

Meeting Title: EP Desal Project – Site Selection Committee Meeting 12

Project Name: Eyre Peninsula Desalination Plant Project

Meeting Purpose: Site scoring workshop and site recommendation

Date: Monday 8 August 2022

Time: 9.00am – 5.00pm

Location: Port Lincoln Hotel

Attendance:

Name	Role	Present
Peter Treloar	Chair	Yes
Steve Dangerfield	Engagement Facilitator	Yes
Sandra Klein	Community Engagement	Yes
Isaac Glonek	Minute Taker	Yes
Hazel Austin	Project Manager	Yes
Nancy Nguyen	Assistant Project Manager	Yes
David Kerr	Probity Advisor	Yes

Committee:

SSC Member	Role	Present	Proxy
Andy Dyer	President, SA Mussel Growers Association	Yes	
Brad Flaherty	Mayor, City of Port Lincoln Council	Yes	
Brian Jeffriess	Chief Executive, Australian Southern Bluefin Tuna Industry Association Ltd	Yes	
Bryan Trigg	Chair, Regional Development Australia Eyre Peninsula	Yes	
Claire Webber	Executive Officer, South Australian Sardine Industry Association Inc.	Yes	
Clare McLaughlin	President, Eyre Peninsula Local Government Association	Yes	
Delfina Lanzilli	Chief Executive, District Council of Lower Eyre Peninsula	Yes	
Gary Neave	Independent Project Director, TSA	Yes (online)	
Hannah Allen-Jordan	Acting Mayor, District Council of Tumby Bay	Yes	
Jack Ritchie	Member, Port Lincoln Chamber of Commerce and Tourism	Yes	
Jo-Anne Quigley	Mayor, District Council of Lower Eyre Peninsula	Apology	Leith Blacker
Jonathan Clark	General Manager, Eyre Peninsula Landscape Board	Yes	
Mark Whitfield	Chair, Eyre Peninsula Landscape Board	Yes	
Matthew Morgan	Chief Executive, City of Port Lincoln Council	Apology	David Levey
Peter Scott	Executive Officer, Eyre Peninsula Local Government Association	Yes	
Rebecca Hayes	Chief Executive, District Council of Tumby Bay	Yes	
Rob Gratton	Chief Executive, Clean Seas Seafood Limited	Yes	
Ryan Viney	Chief Executive, Regional Development Australia Eyre Peninsula	Yes	
Sam Telfer	Member for Flinders	Yes	
Shane Hodgins	Director, RecFish SA	Apology	
Thomas McNab	President, Abalone Industry Association of South Australia Inc	Yes	
Tom Hyde	Member, Australian Abalone Growers Association	Yes	

We acknowledge the Traditional Custodians of the Eyre Peninsula. We acknowledge their elders past and present, noting in particular their spiritual and cultural connection to the lands and coastal waters of the Eyre Peninsula.

1. Welcome and introductions

The Chair gave an Acknowledgement of Country and welcomed attendees.

Attendees were reminded that face masks are at the discretion of the individual.

The Chair noted the purpose of the meeting was to:

- Declare any conflicts of interest and remind the SSC of their obligations and commitment to confidentiality
- Revisit the Project Objectives of the Site Selection Committee as detailed in the Terms of Reference
- Review the high risks at each site, costings and marine information
- Understand the scoring instructions and process
- Share final thoughts on each of the main criteria with regards to sites
- Score each site against the criteria based on the facts provided, not in comparison to each site
- Discuss the outcome of the scoring process
- Frame the site recommendation to the SA Water Board and Government.

2. Apologies and proxies

Jo-Anne Quigley was noted as an apology, with Leith Blacker attending as a proxy.

Matthew Morgan was noted as an apology, with David Levey attending as a proxy.

Shane Hodgins was noted as an apology. It was also noted that Shane had submitted his site scoring prior to the meeting.

3. Declaration of conflicts of interest

The Chair noted that SSC members had been asked to complete a Conflict of Interest Disclosure following the previous meeting.

The Chair welcomed Probity Advisor, David Kerr.

David Kerr noted that his job, as the Probity Advisor, was to support accountability and transparency. David noted that he was there to help SA Water and the community to deliver a fair, equitable, thorough and unbiased process – that is able to withstand scrutiny and satisfies a rigorous audit process.

