

Minutes.

Meeting Title: EP Desal Project - Site Selection Committee Meeting 01

Project Name: Eyre Peninsula Desalination Plant Project

Meeting Purpose: Assessment of alternative locations for the EP Desal Plant

Date: Tuesday 8 February 2022

Time: 1:30pm – 3:30pm

Location: Port Lincoln Hotel

Attendance:	Name	Role	Present
	Chair	Peter Treloar	Yes
	Steve Dangerfield	Engagement Facilitator	Yes
	Sandra Klein	Community Engagement	Yes
	Isaac Glonek	Minutes	Yes
	Natasha Kousvos	Project Manager	Yes
Guest:	Name		Present
	Hon David Speirs MP		Yes
	Sam Telfer		Yes
	Stuart Peevor		Yes

Committee:	Committee 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 (Sbt) Industry Association Ltd	Yes	Kirsten Rough
	Bryan Trigg	Chair, Regional Development Australia	No	
	Clare McLaughlin	President, Eyre Peninsula Local Government Association	Yes	
	Claire Webber	Executive Officer, South Australian Sardine Industry Association Inc.	Yes	
	Delfina Lanzilli	Chief Executive, District Council Lower Eyre Peninsula	Yes	
	Gary Neave	Independent Project Director, TSA	Yes	
	Jo-Anne Quigley	Mayor, District Council Lower Eyre Peninsula	Yes	
	Jonathan Clark	General Manager, Eyre Peninsula Landscape Board	Yes (part)	Susan Stovell
	Mark Whitfield	Chair, Eyre Peninsula Landscape Board	Yes (part)	
	Matthew Morgan	Chief Executive, City of Port Lincoln Council	Yes	
	Peter Scott	Executive Officer, Eyre Peninsula Local Government Association	Yes	
	Rebecca Hayes	Chief Executive, District Council of Tumby Bay	Yes	
	Ryan Viney	Chief Executive, Regional Development Australia	Yes	
	Shane Hodgins	Director, RecFish SA	Yes	
	Sharni-Marie Barney	Chair, Port Lincoln Chamber of Commerce and Tourism	Apologies	Jack Ritchie
	Steven Hibbit	Mayor, District Council of Tumby Bay	No	
	Thomas McNab	President, Abalone Industry Association of South Australia Inc (AIASA)	Yes	
	TBA	Member for Flinders		

We acknowledge the traditional owners of the Eyre Peninsula and that we respect their spiritual relationship with their country. We acknowledge their elders both past, present and emerging, noting in particular their spiritual and cultural connection to the lands and coastal waters of the Eyre Peninsula.

1. Welcome and Introductions

Steve welcomed all attendees and thanked them for their time and their support for the community engagement process that had been circulated and discussed with key leaders in December 2021.

In his welcome Steve acknowledged the traditional owners of the Eyre Peninsula. He welcomed the Minister for Environment and Water, Hon David Speirs MP and the current Member for Flinders Peter Treloar MP, as well as other elected members of local government and presiding members from various boards of organisations represented in the room.

Attendees were reminded of COVID protocols and an outline of the format and arrangements for the meeting was provided.

In forming the SSC, Steve provided a brief and succinct summary of the SSC's purpose.

- To recommend to the SA Government and SA Water a preferred site for a desalination plant that achieves a social licence and delivers water security and improved water quality for the Eyre Peninsula community:
 - Explore potential alternative sites for a desalination plant
 - Review relevant documentation, information, expert advice
 - Work through a structured and informed site assessment process
 - Explore alternative funding models to build a business case to support a preferred site recommendation

The purpose of the first meeting of the SSC was also presented as follows:

- To establish the SSC that will work to select a preferred site
- To discuss and confirm the operating terms of reference for the SSC
- To appoint the independent chair
- To discuss and propose the project objectives
- To provide information to inform the commencement of site selection discussions at the second meeting of the SSC.

