



## AGL NEWCASTLE COMMUNITY DIALOGUE GROUP

### MINUTES OF MEETING 15 HELD AT THE HUNTER REGION BOTANIC GARDENS, HEXHAM ON THURSDAY 1<sup>st</sup> JULY 2021 AT 12noon


| PRESENT          | NAME                       | ORGANISATION                                     |
|------------------|----------------------------|--|
|                  | Lisa Andrews (LA)          | Independent Chairperson                          |
|                  | Marina Draper (MD)         | AGL – Community Relations Manager                |
|                  | Ken Page (KP)              | Hunter Region Botanic Gardens                    |
|                  | Peter Gesling (PG)         | Hunter Business Chamber Representative           |
|                  | Kourosh Maleklou (KM)      | AGL's Asset Manager for NGSF                     |
|                  | Mayor, Cr Ryan Palmer (RP) | Port Stephens Council ( <i>left at 12.33pm</i> ) |
|                  | Robyn Parker (RoP)         | Tomago Aluminium                                 |
|                  | John Simpson (JS)          | Hunter Water Delegate                            |
| <b>APOLOGIES</b> | Alison James (AJ) [Guest]  | Department of Employment (federal)               |
| <b>ABSENT</b>    | Carmel Northwood           | Port Stephens Koalas                             |
|                  | Audrey Koosmen             | Hunter Wildlife Rescue (NATF)                    |
|                  | Dianne Ball                | Wahroonga Aboriginal Corporation                 |

**The CDG meeting was opened at 12.02pm.**

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| <b>WELCOME</b>          | LA welcomed all attendees to the AGL Community Dialogue Group (CDG) and introduced all attendees joining the meeting via video-conferencing, thanking them for participating in this forum.   |  |
| <b>APOLOGIES</b>        | As listed.  |  |
| <b>DECLARATIONS</b>     | LA advised that she is an Independent Chairperson, approved by the Department of Planning engaged by AGL to chair this CDG.   | <b>No changes to members' previous declarations.</b>                             |
| <b>BUSINESS ARISING</b> | The minutes from the previous meeting on 4/3/21 were finalised and emailed to member on 29/3/21. There were no action items from that CDG and no business arising from members.   |  |
| <b>CORRESPONDENCE</b>   | <ul style="list-style-type: none"> <li>15/3/21 – Email to members with the draft minutes for review.</li> <li>19/3/21 – Email to members advising that the AGL NGSF Community Grants Program is now open for applications.</li> <li>29/3/21 – Email to members with the final version of the March minutes.</li> <li>31/3/21 – Email to members with AGL's media release regarding its intentions to create two new brands.</li> <li>3/5/21 – Email from AGL with the applications/recommendations for the Local Community Investment Program (Round 2 – 2021) for members consideration and comment. This information forwarded through the same day.</li> <li>11/5/21 – Email to members advising of the successful applicants for the NGSF Local Community Investment Program (Round 2 - 2021).</li> </ul> | <b>As provided with meeting notice – emailed 21/6/21 with 3 additional item.</b> |

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|   | <ul style="list-style-type: none"> <li>• 31/5/21 - Email to members requesting the rescheduling of the CDG to 1/7/21. Responses Received.</li> <li>• 21/6/21 - Email to members with the meeting notice and agenda for this meeting (including the video-conference link).</li> <li>• 23/6/21 – Email to members advising that this meeting will now be held virtually, due to COVID restrictions, plus change of start time to 12noon.</li> <li>• 24/6/21 – Email to members with the updated Microsoft Teams Link, with the 12noon commencement time.</li> <li>• 30/6/21 – Email to members with the reminder for this meeting.</li> </ul>  |   |
| <b>NEWCASTLE POWER STATION UPDATE</b>           | <ul style="list-style-type: none"> <li>• AGL’s Newcastle Power Station project is still being assessed by the federal government, following approval from the NSW Government earlier this year.</li> <li>• Recently, the NSW Government decided to help fund Energy Australia’s gas power station proposal in the Illawarra and the federal government announced an intention to fund Snowy Hydro’s gas power station project.</li> <li>• Last year the NSW Government announced a policy that will create a new body to invest in new projects, the Consumer Trustee. Once the Consumer Trustee is ready to invite proposals for a future funding round, AGL may look to this as a mechanism to build its Newcastle Power Station. Until then, this project is on pause.</li> </ul> <p>JS enquired whether this meant that the Newcastle Power Station will be considered as part of the new process. MD advised that this is unknown at this time, due to political decisions and uncertainty with investing in NSW. JS commented that AGL could still make a decision. MD stating that it was unlikely to do so.</p>   | <b>Presentation shared on screen with members. Questions asked and answered throughout.</b> |
| <b>NEWCASTLE GAS STORAGE FACILITY - GENERAL</b> | <p>KM presented on the NGSF:</p> <ul style="list-style-type: none"> <li>• Gas SENDOUT (vaporization) to supply NSW started in June 2020.</li> <li>• Plant in SENDOUT mode since June 2020.</li> <li>• Several plant critical process safety tests, shutdown and routine inspection and maintenance activities completed during SENDOUT phase.</li> <li>• This includes: <ul style="list-style-type: none"> <li>- Mercury Guard Bed replacement,</li> <li>- Cold Box Integrity checks,</li> <li>- Pre-treatment Pipework Recoating</li> <li>- Regeneration Pipework repair in CO2 Removal unit - Control System Upgrade.</li> </ul> </li> </ul> <p>JS requested further information about the Mercury Guard Bed replacement and whether it was used to trap small concentrations of mercury and whether there was much to manage. KM responded that the guard was designed to be replaced in 10 years, however, regular sampling undertaken indicated that mercury had saturated the guard, therefore a decision was made by AGL to replace it. Even though there were only small amounts of mercury and the guard bed still met specification and compliance, the smallest amount was unacceptable to AGL. JS thanked KM stating that his interest was due to potential risks to the aquifer. KM confirmed that all mercury was vacuumed out and there was no free mercury on site – a very good job was carried out.</p> |   |

