 24. The Q&A document can be found on the website hosting the community roundtable information: [www.meet2create.com](http://www.meet2create.com))

Question: Has AWE modelled how money is tracked and used in the community?

Answer: To a degree. We track sponsorships and partnerships and some of our local expenditure. We are starting a more complete analysis.

Question: How much land has AWE brought up and is there a plan to buy up more land for future activities?

Answer: AWE owns Irwin Park Farm and Locksley Farm. No plans to buy more land for AWE.

Question: How many wells are we going to get close to the townsite?

Answer: Senecio-3, drilled in 2014, is the closest well to the Irwin town site (Refer to Project map presented at workshop 6: [www.meet2create.com](http://www.meet2create.com)). No wells are planned for drilling next year and no additional wells will be required for Stage 2 of the development.

Question: How many employees since 2014 has AWE employed?

Answer: Depending on activity levels, AWE engages 12-14 full-time contracted operators at the facilities. These employees live locally. Other companies use fly-in/fly-out and drive-in/drive-out contractors.

Question: What is the acreage of the Irwin Farm?

Answer: Unsure. Think about 12,000 acres.

Question: Has any consideration been given to use some of the land at Irwin Farm by community organisations to raise money for their cause?

Answer: This suggestion had been mentioned and briefly discussed. No proposal to AWE presented and not yet considered.

### **Invited Speaker (Department of Mines, Industry Regulation and Safety - DMIRS): Jeff Haworth**

- Update on recent policy changes for onshore energy industry – including fracking moratorium
- Overview of Independent Scientific Panel Inquiry into Hydraulic Fracture Stimulation in Western Australia 2017

*A full copy of the presentation slides can be found on the website hosting the community roundtable information: [www.meet2create.com](http://www.meet2create.com)*

### State of the Global Industry

- Into the third year of the drop in oil prices
- Marked decrease in exploration globally
- Titles being surrendered across Australia
- Increasing difficulty in raising capital
- Global glut in Gas
- No fracking in this state for two years – very expensive exercise

### Ban and Moratorium

#### Ban

- South West, Peel and Perth Metropolitan
- 6 titles – directions given prohibiting hydraulic fracture stimulation
- Bunbury Energy title has a condition

#### Moratorium

- The rest of the State

- Titleholders informed of the moratorium
- Regulations being drafted
- Amendments to work programs are being considered on a case-by-case basis
- There are six titles in the south west of Western Australia prohibited from using fracking
- Further information provided by DMIRS on fracking can be found at <http://www.dmp.wa.gov.au/Petroleum/Drilling-projects-1597.aspx>

#### Scientific Inquiry

- Conducted through section 25 of the EPA – Dr Tom Hatton is Chair
- The Panel will assess and report on the potential impacts on the environment arising from the use of hydraulic fracture stimulation (fracking) to develop onshore gas resources in regions currently under moratorium
- The Panel will base its report and recommendations to Government on credible scientific and historical evidence related to risks, and their potential mitigation through appropriate regulation
- <https://frackinginquiry.wa.gov.au/>

#### Community input

- The Scientific Enquiry panel will seek submissions on potential environmental impacts and supporting evidence
- The submission period will open on 27 November 2017 and close on 19 March 2018. All submissions will be published on the inquiry website
- Public meetings will be held in Perth, the Midwest and Kimberley. The community asked if the community public hearing could be held in Dongara? Action: This was noted by Jeff Haworth for feedback to the Scientific Enquiry panel
- The final report will be submitted to the Minister for Environment in August 2018

#### **Questions**

Question: Can industry continue to use horizontal drilling?

Answer: Yes, this practice is part of conventional drilling.

Question: How many slick water practices have been used in WA?

Answer: Two. In addition, over 600 wells fracked in WA with no reported incidents. Post workshop, DMIRS provided a link for the community on stimulated wells in WA.

<http://www.dmp.wa.gov.au/Documents/Petroleum/PD-SBD-NST-126D.pdf>

Question: How can problems in Pennsylvania be prevented from coming here?

Answer: USA EPA report said that there has been no systemic contamination of water by fracking. Western Australia has a strict regulatory framework for this industry.

Question: How much water is used in the fracking process and how does this compare to other industries?

Answer: Approximately 10 million litres of water (10,000KL) are required for a 10 stage deep shale hydraulic fracture stimulation program of which anywhere from 40 to 60% returns to the surface. This is the equivalent to the annual usage of 15-20 households and much lower than irrigated agriculture. (NB during the workshop the group also agreed that 10 commercial mango trees would use this amount of water in one year). In terms of sustainability of the groundwater resource, the Department of Water and Environmental Regulation would generally consider this a low volume and have a low risk of impacts on the environment or other users.

Question: Only 60% of water is returned to the surface. Is this right? There is a general concern on bringing water from other areas and depositing it to new areas

Answer: Use of water volume is low compared to other uses.

The value of the end use of water is not assessed by the Department of Water and Environmental Regulation, and unless it is clearly wasteful, the Department of Water and Environmental Regulation would not make a value judgement on the best end use for water taken.

(NB Please also refer to Q&A questions 10, 12, 18 and 19 relating to water. The Q&A document can be found on the website hosting the community roundtable information: [www.meet2create.com](http://www.meet2create.com))

Question: Is the scientific enquiry any different to the one in 2014?

Answer: it is different because it is a scientific inquiry focused on environmental issues whereas the previous inquiry was a parliamentary inquiry.

## Actions

Actions	Who	When
Facilitator to write-up notes from Workshop 6 and send them to participants and those people that were not able to attend. Post draft notes on website <a href="http://www.meet2create.com">www.meet2create.com</a> .	Kris Barnes	8 December 2017
Return comments about notes to Facilitator.	Attendees	31 December 2017
Facilitator to update notes that require minor changes and repost on Website	Kris Barnes	As required
Confirm next workshop details (e.g. interest in more workshops, potential timing, agenda).	Kris Barnes	Depending on Waitsia 2 decision to proceed
AWE to provide breakdown of local community expenditure and top 10 beneficiaries.	AWE	15 December 2017
DMIRS to feedback community request to Scientific Enquiry panel for the public meetings to be held in Dongara.	Jeff Haworth	24 November 2017 (completed)
Meeting room to be booked for next workshop (if required).	Jenny Devereux	31 January 2017