2. Minister welcome and introduction

The Minister welcomed all members of the SSC and made the following comments:

- Emphasised the importance of water security and water quality for the region and the Government's commitment to desalination as the preferred solution
- Acknowledged the concerns of industry and the community regarding the selection of a site for a desalination plant
- Noted that recent rainfall had recharged the underground aquifers to enable a 12-month pause on the project creating the opportunity to collate more scientific data and conduct further community consultation
- Highlighted the challenge in identifying a site that adequately addresses the environmental and technical challenges and achieves a social licence
- Noted the work that had been done to find a suitable site

- Stated that as the Minister for Environment and Water he was passing the baton to the newly appointed SSC to identify and recommend a suitable site for desalination
- In so doing highlighted the need for the SSC to give close consideration to the financial implications of any recommendation, noting that the currently available budget is between \$100 and \$150 million.
- Advised that do nothing is an option, if the SSC cannot align on an affordable site for desalination
- Formally appointed Peter Treloar MP as the independent chair of the SSC
- Advised that he will look to receive regular updates from the independent chair while Minister for Environment and Water

3. Independent Chair Introductory Comments

Peter Treloar accepted the position as independent chair and welcomed the opportunity to lead the SSC in its deliberations to identify and recommend to Government a suitable site for a desalination plant. In responding to the Minister's address to the meeting, Peter made the following comments:

- Noted the opportunity to play an active role in securing water supply for EP
- Welcomed the Government's commitment to EP water security and the responsibility entrusted by the Minister to the SSC to identify a suitable site for a desalination plant
- Accepted the challenge to identify a preferred site that delivers a social licence and is financially sustainable
- Encouraged the SSC to be forward looking and to work collaboratively to solve problems and challenges in the best interests of the Eyre Peninsula community
- Noted that the SSC is to be given access to technical experts and information to help inform its decisions
- Advised that as the independent chair he will work closely with TSA and report regularly to the Minister
- Thanked the Minister for entrusting the SSC to work through a considered process to recommend a preferred site for desalination that will help drive economic benefit and secure water for the future of the region

Steve thanked both the Minister and the Chair for their introductory comments and their support and endorsement of the engagement process. Steve advised that in his conversations with the Chair in the lead up to the first meeting of the SSC, they had discussed this project as being a game changer for water security across the region in the same way that the Tod Reservoir was when it was built in the 1920's. In this context the significance and importance of this project for the Eyre Peninsula and the responsibility entrusted to the committee were noted.

4. Questions

Due to time constraints, the meeting did not address this item and adjourned at this point for a coffee break.

5. Engagement process and objectives

Steve presented the engagement process to the SSC. Central to the engagement process is the SSC, accountable for recommending a preferred site to SA Water and the Government.

Steve noted the Minister's opening comments and the responsibility entrusted to the SSC to identify a suitable site that meets the objectives of water security and water quality improvement, is economically viable and can be supported by a business case inclusive of a funding model. In this respect, the SSC will be accountable for a recommendation that is supported by a viable business case inclusive of a funding model.

Steve advised that traditional owners would be engaged, and their views and ideas accounted for in the process.

Subject matter experts will be available to present to the committee, at the request of the SSC, to assist the SSC in its decision-making process.

The SSC is not a forum to lobby SA Water or the Government for a particular outcome. The SSC has been empowered to work as a committee, to challenge its' own thinking and that of its members, to solve problems and challenges in a collaborative way that enables a site recommendation to be made by the Chair on behalf of the SSC to the Government and SA Water.

Key stakeholders and the broader community will be involved along the journey with the support of the SSC, to ensure they are engaged at key milestones and can provide input into the process.

Any site recommended to the Government and SA Water by the SSC will be subject to the necessary Government approval processes and regulatory licences.

Steve presented the key principles that underpin the engagement process as follows:

- Sharing the problem with community leaders
- Committee empowerment to make a recommendation regarding a preferred site to SA Water and Government
- Committee accountability to that recommendation regarding added economic value and funding
- Informed decision making within the Committee
- Integrity of the process – it makes sense to the community and follows a logical progression
- Transparency of process – broader community is aware
- Build understanding of constraints / opportunities allowing for robust debate and incorporation of other views and information
- Building trust through the inclusive nature of the process

Steve presented the timeline for the project noting that if a desalination plant is to be constructed and water supplied to the network by December 2024, the SSC had to recommend a preferred site by the end of July 2022.

A project governance structure was presented noting the independent roles and responsibilities of key TSA staff. These roles will integrate with the SA Water project team as required.

