

Attachment 1 – Stakeholder Consultation

The CarbonNet Project has a strategic and systematic approach to stakeholder engagement.

CarbonNet has opened the channels of communication with stakeholders (definition provided in Section 1.2.1) to provide an opportunity for open and honest communication that promotes integration of stakeholder values into its decision-making process. This provides the means for CarbonNet to identify interested individuals and groups as well as their needs, ideas, values, and issues of concern regarding the environmental and/or social impacts of the proposed Pelican 3DMSS.

In keeping with DEDJTR's Environment Policy (see [Attachment 7](#)), CarbonNet is also committed to open, on-going and effective engagement with the communities in which it operates and providing information that is clear, relevant and easily understandable.

This section defines the:

- Objectives of stakeholder consultation;
- Regulatory requirements for stakeholder consultation;
- Who needs to be considered in decision-making;
- When decisions must be completed;
- The on-going consultation schedule; and
- How commitments are documented and tracked to closure.

1.1. Stakeholder Consultation Objectives

For CarbonNet to have an effective stakeholder engagement program for the proposed Pelican 3DMSS, the project needs to conduct meaningful engagement activities with key stakeholders.

CarbonNet's Stakeholder Engagement Plan (SEP) for the MSS provides a structured approach to engagement activities in line with current best practice. The implementation of the SEP will help stakeholders build an understanding of the MSS, facilitate an open dialogue between the Project and key stakeholders, and potentially minimise stakeholder concerns and impacts regarding the proposed MSS.

The key objectives of the SEP are to:

- Provide stakeholders with access to clear, up-to-date and timely information, and a point of contact for the project;
- Provide an opportunity for a two-way information exchange and meaningful stakeholder consultation;
- Build on the stakeholder engagement that CarbonNet has already undertaken in the Gippsland region;
- Demonstrate integrity and transparency in the Project's approach to stakeholder engagement; and
- Meet the stakeholder consultation requirements for Environment Plans (EPs) (see Section 1.2).

In developing the SEP, CarbonNet has incorporated key learnings from engagement programs of recent MSS (e.g., the MSS conducted by Geoscience Australia in 2015). CarbonNet is also liaising with its lead research organisation, the CO2CRC, which oversees the GipNet assets. GipNet involves deploying a number of CCS research assets (such as atmospheric and marine monitoring equipment) to validate baseline data gathering technologies and assist in defining practical and relevant shallow-marine Measurement, Monitoring and Verification (MMV) programs.

1.2. Regulatory Requirements

Stakeholder consultation is required under both the OPGGS(E) and the OPGGS Regulations. This section summarises these regulatory requirements.

1.2.1. Commonwealth Requirements

Section 280 of the OPGGS Act states that a person carrying out activities in an offshore permit area should not interfere with other users of the offshore area to a greater extent than is necessary for the reasonable exercise of the rights and performance of the duties of the first person. In order to determine what activities are being carried out and whether petroleum activities may interfere with existing users, consultation is required.

In relation to the content of an EP, more specific requirements are defined in the OPGGS(E) Regulation 11A. This regulation requires that a Titleholder consult with 'relevant persons' in the preparation of an EP. A 'relevant person' is defined in Regulation 11A as:

1. Each Department or agency of the Commonwealth to which the activities to be carried out under the EP, or the revision of the EP, may be relevant;
2. Each Department or agency of a State or the Northern Territory to which the activities to be carried out under the EP, or the revision of the EP, may be relevant;
3. The Department of the responsible State Minister, or the responsible Northern Territory Minister;
4. A person or organisation whose functions, interests or activities may be affected by the activities to be carried out under the EP, or the revision of the EP; and
5. Any other person or organisation that the titleholder considers relevant.

Further guidance regarding the definition of functions, interests or activities is provided in NOPSEMA's Assessment of Environment Plans: Deciding on Consultation Requirements Guidelines (N-04750-GL1629, Rev 0, April 2016), as follows:

- Functions – a person or organisation's power, duty, authority or responsibilities;
- Activities – a thing or things that a person or group does or has done; and
- Interests – a person or organisation's rights, advantages, duties and liabilities; or a group or organisation having a common concern.

Regulation 14(9) of the OPGGS(E) also defines a requirement for consultation in relation to the Implementation Strategy defined in the EP. In addition, Regulation 16(b) of the OPGGS(E) requires that the EP contain a summary and full text of this consultation.

