



AGL NEWCASTLE COMMUNITY DIALOGUE GROUP

MINUTES OF MEETING No.18 HELD VIA MICROSOFT TEAMS VIDEO-CONFERENCING ON THURSDAY 23 JUNE 2022 AT 10am

PRESENT	NAME	ORGANISATION
	Lisa Andrews (LA)	Independent Chairperson
	Mayor, Cr Ryan Palmer (RP)	Port Stephens Council <i>[via video-conference]</i>
	Ken Page (KP)	Hunter Region Botanic Gardens
	Kourosh Maleklou (KM)	AGL - Asset Manager for NGSF
	Kevin Taylor (KT)	AGL – Head of Generation (Gas & Renewables) <i>[via video-conference]</i>
	John Simpson (JS)	Hunter Water Delegate
	Joanne Ferguson (JF)	AGL – Community Relations Coordinator
	Audrey Koosmen (AK)	Hunter Wildlife Rescue (NATF) <i>[via video-conference]</i>
	Angus Brown (AB)	Tomago Aluminium alternate delegate (Environment Technical Advisor)
GUEST	Keith Simkin (KS)	Terran Industries (<i>environmental site works contractor</i>)
APOLOGIES	Alison James (AJ) [Guest]	Department of Employment (federal)
	Robyn Parker (RoP)	Tomago Aluminium
	Peter Gesling (PG)	Hunter Business Chamber Representative
	Carmel Northwood	Port Stephens Koalas
	Dianne Ball	Wahroonga Aboriginal Corporation

The CDG meeting was opened at 10.04am.



Acknowledgement of Country - "AGL recognises the Traditional Owners of the lands on which they work and they pay their respect to their Elders past, present and emerging."

WELCOME	LA welcomed all attendees to the AGL Newcastle Gas Storage Facility Community Dialogue Group (CDG), introducing Angus Brown from Tomago Aluminium and Kevin Simkin from Terran Industries. LA acknowledged those members joining the meeting via video-conferencing.	
APOLOGIES	As listed above.	
DECLARATIONS	LA advised that she is an Independent Chairperson, approved by the Department of Planning engaged by AGL to chair this CDG.	No changes to members' previous declarations.
BUSINESS ARISING	The minutes from the previous meeting on 3/3/22 were finalised and emailed to member on 25/3/22. There were three action items from that meeting:	

	ITEM	ISSUE	BY WHOM	
	1	Keep CDG informed of the sale of NGSF (ongoing)	KT	
	2	Keep CDG informed about the highway upgrade (ongoing)	KM	
	3	Keep CDG informed regarding the outcome of LCIP Round 2 FY22. Included in the presentation today (Slide	JF	
	No other business arising from members.			
CORRESPONDENCE	<ul style="list-style-type: none"> 15/3/22 – Email to members with the draft minutes for review. 25/3/22 - Email to members with the final version of the March minutes and presentation. 30/5/22 – Email to members from AGL regarding its withdrawal of the demerger program. 1/6/22 - Email to members with the Meeting Notice, Agenda & Correspondence Report for this meeting. 2/6/22 – Email to members postponing the 7/6/22 CDG due to the withdrawal of the demerger. 3/6/22 – Email to members with the new scheduled date – 23/6/22. 21/6/22 – Email to members with a reminder for this meeting and the video link. 			As provided with meeting notice – emailed 3/5/22 with 1 additional item.
NEWCASTLE GAS STORAGE FACILITY - ENVIRONMENT	<p>KM advised that:</p> <ul style="list-style-type: none"> Send-out of gas complete (May & beginning of June) Supplied more than 300TJ of gas during the high demand period to NSW market The tank is almost empty at the moment and therefore in a holding mode. Not sending out and not in liquefying mode. Liquefaction shutdown activities ongoing Plant operation affected by external factors; Jemena grid pressure, Ausgrid grid instability. Major maintenance activities completed as planned Rapid Antigen Testing and temperature measurement ongoing at NGSF Groundwater testing in March shows nitrate levels have dropped below adopted criteria Liquefaction of the plant is heavily dependent on gas coming into the plant and power stability with AusGrid. Storms have affected the plant due to network issues. Plant running smoothly with no problems. Currently not affected by COVID, however, Influenza is affecting everyone. Planning to stay in holding mode until AGL get gas back into the plant. <p>JS enquired whether gas pressure was a technical issue, ie the old Jemena pipeline, not dropped pressure due to supply and demand.</p>			See attached presentation. Slide 6