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|   | <ul style="list-style-type: none"> <li>Plant is ready to re-start LIQUEFACTION. This is dependent on gas market.</li> <li>PL42 and MHF annual reports submitted.</li> <li>COVID -19 de-escalation plan activated. All personnel returned to site.</li> <li>Visitors are still required to use temporary buildings in line with NSW government guidelines. Temperature checks still in operation.</li> <li>New administration building for support staff in planning phase. DA submitted.</li> <li>This will minimize the number of people in the main control building and further reduces the risk of injuries.</li> </ul>   |   |
| <b>NEWCASTLE GAS STORAGE FACILITY – ENVIRONMENTAL</b> | <ul style="list-style-type: none"> <li>FY21 Annual Air Emissions testing was undertaken on Heaters H501A, B and C in August with no exceedance reported.</li> <li>FY21 Annual Air Emissions testing for H101 Heater was completed in February 2021 with no exceedances reported.</li> <li>6 monthly groundwater and surface water monitoring completed in March, which identified some exceedances of criteria.</li> <li>Exceedances were in relation to pH (surface water) and dissolved metals and nutrients (ground water).</li> <li>The report concluded that there is no evidence that the construction and operation of NGSF has had an impact on groundwater or surface water.</li> <li>National Pollution Inventory (NPI) and Sustainability Data are being finalised and will be submitted to all relevant stakeholders and made publicly available.</li> <li>The NSW Biodiversity Conservation Trust audited the Medowie offsets property in May. Zone 2 (old house site) requires additional tree planting to support natural regrowth.</li> </ul> <p>LA asked what size trees and species were required to be planted on the offset property. MD said she would take the question on notice and advise the CDG. KM commented that AGL are yet to receive the report with this information from the NSW BCT.</p> | <b>Action: Advise CDG of number of trees &amp; species to be planted on the offset property when known.</b> |
| <b>NEWCASTLE GAS STORAGE FACILITY - COMMUNITY</b>     | <p>MD advised of the success of the Newcastle Fringe Festival, held from 17-21 March 2021. AGL were a Principal Partner with branding at the event. The Festival was cancelled in 2020 and would not have been able to proceed this year without corporate sponsorship.</p> <p>Further MD informed the CDG of the flow on effects of the festival on the tourism industry. LA commented that some attendees would also have included a visit to the Port Stephens region to enjoy what it has to offer. RP confirmed that tourism in the region has been very positive, largely due to people holidaying locally and not overseas.</p>  |   |
| <b>LOCAL COMMUNITY INVESTMENT PROGRAM</b>             | <p>Local Community Investment Program – Round 2 FY 21:</p> <ul style="list-style-type: none"> <li>Bikers for Kids - \$5,000</li> <li>CatholicCare Social Services - \$5,000</li> <li>Newcastle Toy Library – \$4,800</li> <li>Tanilba Bay and District Senior Citizens and Pensioners Association – \$2,700</li> <li>Tomaree Museum Association - \$5,000</li> </ul>  | <b>As suggested and agreed by CDG during consideration of the applications in May 2021.</b>                 |

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| <b>AGL UPDATE</b>       | <p>MD informed the CG that AGL Energy Limited (AGL Energy) confirmed yesterday its intention to undertake a demerger to create two leading energy businesses with separate listings on the Australian Securities Exchange.</p> <p>Under the demerger proposal, AGL Energy will become Accel Energy Limited (Accel Energy, previously referred to as "PrimeCo"), an electricity generation business focused on the accelerating energy transition.</p> <p>Accel Energy will demerge a new entity, AGL Australia Limited (AGL Australia, previously referred to as "New AGL"), a multi-product energy-led retailing and flexible energy trading, storage and supply business.</p> <p>AGL Australia will retain the AGL brand.</p> <p>MD advised the CDG that one of AGL's actions to address ongoing market and operating challenges, it has identified \$400M worth of assets to sell, including the NGSF – targeted for FY22. Further stating that the sale should not have any impact locally as the facility was not going anywhere.</p> <p>KM reiterated that there would be no reduction in essential improvements to the NGSF plant and no cost cutting or reduction of works on site.</p> <p>JS enquired whether there has been any market interest for the site. MD advised that she was unaware of any interest to date.</p> | <p><b>See Slides 13 &amp; 14 for graphics.</b></p> <p><b>MD advised she would send a link to AGL's website, which provides a full copy of the ASX media release.</b></p> |
| <b>GENERAL BUSINESS</b> | <ul style="list-style-type: none"> <li>JS enquired about Ernesto Calderon's departure from AGL. MD confirmed that EC gained full time employment with another company and moved on.</li> </ul>   |  |
| <b>NEXT MEETING</b>     | <p> <b>30 September 2021</b>, at the Hunter Region Gardens, commencing at 10am. (Originally scheduled for 2/9/21, however, changed post meeting.)</p>   |  |

**Meeting closed at 12.42pm with LA thanking members for their attendance and participation via video-conferencing.**

**ACTION ITEMS – Nil**

| ITEM | ISSUE   | RESPONSIBILITY |
|------|---|----------------|
| 1    | Advise of size and species of additional planting required in the Offset Area by the Biodiversity Trust           | MD             |
| 2    | Send CDG a link to AGL's website, which provides a full copy of the ASX media release regarding the AGL demerger. | MD             |