1.2.2. Victorian Requirements

Section 61(2)(j) of the OPGGS Act 2010 specifies that “decisions and actions should provide for community involvement in issues that affect them.”

The OPGGS Regulations 2011 also specify that certain activities in relation to stakeholder consultation must occur, as listed below:

- Regulation 13(1)(f) – a Minister can only accept an EP if it “demonstrates that there has been an appropriate level of consultation with authorities, interested persons and organisations” and
- Regulation 16(8) – “the implementation strategy must provide for appropriate ongoing consultation with relevant authorities of the Commonwealth or the State and other relevant interested persons or organisations.”
- Regulation 19(b) – “a report on all consultations between the operator and relevant authorities, interested persons and organisations in the course of developing the EP.”

1.3. Stakeholder Identification

The CarbonNet project team has used a number of methods to determine the key stakeholders for the proposed Pelican 3DMSS. These have included project team knowledge, information from consultants and contractors the project has engaged, discussions with oil and gas participants, regulators and peak bodies, internet research, existing networks and Summary EPs published by NOPSEMA for activities undertaken in the Gippsland region.

CarbonNet has identified a range of relevant persons, as defined in Regulation 11A of the OPGGS(E) (listed in [Table 1.1](#)), with whom it proposes to consult. The stakeholders are grouped into five categories of relevant persons as outlined by the OPGGS(E) (as listed in Section 1.2.1).

The stakeholder list will be reviewed as required throughout the consultation process. Meetings with stakeholders may identify other relevant parties who the project may consult.

Stakeholders identified for the proposed Pelican 3DMSS, divided into the categories defined under Regulation 11A of the OPGGS(E), are listed in [Table 1.1](#).

Table 1.1. Stakeholders identified for the proposed Pelican 3DMSS

Department or agency of the Commonwealth to which the activities to be carried out under the EP may be relevant	
National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)	Australian Maritime Safety Authority (AMSA) - Nautical and Regulation Section
Department of the Environment and Energy (DoEE)	Department of Defence (DoD) – Defence Support Group
Australian Fisheries Management Authority (AFMA)	Department of Agriculture and Water Resources (DAWR)
Australian Hydrographic Office (AHO)	Department of Communications and ACMA
Department of Immigration and Border Protection - Maritime Border Command	National Offshore Petroleum Titles Administrator (NOPTA)

Each Department or agency of a State to which the activities to be carried out under the EP may be relevant	
Environment Protection Authority (EPA)	Department of Environment, Land, Water and Planning (DELWP) - Oiled Wildlife Response team
Parks Victoria	
Maritime Safety Victoria	
The Department of the responsible State Minister	
DEDJTR - Earth Resources Regulation (ERR)	Victorian Fisheries Authority (VFA)
A person or organisation whose functions, interests or activities may be affected by the activities to be carried out under the EP	
Fisheries	
Commonwealth Fisheries Association (CFA)	Seafood Industry Victoria (SIV)
South-East Trawl Fishing Industry Association (SETFIA)	Eastern Zone Abalone Industry Association
Lakes Entrance Fisherman’s Cooperative (LEFCOL)	Victorian Abalone Divers Association (VADA)
Victorian Scallop Fisherman’s Association (VSFA)	Sustainable Shark Fishing Association (SSFAssn)
Southern Shark Industry Alliance (SSIA)	VRFish
Victorian Abalone Council	Small Pelagic Fishery
Eastern Rock Lobster Industry Association	Victorian Rock Lobster Association (VRLA)
Australian Southern Bluefin Tuna Industry Association (ASBTIA)	
Individual fishing licence holders	
Nine licence holders (communication via Victorian Fisheries Authority)	
Adjacent/overlapping petroleum Titleholders	
Cape Energy (Victoria) Pty Ltd – VIC/RL1(V)	3D Oil (VIC/P57)
ExxonMobil (Esso Australia Resources Pty Ltd) – VIC/RL1 and VIC/L1 in particular (Esso also hold many other petroleum tenements in the Basin)	Lakes Oil (Petrotech) - Petro Tech Pty Ltd – VIC/P44(V), VIC/P43(V) and Lakes Oil onshore PRL2 and PRL3
Carnarvon Hibiscus Pty Ltd – VIC/P57 and VIC/L31	
Oil spill preparedness and response agencies	
DEDJTR – Emergency Management Division (EMD)	AMSA
Any other person or organisation that the Titleholder considers relevant	
Local Government Authorities	
Wellington Shire Council	South Gippsland Shire Council
East Gippsland Shire	Latrobe City Council
Other infrastructure	
Basslink	Telstra
OSD Services (Tasmanian Gas Pipeline)	
Community and other groups	