TSA is an independent provider of project advisory and consultancy services to complex capital projects across Australia and New Zealand with approximately 550 staff and 450 live projects.

Steve presented the key roles of the SA Water and consultancy staff who will be regularly present at meetings of the SSC:

- Gary Neave – Project Director (TSA)
- Steve Dangerfield – Engagement lead (TSA)
- Natasha Kousvos – Project Manager (TSA)
- Isaac Glonek – Executive Officer (WSP)
- Sandra Klein – Community Engagement (SA Water)
- Shaun Ambrose – District Leader (SA Water)

6. Terms of Reference (TOR)

Steve presented the draft TOR to the SSC. Members were requested to review the TOR and provide any feedback before the next meeting.

In presenting the draft TOR, Steve emphasised the following:

Project Objectives: These will be added once considered by the SSC and discussed with SA Water

Membership: Membership of the SSC was determined on the basis of ensuring all key sectors of the community were represented

Proxies: All SSC members should give consideration to the nomination of a proxy in case they are unavailable to attend a meeting to ensure their organisations are represented.

Conduct: the SSC should be forward-looking and work together to find solutions and focus on the task that has been entrusted by the Minister.

Conflict of interest: Some SSC members and Project Team members may at times be conflicted in their contributions. SSC members will be required to declare any real or perceived conflict of interest.

Agendas, minutes and docs: minutes will summarise key discussion points and document specific actions and outcomes. Comments made will not be attributed to specific SSC members unless that member requests their name to be stated against a comment or action.

Minutes will be circulated no more than 5 business days following a meeting of the SSC as a draft. Once minutes are agreed and ratified at the next meeting via the Chair, they will be made public via SA Water, Water Talks website. SSC members will be at liberty to distribute copies of the minutes to their respective organisations and other stakeholders upon ratification by the SSC.

Members of the SSC are to respect the confidential nature of some information that may be circulated to SSC members to assist in their decision making.

Media: SSC Chair will be the appointed spokesperson for the SSC.

The Chair requested that the SSC give consideration to the draft TOR and provide any feedback to Steve by Friday 11 February to enable changes to be considered and the TOR ratified at the next meeting.

A member of the SSC acknowledged the representation of the aquaculture industry via the Associations but noted that CleanSeas, a publicly listed company farming primarily King Fish does not have Association representation. It was requested that CleanSeas therefore be invited to be a member of the SSC.

In light of this discussion, consideration was also given to inviting the Abalone Growers Association in order to ensure representation of the entire industry (both wild-catch and land based).

The SSC agreed to extend the invitation to CleanSeas and the Abalone Growers Association.

The invitation to CleanSeas was to be extended on the basis that the SSC agreed they were a unique industry not represented by an Association and that their inclusion would not set precedence for further individual company representation.

Discussion regarding the agriculture industry which benefits significantly from water security initiatives and how they should be represented at the SSC. In the absence of a peak body, it was agreed that the Chair will represent this sector.

The Chair also noted the reference in the TOR to conflict of interest and called for SSC members to declare any perceived or real conflict of interest, noting that if any member was in any doubt, it would be better to make a declaration than not.

The following conflicts were noted:

- The Chair advised that he is a member of Parliament until the State election in March 2022
- The Project Director, Gary Neave advised the SSC that TSA is contracted to and paid for by SA Water, but do have a clear mandate from the Minister which is fully supported by SA Water
- Thomas McNab advised the SSC that he owns land at Sleaford
- Andy Dyer advised the SSC that he has aquaculture leases in Boston Bay
- Jack Ritchie advised the SSC that he is also a Councillor at the City of Port Lincoln

The Chair noted these declared conflicts of interest and asked that members who may consider they have a perceived or actual conflict of interest present the declarations in writing before the next meeting to enable them to be recorded in each set of minutes.

7. Project Objectives

The following project objectives were presented for comment and feedback.

