

# Case Study: Landholder CSG Project

## AgForce Projects CSG workshops 'invaluable' to Arcadia Valley producers

Arcadia Valley producers say the advice they received while attending AgForce Projects CSG workshops has been 'invaluable' to gaining a more equal footing in negotiations with a resource company.

Since the inception of the CSG Project in 2011, Owen and Brigid Price have been regular attendees – most recently attending one of the projects new Advanced CSG Negotiation Support workshops in Injune.

The husband and wife run 'Hillyvale', which is both an organic and conventional cattle enterprise just north of Injune in the Arcadia Valley. They signed their Conduct and Compensation Agreements (CCA) in 'good faith' in the earlier days of CSG exploration in Queensland.

Brigid said this meant that not everything they agreed to was documented and important considerations such as review periods for their CCAs were not included.

"We signed several CCA's before the information days and workshops started through AgForce Projects. We found it very frustrating initially to access the specific information that we needed to educate and inform our decision making," Mrs Price said.

"The CCA's were confusing to follow. We had CCA's that were so broad in their wording that although the seismic activity that was described may have finished, there was still a potential for subsequent or other authorised activities to be undertaken without additional compensation. All because of the wording"

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### **i** What does it mean to negotiate 'in good faith'?

In good faith is a term that may mean the landholder and the company representative agree to certain terms or discuss components of the agreement, regarding activities or conduct provisions, but these terms are not written down or included in the CCA to be signed.

This may include agreeing to certain terms the landholder has requested, but in some examples the matters that were agreed to are not carried out, and may not be enforceable without being documented in the formal CCA. To avoid this conflict and potential issues we encourage landholders to ensure whatever is agreed to in negotiations or discussions with the resource company are formally documented as part of the agreement that you sign, prior to activities starting.

To avoid conflict, if your company representative changes during negotiations it is critical that you and the representative document your discussions and keep a record of what was discussed and agreed to.

Seeking appropriate legal advice during the CCA process is something you are entitled to and it is strongly recommended that you do.



From left: AgForce Regional Manager Melissa Nobbs and Brigid Price, 'Hillyvale' at the Injune Advanced CSG Negotiation Support workshop in February 2015.

"It was important for us to understand what this meant for our business. We wanted to be able to negotiate from an educated position and not rely on legal experts to own the process and it wasn't until we attended an AgForce Projects information day that we got any assistance."

"The initial information days were a great starting point for us to obtain an overview of the CSG industry but more importantly they were a platform for us to gain assistance from the people who could help us review the CCA's we had in place," Mrs Price said.

CSG Project Leader Daniel Phipps said unfortunately the Price's case was not uncommon, particularly in regards to good faith agreements.



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“Some landholders signed agreements including in good faith arrangements without properly or fully understanding what they were entering into but, Owen and Brigid are a great example of producers taking the initiative to attend one of our free workshops and get the knowledge they need to negotiate from a more balanced and informed position”

Brigid said the workshop provided much need information, and helped balance the scales in their negotiations.

“ Time is a valuable resource and the investment does pay off. ”

“The assistance and advice we received from the CSG Project was invaluable and we have been able to move forward and negotiate from a much stronger position as a result. We have been able to move past the feeling that the situation is not fair and now focus on what is a reasonable compensation.”

The Arcadia Valley grazier said she and her husband felt it was important that they educate themselves about their rights and responsibilities when dealing with resource companies.

“We have dealt with two gas companies and we are very fortunate that the land liaison officers who we deal with are approachable and have common sense. In the past we have experienced the heavy handed tactics that are employed at times,” Brigid said.

“Educating ourselves with regards to our rights and responsibilities meant we were in a confident position when we instructed our legal team to refuse to accept the CCA that was offered recently.”

Brigid also said it was important that the CSG Compliance Unit staff were present at the workshops, so they could remain aware of the real issues producers are dealing with.

“Time is a valuable resource and the investment does pay off, I don't know many other platforms that get the producers and the CSG Compliance Unit together for practical discussions,” Mrs Price said.

### Preparing for discussions with CSG companies

No two properties are the same and as such each property requires different approaches.

However, it is recommended that having a property plan and map is vital when negotiating with resource companies.

A great place to start is with a property map marking out specific areas and infrastructure (dams, roads, bores, cropping areas, improved pasture areas and areas of concern). Having a comprehensive property map prepared before meeting with a resource company may help to identify areas where CSG activities should be excluded and why.

Having a property plan is important to help mitigate clashes with resource companies, by identifying specific conduct, i.e. areas that are back burnt; where you conduct aerial spraying or identifying specific weeds you have eradicated. Future plans are also important to make resource companies aware of.

AgForce Projects CSG Project delivers free digital mapping workshops which outlines practical tips on property planning, mapping and recording on-property changes. All landholders who attend a session will receive free digital property data, an easy-to-use digital property map that provides everything from basic to advanced drawing functions, the ability to measure areas and distance and view multi coordinate systems.

### About AgForce Projects CSG Project

The AgForce Projects CSG Landholder Support Project began in 2011 to provide landholders across Queensland with the information needed to negotiate with CSG companies, in order to develop mutually beneficial Conduct and Compensation Agreements (CCA).

Initially a joint initiative between AgForce Projects (AgForward) and the State of Queensland, the project has grown to include the Australian Petroleum Production and Exploration Association, Queensland Resources Council and GasFields Commission Queensland as its partners.

The team have held 217 events with over 4400 landholders registered to attend since the projects inception in 2011. Since July 2014 the CSG team have held 27 events with over 500 landholders registered to attend, as well as providing one on one assistance to over 500 landholders. Visit [www.agforceprojects.org.au](http://www.agforceprojects.org.au) for more information on the Project or to view upcoming workshops.