Committee for Gippsland	Gippsland Ports
Gippsland Water	Gippsland Coastal Board
Gunaikurnai Land & Waters Aboriginal Corporation (GLaWAC)	East Gippsland Catchment Management Authority (EGCMA)
Golden Beach Surf Club	Lakes Entrance Coastguard
Golden Paradise Beach Ratepayers Association (GPBRA)	Gippsland Water Police
Victorian National Parks Association (VNPA)	National Native Title Tribunal (NNTT)

It should be noted that consultation with contractors to CarbonNet who will assist with the execution of activities associated with asset operation is not addressed in this section of the EP.

CarbonNet recognises that the relevance of stakeholders identified may change in the event of a non-routine event or emergency. Every effort has been made to identify stakeholders that may be impacted by a non-routine event or emergency, the largest of which is considered a Level 2 or 3 marine diesel spill from the survey vessel.

CarbonNet acknowledges that other stakeholders not identified may be affected, and that these may only become known to CarbonNet in such an event.

1.4. Engagement Method and Approach

This section outlines the approach and methodology in which CarbonNet has undertaken its stakeholder consultation.

1.4.1. Engagement Approach

Consultation has been broadly undertaken in line with the International Association for Public Participation (IAP2) spectrum, which is considered best practice for stakeholder engagement. In order of increasing level of public impact, the elements of the spectrum and their goals are:

- Inform – to provide the public with balanced and objective information to assist them in understanding the problems, alternatives and/or solutions.
- Consult – to obtain public feedback on analysis, alternatives and/or decisions.
- Involve – to work directly with stakeholders throughout the process to ensure that public concerns and aspirations are consistently understood and considered.
- Collaborate – to partner with the public in each aspect of the decisions, including the development of alternatives and the identification of the preferred solution.
- Empower – to place final decision-making in the hands of the stakeholders.

The manner in which CarbonNet has informed, consulted and involved stakeholders with the asset's ongoing operations are outlined through this section. Attempts to collaborate with stakeholders including the commercial fishing industry have been made, and discussions on several proposals are continuing.

Under the regulatory regime, the decision maker is the regulator (or regulators in the case of multiple jurisdictions, such as experienced for this project). This being the case, the final step in the IAP2 spectrum, 'Empower', has not been adopted.

The Project has a strategic and systematic approach to stakeholder engagement, which aims to foster an environment where two-way communication and ongoing, open dialogue is encouraged to build positive relationships. Key principles that guide CarbonNet in its stakeholder engagement activities include:

- Timely engagement;
- Transparency;
- Providing accurate and objective information;
- Monitoring stakeholder interests;
- Ongoing active consideration of stakeholder feedback; and
- Tailoring appropriate communications to meet audience needs.

CarbonNet has applied these principles to its stakeholder engagement since its inception in 2009, and has methodically recorded its engagement activities in the project's consultation database (see Section 1.4.3).

CarbonNet has a good record of engaging with key stakeholders including the Latrobe Valley and Gippsland communities, local councils, community groups, industry bodies and potential partners, government sponsors, regulators, research partners, and international organisations supporting the development of CCS (such as the Global Carbon Capture and Storage Institute). Examples include the 2011 airborne gravity survey and 2012 soil hydrocarbon survey, for which specific SEPs were developed and implemented with the assistance of highly competent industry experts.

The MSS will include four main phases of stakeholder engagement, these being:

1. Planning and conducting engagement activities until the EPs are approved by Victorian and Commonwealth regulators;
2. Pre-mobilisation communications;
3. Communications during the survey; and
4. Community survey results after the survey is completed.

Additional periods of engagement and communications activities may be required, depending on the needs of the project and feedback from consultation.

An initial overview of the proposed activities was provided to relevant stakeholders (including key fishing associations) in March 2017. Initial contact was via a letter and information sheet that was both emailed and sent in hard copy. This formed the basis for consultation. More than 20 business days was allowed as a reasonable period for stakeholders to respond to the initial communications. Stakeholders who had not responded within this time frame were contacted by phone and/or email. Further information was provided to stakeholders based upon identified issues and concerns.