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*
- *Improve potable water quality to all existing SA Water customers*
- *Enable future economic growth opportunities for the Eyre Peninsula region*
- *Develop a sound business case and funding model that will ensure the financial viability of the project*
- *Account for heritage and cultural views and values of the community*
- *Account for local impacts, issues and opportunities*
- *Obtain a financial return on assets for SA Water*

Aspirational Target (subject to confirming a climate independent source of water)

- *Give consideration to the whole water cycle and existing water related assets (wastewater management, stormwater harvesting, ground water, Iron Knob to Kimba pipeline), marine science and research and broader community benefit and how the desalination project can be best leveraged to achieve added value*

The SSC was asked to give these objectives consideration and provide any feedback for consideration by Friday 11 February 2022. Once feedback was received the objectives would be discussed with the project steering committee.

An SSC member asked whether the project objectives should consider the long-term sustainability of the plant. The Project Director indicated that the current planning reflected demand modelling for the next 30 years.

8. Issues, challenges and opportunities

Due to time constraints, this agenda item was postponed to the next meeting.

9. Precinct Locations

Steve presented the following information regarding the site selection process:

1. Consider precinct areas previously assessed
2. Focus on specific precincts of interest
3. Consider sites within precincts of interest
4. Reduce the number of sites to a short list of no more than four (preferably three) – beginning of **March 2022**
5. Undertake concept designs for all sites on short list
6. Collate information needed to support decision making such as:
 - Cost
 - Environment (land and marine)
 - Property

- Power
 - Network
7. Consider possible funding models
 8. Undertake structured assessment process
 9. Preferred site and business case **July 2022**

Five key precincts were presented for the SSC to consider in readiness to have a discussion at the next meeting about which precincts might be of priority interest. These precincts were:

- Western Precinct (far west coast)
- Southern Precinct (Sleaford Bay region)
- Port Lincoln Precinct (sites both in and adjacent to the town of Port Lincoln)
- North Shields Precinct
- Northern Precinct (East Coast north of Tumby Bay)

10. Next Meeting and Close

In closing the meeting, the following discussions were had:

- An SSC member expressed interest in making recommendations for potential names to be considered for the Independent Marine Science Review panel presented as part of the project team structure. The SSC were invited to make recommendations noting that the panel needed to be independent.
- A question was asked as to whether the SSC could consider different options such as investigating the possibility of two desalination plants in two different locations. It was noted that there is scope for the SSC to consider such ideas noting that any recommendation must be viable and be supported with a strong business case.
- A question was asked as to whether additional precincts or new sites within precincts could be considered. The SSC was advised that this is within the scope of the SSC, noting that sites not presented within the five existing precincts may have had little or no background work undertaken.
- An SSC member requested a definition of social licence. The chair agreed to provide further definition as to what comprises social licence from the perspective of Government and SA Water.

An agenda for the next meeting will be circulated prior to the next meeting date set down for **Friday 11th February, 3:30pm to 4:45pm at the Port Lincoln Hotel Ballroom.**

With no further comments, the meeting closed at 3.38pm

Open Action Items Register

No.	Action	By Whom	Date Raised	Date Due	Status
1.	PowerPoint presentation – TSA will share a copy of the PowerPoint presentation with SSC Members	TSA	08/02/22	08/02/22	closed
2.	Minutes – Executive Officer will send a draft of the minutes to be reviewed by SSC Members	EO	08/02/22	15/02/22	closed
3.	Proxy nomination – SSC members should nominate a proxy who is an officer or employee of their organisations in case they are unavailable to attend the next meeting and any other subsequent meetings	SSC Members	08/02/22	11/02/22	open
4.	Project Objectives – SSC members will send their comments about the Project objectives presented in the meeting	SSC Members	08/02/22	11/02/22	open
5.	TOR – SSC members to provide feedback on the Terms of Reference document	SSC Members	08/02/22	11/02/22	open
6.	Conflict of interest - SSC members to declare any real or perceived conflict of interest and submit to the Chair	SSC Members	08/02/22	11/02/22	open
7.	Social licence – Reasonable and acceptable definition of social licence	Chair through the Minister and SA Water Executive	08/02/22	TBC	open
8.	Membership – a representative from CleanSeas and the Abalone Growers Association will be invited to join the SSC	TSA	08/02/22	11/02/22	open
9.	Marine Scientific Review SSC (MSRC) – SSC members may recommend people to be considered by the Project Director noting that members of this panel will need to be independent	SSC Members	08/02/22	TBC	open