4. Terms of Reference objectives

Steve noted that, per the Terms of Reference, in identifying a suitable site for a desalination plant as a climate independent source of water, the Committee shall have regard to the following:

- Deliver a sustainable and secure water supply to the entire Eyre Peninsula region both now and into the future – and not compromise the ability to achieve water security into the future
- Select a site for a desalination plant that is supported by key stakeholders and the community
- Select a site for a desalination plant that does not prejudice the opportunity to respond to future demand
- Improve potable water quality to all existing SA Water customers across the Eyre Peninsula region

- Enable future economic growth opportunities for the Eyre Peninsula region where water security has previously been a barrier
- Develop a sound business case and funding model that will ensure the financial viability of the project
- Mitigate the risk of detrimental impacts on existing or developing industries within the Eyre Peninsula region
- Account for heritage and cultural views and values of the community
- Account for local impacts, issues and opportunities

Steve noted the SSC's definition of social licence in the Terms of Reference:

- The Eyre Peninsula Desalination Project Site Selection Committee (SSC) operating with trust and legitimacy is aiming to obtain the informal consent to a site for a desalination plant from those stakeholders impacted by the desalination project.
- In order to achieve this objective, the SSC will work with impacted stakeholders to develop ideas, options and solutions to manage environmental and social risk based around acknowledged tolerances and thresholds.
- This will enable the SSC to recommend to Government and SA Water a preferred site for a desalination plant with the certainty of community and stakeholder support while realising opportunity and reducing risk.

5. The Site Selection Committee Brief

Steve noted that the SSC's brief was to:

- Seek a site that:
 - Has the support of the community
 - Is able to be delivered technically and economically
 - Delivers water security and improved water quality to the whole of the Peninsula
- Identify and recommend a site that is viable
- Assist with the development of a business case inclusive of funding models that are realistic
- Identify a site that has the potential to include energy recovery, social licence (achieved through community involvement) and is economically viable (any need for additional funds can be justified and obtained).

6. High risks

Sleaford West

Steve noted the high risks at Sleaford West:

- Distance from the network – which adds to the cost
- Construction timeframes due to challenging oceanographic conditions and marine structures / equipment required
- Construction through sand dunes will change the natural environment in this zone
- Fauna – whales and hooded plover nesting zone (EPBC risk)
- Abalone presence.

Sleaford West Variation

Steve noted the high risks for Sleaford West Variation (the alternative configuration of the Sleaford West site):

- Unknown geotechnical conditions which could impact cost
- Adjacent whale aggregation zone - timeframe challenges if whales concern triggers further response from regulatory bodies
- Constructability risks – unknown
- Early landowner conversations have been positive.

Sleaford North

Steve noted the high risks at Sleaford North:

- Aboriginal Heritage – Nauo representatives have stated Sleaford North is their least preferred site, Barngarla representatives have indicated that some heritage issues are unknown until a survey is undertaken – likely to need to locate intake and outfall across the cliffs rather than the beach potentially adding cost and uncertainty with geotech
- Nearby resident has stated they may protest and or make a claim depending upon actual and eventual impact (largely noise from pumpstation)
- Sleaford District Progress Association members have expressed significant concern – social licence from immediate community will be difficult
- Concern about impacting whale aggregation area at the head of Sleaford Bay – timeframe challenges if whales concern triggers further response from regulatory bodies
- Constructability risks (rock).

Point Boston

Steve noted the high risks at Point Boston:

- Industry concerns/dispute regarding perceived impact to existing aquaculture industry:
 - Science and engineering response
 - Brand and business beyond the science
- Need to work closely with Point Boston Development Corporation to have all residents accept any land use change arrangements (noting that the Board unanimously supports the initiative).

Marine Outfall

Steve noted the marine outfall lengths for each site:

- Sleaford West – 2,700 metres from shoreline (to avoid the reef)
- Sleaford West Variation – Potentially 1,200 metres from shoreline
- Sleaford North – 1,200 metres from shoreline
- Point Boston – Original – 1,925 metres from shoreline
 - The revised cost of \$283 million (includes \$23 million for the 1,950-metre extension) takes the outfall to a total of **3,875 metres** from the shoreline (to the shipping channel).

Point Boston – dispersion and accumulation risk

Steve noted the following regarding risks around dispersion and accumulation at Point Boston:

- The concept design has the outfall for Point Boston at 3,875 metres from the shoreline to the shipping channel
- This could be shortened or extended and will be informed by the science and in particular the outcomes of the near-field and far-field hydrodynamic modelling
- An engineering solution can be designed that has no impact beyond natural variation on either dispersion or accumulation

- The project would be held accountable to the ANZECC guidelines which defines acceptable salinity impact of 1 PSU or less – currently the model suggests the impact at discharge will be 0.2 PSU or less, and within 100 metres of the discharge point the impact would be negligible
- Development approval will be granted on many things but includes diffuser design and dispersion to the acceptance of key regulatory bodies including PIRSA and EPA – MSRP and SSC will have a role.

Marine works risks

Steve noted that the three Sleaford sites present the greatest risk to delivering against project timelines:

- Uncertain geotechnical conditions at Sleaford West Variation site
- A substantial temporary jetty structure within the wave zone, in addition to a cofferdam, to enable seabed excavation for the intake/outfall pipes likely to be required at all three sites
- High-energy ocean with a requirement to work within weather windows
- Likely that rock blasting will be required – need to work around the seasonal presence of whales
- Requires more robust marine plant, which is costlier and has additional mobilisation lead times as the locally available suitable plant and equipment within SA is limited
- Inherent design and construction risks due to the nature of the locations.