As part of preparing the SEP, CarbonNet consulted with the Victorian fishery regulator (the Victorian Fisheries Authority, VFA) to assist with stakeholder identification and to understand the status of fisheries in the MSS area. This was followed by engagement with fishing industry associations from March 2017, including Seafood Industry Victoria (SIV), the South East Trawl Fishing Industry Association (SETFIA), the Lakes Entrance Fishermen's Cooperative (LEFCOL) and

the Victorian Scallop Fishermen's Association (VSFA). The VFA was also used to distribute information on the survey directly to individual licence holders, which was appropriate as licence holder details are confidential.

CarbonNet is mindful of the need to coexist with other tenement holders. CarbonNet manages five GHG assessment permits on behalf of the State of Victoria, which either overlap or are adjacent to existing petroleum tenement holders. CarbonNet has a pre-existing and ongoing engagement with these tenement holders to provide them updates on the work program activities.

In planning and delivering CarbonNet's current communications and stakeholder engagement activities, the CarbonNet project team is supported by the team's Stakeholder Engagement Coordinator and the broader Strategic Communications team within DEDJTR.

1.4.2. Engagement Methodology

A range of stakeholder engagement and communications methods and tools have been used throughout the engagement process, including (but not limited to) the following:

- Face-to-face meetings;
- Letters;
- Fact sheet;
- Outgoing phone calls;
- Community Open Day;
- Emails; and
- Up-to-date information on the DEDJTR website (<http://earthresources.vic.gov.au/carbonnet>).

At the commencement of formal consultation, stakeholders were issued a project fact sheet and cover letter in March 2017 by email and post.

The letter invited feedback and offered face-to-face meetings with CarbonNet representatives to formally seek stakeholder views, discuss any issues and concerns and provide an opportunity to ask questions. Meetings also enabled CarbonNet to confirm stakeholders' functions, activities and interests' and to identify further opportunities for engagement.

Overall, CarbonNet has made contact with over 130 individual stakeholders from more than 70 organisations and conducted more than 40 face-to-face meetings with stakeholders to inform the EP (including 14 meetings with fishing industry stakeholders, four meetings with local community groups and a community open day held in Golden Beach). This is in addition to phone calls, emails, letters and briefings.

The Open Day, held in Golden Beach on 12 July 2017, was attended by more than 40 local residents and holiday-makers who were provided with copies of the MSS fact sheet and information about the activity and how it may affect them. Feedback on the day was positive and indicated that the community has significant interest in the project.

1.4.1. Record of Stakeholder Engagement

A log of all consultation is recorded in CarbonNet's consultation database, Consultation Manager™, including any objections and claims about possible adverse

impacts of the activity raised by relevant persons. This includes meeting summaries, phone call summaries, logs of emails and letters.

Individual emails and letters are saved on DEDJTR's document management system known as TRIM.

1.4.2. *Distribution of Survey Information to Individual Fishing Licence Holders*

CarbonNet has consulted with all relevant fishing industry groups who may be present in the area during the survey, and has validated this stakeholder list with the VFA and fishing industry stakeholders. This has included notifying individual fishing licence holders (via VFA) who have catch and effort history within VFA fishing grid cells that overlap the proposed operational area. CarbonNet has not received any responses to the letters that were sent direct to fishing licence holders via VFA.

CarbonNet understands that SIV also distributed a letter to potentially affected fishing licence holders via VFA. The VFA confirmed that this letter went to the same list of nine fishers, two of whom no longer hold a licence.

CarbonNet held meetings with affected fishing licence holders in Lakes Entrance, Traralgon and Melbourne, who were invited via SIV, VSFA and SETFIA. Scallop fishers made up the majority of attendees at these meetings.

CarbonNet will liaise closely with all fishing industry organisations to notify their members of when the MSS will take place, and has offered to meet any reasonable costs for those organisations to do so. To date, this offer has been taken up by SETFIA, with whom CarbonNet has a contract to notify the trawl fishing fleet.

1.4.3. *Dedicated Project Email and Customer Service Centre*

The CarbonNet team has a dedicated email inbox (carbonnet.info@ecodev.vic.gov.au) and Departmental Customer Service Centre (136 186) for all enquiries relating to the project (these details are included on all collateral). The email inbox is managed by the Stakeholder Engagement Coordinator, while Customer Service Centre enquiries are either answered via a prepared Frequently Asked Questions (FAQ), or referred to the Stakeholder Engagement Coordinator for further information.

In addition, all identified stakeholders have been provided with a direct line to the Stakeholder Engagement Coordinator, which is available 24 hours a day, 7 days a week during the activity period.

All correspondence and feedback is recorded in Consultation Manager™.

