

EP Mineral & Energy Resources Community Development Taskforce

Venue: Port Lincoln Hotel
Commencement Time 10.05am

Present:

Rob Kerin	Chair
Geoff Dodd	Coordinator
Peter Treloar	Member for Flinders
Pru Freeman	Ag Executive Director, Mineral Tenements and Exploration Branch, DSD
Tony Irvine	EO, Eyre Peninsula Local Government Association [EPLGA]
Rebecca Knol	CEO, South Australian Chamber of Mines and Energy [SACOME]
Eleanor Scholz	Mayor, District Council of Elliston
Bruce Green	President, EPLGA
Phil de Courcey	CEO, Resources and Engineering Skills Alliance SA
Eddie Hughes	Member for Giles
Stephen Smith	Director Policy, Local Government Association of South Australia
Trevor Smith	CEO, DC Tumby Bay
Geoff Rayson	Senior Project Officer, Regions SA, PIRSA

Invited Guests:

Brad Flaherty	BNJ Consulting
Peter Scott	Economic Development Manager, RDAWEP
Aina Danis	Executive Assistant, RDAWEP [minute taker]
Dee Bourbon	External Affairs Chevron Australia
Nigel Long	Director Industry & Community, SACOME
Darren Niejalke	Sustainability Manager, Archer Exploration
Melinda Maher	Rail Operations Manager Bowmans Intermodal Pty Ltd
Brad Parker	Network Planning Manager, ElectraNet
Rainer Korte	Executive Manager, Asset Management ElectraNet
Haydon Manning	Associate Professor, School of Social and Political Studies Flinders University

Apologies:

Bryan Trigg,	Chair, RDAWEP
Dion Dorward	CEO, RDAWEP
Diana Laube	Presiding Member, EPNRM Board
Dr Ted Tyne	Executive Director, Mineral Resources, DSD
Daniel Woodyatt	Director, Resource Land Access Strategy, DSD
Scott McKay	CEO, Bowmans Intermodal Pty Ltd

1.0 MEETING OPENING:

1.1 Welcome/Apologies

Chair Rob Kerin welcomed members and guests to the meeting and explained the procedure for the day's business.

2.0 DISCLOSURE OF CONFLICTS OF INTEREST:

None tabled.

3.0 CONFIRMATION OF MINUTES:

3.1 Seventh meeting: 7 October 2016

RECOMMENDATION:

Moved: B Green

Seconded: P de Courcey

That the minutes pertaining to the meeting of the EP Mineral & Energy Resources Community Development Taskforce held on 7 October 2016 be accepted as a true and correct record of that meeting.

CARRIED

4.0 PRESENTATIONS

4.1 Dee Bourbon, External Affairs Chevron Australia: Great Australian Bight Exploration Update,

- › Chevron's operations in Australia.
- › Largest natural gas resource holder in Australia.
- › Chevron's commitment to Australia/industry participation.
- › Bight exploration – permit locations and distances to main ports.
- › Supporting local South Australian communities.
- › Chevron's deepwater exploration record – drilling expertise.
- › Offshore SA exploration.
- › Southern Australia Margin Analogue – Gippsland Basin – development analogue.
- › Overview of NOPSEMA environment plan process.
- › Progress update – what Chevron have been looking for.
- › Information for public consultation.
- › Current environment plan schedule.
- › Current stakeholder engagement schedule.
- › The aim is to have 2 wells in each location around the summer of 18/19.

4.2 Darren Niejalke, Sustainability Manager, Archer Exploration: Campoona Graphite Mining Lease Application

- › Graphite projects in South Australia.
- › Simple Mining and Processing – Campoona Shaft.
- › Sugarloaf Processing Facility.
- › Key dates – Campoona.
- › Campoona MLP – Key Data.

4.3 Rainer Korte, Executive Manager Asset Management ElectraNet:

- › ElectraNet business snapshot.
- › What customers want is central to energy transformation
- › Role of the transmission network
- › South Australian context – at the forefront of energy transformation
- › ElectraNet initiatives – leading role to deliver affordability, reliability and choice for customers
- › SA Energy Transformation RIT-T: PSC Report:
 - Identified need – benefits of stronger interconnection and/or non-network connection.
 - Options to be considered – a more decentralised power system must be a more interconnected power system.
 - RIT-T process.
 - Current and next steps – draft report expected Q3 2017.
- › Eyre Peninsula transmission network - Cultana to Port Lincoln 132 KV Line Replacement:
 - Background to exploring options – new drivers now exist for looking at Eyre Peninsula electricity supply options.
- › Electricity supply to Eyre Peninsula – primary options.
- › Next steps – ElectraNet is committed to running an open and transparent process to find the best options to support reliable electricity supply for Eyre Peninsula.
 - Commence RIT-T process with publication of PSCR by end of March 2017.
 - Public forum in Adelaide and Port Lincoln.
 - Expect to conclude RIT-T process by early 2018.
 - Can we justify 275 KV?