Schedule

Steve noted the following regarding schedule risks:

- All four sites can be delivered by December 2024 but have varying degrees of risk
- Point Boston – January 2025
- Sleaford North, Sleaford West Variation and Sleaford West have constructability risk (Sleaford West Variation has unknown geotechnical issues) – currently placed at April 2025
- Sleaford North (whales), Sleaford West Variation (whales) and Sleaford West (whales and hooded plovers) are at risk of an EPBC trigger (Commonwealth Environment Act) which could add further time to the schedule.

Summary costings

Steve noted the proposed cost estimates for each site.

Funding

Steve confirmed with the SSC the funding that had been approved and the funding that would likely be required if the desalination plant was to be placed at Point Boston or one of the Sleaford options.

7. Scoring instructions and process

Hazel Austin noted the following regarding the scoring outcome:

- The site with the highest score will be the recommendation of the SSC – no further endorsement will be required
- Discussion on the outcome may add conditions or requirements to the site with the highest score
- The site with the highest score can only be rejected as the recommendation if 75% of the SSC vote to reject it and replace it with another site – should this occur, the SSC will need justification for such a decision
- It will be at the discretion of the chair as to whether a vote is needed to replace the site with the highest score with another site – and the chair will decide whether the vote taken is done so by private ballot or show of hands.

8. Pre-scoring final thoughts – Environmental

The Chair invited SSC members to ask any final questions or raise any final points for discussion ahead of Environmental criteria scoring.

9. Environmental criteria scoring by site

Hazel facilitated the Environmental criteria scoring for each site.

10. Pre-scoring final thoughts – Social and Community

The Chair invited SSC members to ask any final questions or raise any final points for discussion ahead of Social and Community criteria scoring.

11. Social and Community criteria scoring by site

Hazel facilitated the Social and Community criteria scoring for each site.

12. Pre-scoring final thoughts – Technical

The Chair invited SSC members to ask any final questions or raise any final points for discussion ahead of Technical criteria scoring.

13. Technical criteria scoring by site

Hazel facilitated the Technical criteria scoring for each site.

14. Pre-scoring final thoughts – Property

The Chair invited SSC members to ask any final questions or raise any final points for discussion ahead of Property criteria scoring.

15. Property criteria scoring by site

Hazel facilitated the Property criteria scoring for each site.

16. Pre-scoring final thoughts – Financial

The Chair invited SSC members to ask any final questions or raise any final points for discussion ahead of Financial criteria scoring.

17. Financial criteria scoring by site

Hazel facilitated the Financial criteria scoring for each site.

18. Criteria scores by site

Steve presented the site rankings for each of the top-level assessment criteria as follows:

Environmental rankings

1. Sleaford West Variation
2. Sleaford West
3. Point Boston
4. Sleaford North

Social and Community rankings

1. Sleaford West Variation

2. Sleaford West
3. Point Boston
4. Sleaford North

Technical rankings

1. Point Boston
2. Sleaford West Variation
3. Sleaford West
4. Sleaford North

Property rankings

1. Sleaford West Variation
2. Sleaford West
3. Point Boston
4. Sleaford North

Financial rankings

1. Point Boston
2. Sleaford West Variation
3. Sleaford West
4. Sleaford North

19. Overall site recommendation result

Steve presented the overall site rankings as follows:

1. Sleaford West Variation
2. Point Boston
3. Sleaford West
4. Sleaford North

20. Pathway to delivery

Steve noted some of the next steps for the project team. The SSC's recommendation will be forwarded to the Minister for Climate, Environment and Water and the SA Water Board for their consideration. Further investigative work will now be undertaken on the preferred option (Sleaford West Variation) to better understand the risks and opportunities and to determine a more precise cost estimate for the site. The work to be undertaken will include:

- Further liaison with property owners
- Heritage assessments
- Native Vegetation assessment
- Marine works and constructability assessment
- Engineering configuration of the desalination plant including location of transfer main and power supply.

The Chair advised that he would reconvene the SSC at an appropriate time once further work had been undertaken on the SSC's preferred site.

21. Media update

Steve reminded the SSC that media enquiries and updates would be managed by Aimee Pedler.

22. Other business

Nil noted.

23. Next meeting and close

An agenda for the next meeting will be circulated prior to the next meeting when convened by the Chair.

With no further comments, the meeting closed at 3.21pm.

Open action items register

No.	Action Description	By Whom	Date Raised	Date Due	Status
1	Seek advice on alternative construction methodologies – concept design team to consider and engage with industry to identify synergies and leverage knowledge.	Project Team	03/03/22	TBC	Defer to when a site is selected
2	Assessment of the Northern Precinct as a separate project – independently from the functions of the SSC – to look at the viability of supporting economic development in the northern region.	Project Team	07/03/22	TBC	Open
3	Prepare a visual representation of the desalination plant and pumping station.	Project Team	07/06/22	TBC	Defer to when a site is selected