

9 August 2013

Mr Barry Broe
Coordinator-General
Department of State Development, Infrastructure and Planning
Queensland Government
PO Box 15517
City East QLD 4002

Dear Mr Broe

Coordinator-General's Report - Queensland Curtis LNG Project

Thank you for taking time to meet with us to discuss proposed amendments to the Queensland Curtis LNG (QCLNG) Project Coordinator-General's Report on the environmental impact statement social conditions. We have attached a summary of the meeting on 9 July 2013 and the proposed changes QGC Pty Limited (QGC) is requesting be made to the QCLNG Coordinator-General's Report for your consideration.

As discussed briefly in the meeting, QGC recognises the importance of mitigating potential impacts on local housing markets while accommodating its own workforce in an appropriate manner. QGC is proud of its achievements in delivering against the requirements of Appendix 1, Part 3 – Social Impact, conditions 9-12 outlined below, and is committed to its on-going initiatives.

In meeting housing requirements for Gladstone, QGC has:

- invested up to \$28 million to build 45 dwellings;
- contributed \$6.8 million of a total \$19.8 million from LNG proponents to create Gladstone Affordable Housing, a not-for-profit company designed to help respond to the shortage of affordable housing in the Gladstone region;
- provided \$1.2 million to Gladstone Regional Council for a rental assistance scheme for apprentices and trainees;
- built a 1,700-bed workers camp on Curtis Island; and
- provided \$1.1 million to assist the Urban Land Development Authority to accelerate development of more than 250 housing lots at the Clinton Estate.

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In meeting housing requirements for Western Downs, QGC has:

- contributed \$200,000 to Western Downs Regional Council for an independent strategy to guide the development of housing, including community and social housing, in the region's communities;
- built temporary workers camps to house construction workers;
- worked with developers to build 27 houses. Eighteen of these have reached completion. Two houses will be made available to Darling Downs Hospital and Health Service to assist with recruitment and retention of health workers and a further four houses will be made available to Western Downs Housing Fund to support affordable rental accommodation;
- identified a further eight existing houses in inhabitable conditions which QGC will refurbish and add to the local housing stock; and
- invested \$5.7 million in Western Down Housing Trust for affordable housing including provision of indigenous housing assistance. Progress in the housing trust to date includes:
 - identification of development blocks;
 - development of a website and provision of housing trust activity updates; and
 - the proposal for first development being under evaluation.

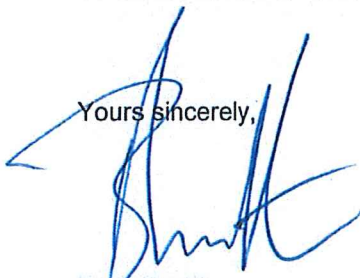
As outlined in our meeting, to enable QGC to continue to address housing impacts appropriately, there is now a requirement to introduce a level of flexibility with regard to the balance of funding. A flexible approach will ensure that outstanding opportunities can be maximised and areas of concern not necessarily foreseen at the time housing conditions were written, can be more appropriately addressed.

To facilitate a more flexible approach, QGC requests that you consider the changes QGC has proposed to the Coordinator-General's Report for the QCLNG Project in the attached document. When finalised, QGC expects to update its Integrated Housing Strategy to reflect any changes to QCLNG Project Coordinator-General's Report.

QGC intends to propose other minor amendments to imposed conditions which we are currently working through with your staff in Coordinated Project Delivery. Given the nature of the proposed changes QGCs requests that the fees associated with these changes be waived.

Should your office require any further information please contact Mr Caleb Yeoh, Senior Compliance Advisor on 3024 7496.

Yours sincerely,



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Proposed Changes to the Coordinator-General's Report for the QCLNG Project

QGC requests certain changes be made to the conditions contained in the Coordinator-General's Report for the QCLNG Project. QGC submits these proposed changes for consideration by the Coordinator-General under Part 4 Division 3A of the *State Development and Public Works Organisation Act 1971*.

The following sections outline changes to two conditions relating to housing impacts in the Coordinator-General's Report and provide supporting reasons for these changes.

Any other proposed changes discussed in the meeting held on 9 July 2013 will be subject to separate requests from QGC.

1. Proposed change – Integrated Housing Strategy

(Appendix 1, Part 3 – Social impact, Condition 9)

Proposal: QGC proposes the removal of the following paragraphs in Condition 9:

Paragraph 2:

The Coordinator-General will take into consideration that QGC has made the following financial commitments to the mitigation of project related housing impacts:

- *Worker Housing Gladstone Region - \$18m*
- *Worker Housing Western Downs - \$26m*
- *Community and Affordable Housing - \$6m.*

Paragraph 6 (Final paragraph):

The Integrated Project Housing Strategy is to report performance to the Western Downs RCCC, Toowoomba Regional Council; and Gladstone RCCC and seek input on a regular basis, not exceeding 6 monthly in the period to end 2020.

Supporting reasons:

- Most available funds have been committed in accordance with the splits above, however, QGC needs the flexibility to move around the balance between the areas to maximise opportunities and address where the needs are based, consistent with an adaptive management approach.
- QGC considers that the final paragraph on 6 monthly reporting is already captured under separate reporting conditions.

2. Proposed change – Housing for Western Downs Region

(Appendix 1, Part 3 – Social impact, Condition 11)

Proposal: QGC proposes the removal of Condition 11 and replacing it with the proposed replacement condition below:

The proponent or its construction contractors shall facilitate provision of new or additional housing stock in the Western Downs region to meet as a guide, 75 per cent or other percentage concluded from the Integrated Project Housing Strategy and approved by the Coordinator-General with advice from the Department of Communities, of the project's workforce seeking to settle in the Western Downs Regional Council area.

Replacement condition:

The proponent will provide a SIMP annual report to the Coordinator-General from the commencements of construction describing the actions and adaptable management strategies to avoid manage or mitigate project-related impacts on local and regional housing markets.

Supporting reasons:

- QGC considers that the current conditions are too prescriptive and inconsistent with the new Social Impact Assessment guidelines.
- The current conditions limit the flexibility QGC needs to deliver better housing outcomes.
- The replacement condition proposed by QGC is more consistent with the new Social Impact Assessment guidelines.