4.4 Melinda Maher, Rail Operations Manager Bowmans Intermodal Pty Ltd: Rail and Container Project at Roopena Siding

Melinda presented a video on the critical distribution link – the rail network in South Australia followed by an overview of Bowman's operations.

- › Scope of activities, including rail operations throughout Australia.
- › Roopena Intermodal Freight Hub.
- › Other rail options.
- › Background/overview of Bowmans.

- › Containerised options:
 - Trucks.
 - Grain - Grain Packing Mantis [load into a truck/train] – less handling = less cost.
 - Combi Lift – maximises volume of container and payload.
 - Bulk grain.
- › Efficient handling of goods to reduce freight costs.

4.5 Associate Professor Haydon Manning, School of Social and Political Studies Flinders University

- › Forthcoming State Election:
 - Who is going to win – no landslide victory for any party?
 - Think of current issues – currently combatting negatives, eg power blackouts, nuclear debate.
 - Not a comfortable Marshall victory – political party “Crowded House”; Xenophon is on the cards; Bernadi has to run now; voters’ preferences matter.
 - Writer Paul Kelly recently stated that Australia has a crisis within its parliament institutions in terms of getting on with the job instead of playing party politics.
 - Senate/Constitutional change/reform.
 - Populism.
 - Boundaries Commission.
 - Electoral law.
 - Grass roots campaigning.
 - Key policy.
 - Non-government organisations/activist groups.
 - Social media attacks.
- › Nuclear Waste Disposal:
 - Citizen’s jury – too many unanswered questions.
 - The Royal Commission could not prove the economics of the proposal to progress the issue.

Meeting adjourned for lunch at 12.45pm and reconvened at 1.25pm.

Haydon Manning, Brad Flaherty and Melinda Maher left the meeting.

4.6 Phil de Courcey, CEO Resources and Engineering Skills Alliance South Australia

- › Mining, Energy and Resources Jobs and Opportunities for South Australians:
 - Quarterly job advertisements.
 - Hiring intentions report.
 - Vacancies by Region Year to Date: FY16-17.
 - Job classification Vacancies YTD: FY16-17.
 - Strong growth in Coober Pedy and Outback Region – mining projects.
 - Future prediction – Citi expects copper surpluses to turn to shortages, boosting spot prices.
 - Connecting to jobs and opportunities.
 - EP resources related jobs and contract opportunities.
 - Employment ready.
 - A program that targets Jobs and Develop the Economy [JADE] by coordinating Regional + Local Procurement + Engagement.
 - HotRubble JADE.
 - More focussed on bringing local people into the industry.
 - RDA’s are important to the regions and can work in collaboration with other organisations on this.

Darren Niejalke and Brad Parker left the meeting.

5.0 REPORTS

5.1 Chairman

No report tabled.

5.2 Members

No reports tabled.

5.3 Taskforce Coordinator

Geoff Dodd briefly expanded on the following items.

5.3.1 Electricity Supply and Price in South Australia:

- › Power outages on Eyre Peninsula.
- › Development of a Power Supply Reference Group.
- › SA Power Networks data [anecdotal].
- › Collection of information for ESCOSA to enable to source /develop possible solutions, including cost and who will pay.
- › RDAWEP will play a facilitation/coordination role.
- › Reporting of outages, faults, etc.

Mayor Bruce Green spoke on the need to get the reference group to meet to progress the issue of power supply and put the pressure on regarding the seriousness of the problem on Eyre Peninsula.

Peter Treloar commented that the reference group should also put pressure on ESCOSA to undertake a more active role in addressing the issue.

Peter Scott to send email on the structure of the reference group and other relevant details.

5.3.2 Central Eyre Iron Project

Update on the application by Pru Freeman, who added that it should be finalised by the end of March.