1.4.4. *CarbonNet Website*

Information on the Pelican 3DMSS, including the fact sheet, has been made available on the CarbonNet website (<http://earthresources.vic.gov.au/carbonnet>) for all interested members of the public to access. Contact information for the team is also available. Flyers prepared for future project milestones (see Section 1.7) will also be made available on the website.

1.5. Summary of Stakeholder Consultation

Stakeholder consultation has involved extensive consultation with a broad range of stakeholders. A summary of key stakeholder consultation undertaken to date is included in **Table 1.2**. This table focuses on stakeholders who have been identified as 'relevant persons' whose functions, interests or activities may be affected by the

activity. The key issues highlighted in [Table 1.2](#) relate to the potential impact of the proposed survey on Victorian fisheries and recreational activities rather than MNES.

Table 1.2. Key themes and outcomes from stakeholder consultation

Theme	Key stakeholders	Outcomes
Potential impacts on commercial scallops in the vicinity of the MSS and potential risks to the scallop fishery.	SIV, VSFA, LEFCOL, VFA	<ul style="list-style-type: none"> SIV and the VSFA have expressed ongoing concerns about the proposed MSS on the basis that it will affect the viability of scallop beds in and around the proposed acquisition area that are (anecdotally) in a rebuilding phase after a period of low abundance. To inform the EIA with up-to-date data and scientifically-sound data on the potential presence of species such as scallops, CarbonNet commissioned a marine habitat assessment of the proposed acquisition area that was undertaken in April 2017. The assessment did not detect beds of commercial scallops. CarbonNet has carefully considered and applied all relevant studies, including Day et al (2016a;b), and commissioned underwater sound modelling. The potential impacts to scallop fisheries have been assessed by CarbonNet as minor. In addition to the marine environmental habitat assessment conducted in April 2017, CarbonNet will undertake a further pre- and post-MSS marine habitat assessment, which CarbonNet is aiming to design and deliver in partnership with fishing industry representatives and the VFA. This aims to provide additional certainty regarding the presence or absence of commercial scallops in the proposed acquisition area and surrounds. CarbonNet provided extracts from the draft EP (27th July 2017) and from the submitted EP (3rd October 2017) to SIV regarding impacts of underwater sound on scallops and their associated fisheries to enable them to review CarbonNet's impact and risk assessments and provide considered comments. No comments have been received to date. CarbonNet has confirmed its offer to contribute to a whole of Victorian Eastern Scallop Fishery Stock Assessment undertaken by the VFA and industry.
Avoidance of fishing competitions at Golden Beach.	GPBRA, Parks Victoria, GLaWAC	<ul style="list-style-type: none"> The GPBRA has expressed concern that undertaking the MSS immediately prior to or during fishing competitions (around the Australia Day and Easter long weekends) will mean fish will avoid the area and impact on the fishing competitions (with resultant economic losses to coastal towns). CarbonNet has committed to not conducting the MSS between Christmas and Australia Day long weekend (fishing competition) and avoiding the Easter long weekend (fishing competition). CarbonNet has advised it will aim to undertake the MSS in February, subject to vessel availability and weather, in order to minimise impacts on recreational fishing.

Theme	Key stakeholders	Outcomes
		<ul style="list-style-type: none"> CarbonNet has offered to collaborate with the organisers of the fishing competitions to support their promotion and attendance rates.
Potential impacts on other commercial fisheries in the vicinity of the MSS.	SETFIA, SIV, LEFCOL, SSFAssn, SSIA, VRLA, individual fishing businesses	<ul style="list-style-type: none"> CarbonNet has carefully considered and applied all relevant studies and commissioned sound modelling. The potential impacts to fisheries have been assessed by CarbonNet as minor.

1.6. Ongoing Consultation

CarbonNet defined a 'reasonable period' (as specified in Regulation 11A (3) of the OPGGS(E)) in the fact sheet as 20 business days for stakeholders to provide comments. This is in line with the draft APPEA guidelines for stakeholder consultation, as well as long-standing and well-established industry practice. This time frame was nominated so as to elicit issues that may assist in the development of this EP, however in practice the consultation period took much longer than the 20 business days due to the response rates from stakeholders, long lag times in arranging meetings and the complex nature of some issues raised.

CarbonNet has invested more than six months engaging with its stakeholders on this project and is committed to continuing stakeholder consultation in the lead-up to, during, and after the MSS.

Consultation Manager remains a live database and is updated on an as-required basis.