	<ul style="list-style-type: none"> • KS advised that the 6-monthly groundwater and surface water monitoring was completed and the nitrate levels are looking good. The work carried out has been affective. 	
NGSF COMMUNITY	<p>JF provided an update: The final round of FY22 Local Community Investment Program has been completed.</p> <ul style="list-style-type: none"> • Karuah Progress Association were granted \$5,000. This funding will support a grant from the Port Stephens Council for a new playground. A disability-friendly playground that is a benefit to community but also a drawcard for tourists passing through. • Tomaree Headland Heritage - \$5,000 • This funding will be used to create several video clips to highlight the history and opportunities for the future Tomaree Lodge site. • Jenny's Place - \$2,000 • Sponsorship of women crossing the Simpson Desert to create awareness and raise much needed funds to allow them to continue to help local women and children escaping domestic violence. <p>JF advised that she is looking at opening the next round early as AGL are keen to give the money away. Advertising should occur in August and will be open for 2 months to allow community groups enough time to submit their applications. \$13,500 will be available, which is the same amount as previous round.</p>	Slide 7
AGL UPDATE	<p>KT provided the update:</p> <p>AGL Energy Limited (AGL Energy) Withdraws Demerger Proposal – Announces Review of AGL’s Strategic Direction and Board and Management Renewal.</p> <p>AGL’s Board were of the view that they would not be able to get 75% of shareholders to support the demerger.</p> <p>Accordingly, following the withdrawal of the Demerger Proposal, the AGL Energy Board will review AGL Energy’s strategic direction, including:</p> <ul style="list-style-type: none"> • giving consideration to how the company moves forward in a way that will create long-term shareholder value in an environment where pressure on decarbonisation and energy affordability is accelerating; • utilising the extensive analytical work conducted in preparation for the Demerger Proposal and a thorough assessment of the strategic plans that were developed for AGL Australia and Accel Energy, and their respective roles in the energy transition; • any new approaches from third parties regarding alternative transactions; and 	Slides 9

	<ul style="list-style-type: none"> • further consultation with a broad range of stakeholders including Grok Ventures and other shareholders, regulators, governments and communities. • Australia is at a pivotal moment in the transition of its energy system and the Board remains strongly committed to decarbonisation. AGL has been in ongoing discussions with key stakeholders in this regard and believes that the relevant dates for closure of coal fired power stations will continue to be accelerated. As Australia's largest energy generator, owner of the largest portfolio of renewable generation and storage assets of any ASX listed company, and a leading retailer of energy solutions, AGL Energy and its people have a critical role to play in just transition. <p>JS stated that he had been keeping a close ear on what the media are saying and what information AGL send to its customers.</p> <p>JS advised that from a Hunter Water perspective, he is happy that AGL are currently holding on to the NGSF as it provides certainty around the management of the facility. He commented that there had been some ups and downs, but Hunter Water has a good relationship with AGL.</p> <p>JS informed the CCC that Hunter Water is running the borefield monitoring (Station 20) for four weeks during July, in relation to nitrate, this will include monitoring of the southern end of the wells.</p> <p>KT commented that he has been in the energy market for over 30 years and has never seen what he is currently witnessing. He advised CDG members, not to believe what you read in the media. What has driven the energy upset (not a crisis) is very high gas prices and coal prices, as well as a number of outages of coal plants. A number of coal plants went out as a result AGL had to operate more expensive energy and the price went up. The market operator put in place an administrated price cap. Higher fuel prices, meant they would lose more money. Offering \$300 per megawatt hour, therefore on a commercial basis, could not operate. Generators were finding it difficult to run the market, and therefore the market was suspended 10 days ago. It's important not to think that generators are manipulating the market, which is what has been reported.</p> <p>ALG had 3 units out at Bayswater for last 3 weeks. 1 for 3 months as part of a planned major outage and the other 2 are now back in service. AGL did not make lots and lots of money in the last few weeks.</p>	
--	---	--

	Origin did not provide profit projections due to what is happening at the moment. Origin, Energy Australia and AGL aren't doing well, so not sure who is.	
PROPOSED NEWCASTLE GAS FIRED POWER STATION	<p>KT advised that it is unlikely that the Newcastle "Peaker" Station will go ahead. This proposal was mooted prior to the NSW government's announcement of its Energy Road Map. Now with proposed Kurri Kurri Gas Power Station, Snowy Hydro and Tullawarra Power Station in Wollongong, AGL is doubtful that it will proceed with the Peaker.</p> <p>The proposed sale of the NGSF in late 2021 did not result in finding a purchaser for the asset. AGL is currently looking at options surrounding the facility, such as contracting out with other commercial operations.</p> <p>The tank is empty, so can't send out anymore gas to the market. 200 TJs were sent into the market to meet its requirements. There is no plan to refill the tank and send gas out as this would not make it any better.</p>	
GENERAL BUSINESS	Nil.	
NEXT MEETING DATES	<p> Thursday 8 September</p> <p> Thursday 8 December, all at the Hunter Region Gardens, commencing at 10am.</p>	

Meeting closed at 10.31am with LA thanking members for their attendance and participation.

ACTION ITEMS

ITEM	ISSUE	RESPONSIBILITY
1	Keep CDG informed of the sale of NGSF (ongoing)	KT
2	Keep CDG informed about the highway upgrade (ongoing)	KM