Tony Irvine asked that Pru provide feedback to DSD on the concerns of the taskforce in relation to the prolonged timeframe from lodgement to notification of approval.

5.3.3 Lincoln Minerals – Kookaburra Gully Graphite

5.3.4 Arrium Mining & Steel

Update from Eddie Hughes, who added that the bidding for Arrium has come down to 2 tenders, with an expected timeline regarding determination being the end of the financial year.

5.3.5 Meeting # 7 – Correspondence

5.3.6 Mining Act and Regulations Review

5.3.7 Taskforce Membership

5.3.8 Taskforce Work Plan

5.3.9 Taskforce Actions Arising

5.3.10 Budget Summary as at 28 February 2017

5.3.11 Taskforce Membership Contact Details

5.3.12 Meeting Outcomes dated 7 October 2016

5.3.13 Submission to the State Government Independent review of the Extreme Weather Events

5.3.14 Mining Act and Regulations Review Submission

5.4 LGA of SA

No report tabled.

5.5 Department of State Development [Pru Freeman]

Pru Freeman provided an update on the Mining Act Review, adding that the community has received information papers, which will be followed by a review of all submissions lodged. The key findings will be reported back to the taskforce and a plan of attack will then be formulated.

5.6 South Australian Chamber of Mines and Energy [Rebecca Knol]

Rebecca Knol spoke on the development of a prospective buyer group, which will represent manufacturing, retail and resources industry. The aim of the group is to be able to bid competitively for reliable, affordable power. The proposal is currently with the ACCC for authorisation, which is expected in April. At present there is a total of 19 companies that are listed on the application, crossing all sectors. Once the determination has been received from the ACCC, the next step will be to speak to the energy retailers to assess the “appetite” for submitting tenders. Rebecca invited members to contact her if further details were required.

5.7 RDAWEP [Peter Scott, Economic Development Manager]

- › Further details on follow up on Black Event power outage.
- › Pumped hydro – Cultana.
- › Possible solutions for EP.
- › Solar battery projects.
- › Pricing.
- › Generation of steam.
- › DSD - 14 March.
- › International and local contractors all interested however they require up-to-date/realistic data.

Steve Smith strongly suggested that the fine print be checked in every case and for caution to be the key objective.

6.0 CORRESPONDENCE

6.1 Correspondence In

- 6.1.1 Peter Arnold, CEO, District Council of Cleve: Power outages in Eyre Peninsula.
- 6.1.2 Nadia August, Acting General Manager, Regional Economic Policy Branch, Policy and Research Division, Department of Infrastructure and Regional Development: Acknowledgement of receipt of letter concerning the Black System Event in South Australia
- 6.1.3 Renee Preece, BP Development Australia Pty Ltd: Notification of BP's decision not to proceed with its planned exploration in the GAB.
- 6.1.4 Julie Dean, Business Support Officer-Technical, Mining Regulation, DSD: Notification of an application for a mining lease and 2 miscellaneous purposes licences by Pirie Resources Pty Ltd.
- 6.1.5 Ted Tyne, Executive Director, Mineral Resources, Department of Premier and Cabinet: Notification of resignation.

6.2 Correspondence Out

- 6.2.1 Dr Alan Finkel AO: Submission on the development of a national electricity market blueprint.
- 6.2.2 The Hon Tom Koutsantonis, Minister for State Development/Minister for Mineral Resources and Energy: Submission regarding the Black System Event in South Australia.

7.0 GENERAL BUSINESS

Mayor Bruce Green reported on the recent meeting with Roch Cheroux, CEO SA Water regarding water security for Eyre Peninsula, adding that Roch stated that the region should have enough water to meet demand [possibly more]. River Murray supply was discussed as a backup for increased demand on Eyre Peninsula. Roch also mentioned that the desalination plant is operational in Adelaide, and the output can be increased to assist the region. Utilisation of the Tod Reservoir water was also discussed and enhancement of the quality of this resource.

Eleanor Scholz commented that the lengthy timeframe for decisions on mining applications is not just a concern for the immediate communities, but also for the landowners. Eleanor added that issuing the list of mining activities in the region contributed to an increase in submissions on the Mining Act Review.

Peter Treloar spoke on the Consultative Committee meeting to be held at Tumby Bay later today.

8.0 NEXT MEETING/CLOSE OF MEETING

Geoff Dodd informed participants that a copy of the presentations will be sent out with the minutes.

Meeting closed at 3.00pm.