

## EASEMENT AND COMPENSATION

## FACT SHEET

### Developing the easement agreement

The final pipeline alignment will be determined by constructability and environmental considerations, and input from landholders to minimise impacts on their property. Environmental survey investigations and discussions with landholders will inform the final design. Once the pipeline route has been finalised we will commence negotiations with landholders on the easement options agreement.

There are two types of compensation paid to landholders.

### The first type of compensation is for the pipeline easement and “right of way” (ROW).

The easement price is calculated based on the valuation of the area of the easement proposed for that property. The valuation is calculated using a number of principles which consider the current market value of the property and any improvements that have been made to the land, using a combination of desktop assessment and inspection of the property.

Calculations for compensation are based on the principle of “treated, fenced and watered”. This calculation excludes items that are not affected by the pipeline (such as houses and sheds on the property).

The valuation of the easement land area is calculated by considering the area of land proposed to be taken and whether the area will be excluded from further operations on the property. For example, in the case where a mainline valve is present or ongoing land use operations within the proposed easement, such as grazing

or cropping, is compromised, this is calculated into the compensation figure.

The compensation may be split across several tranches with an initial payment for signing the option, a component when construction commences and the final payment when the pipeline is completed, and the easement registered.

### The second type of compensation is for the disturbance during construction.

This component provides a payment for the loss of productive capacity of the land during the disturbance period for construction. This may include compensation for the temporary reduction in stock carrying capacity, agistment fees, or the value of crops that otherwise could have been grown within the impacted area.

Reasonable legal fees are paid by Hunter Gas Pipeline to reimburse the landholder for legal advice on the options document. Similarly, any additional costs such as stamp duty are paid for by Hunter Gas Pipeline.

### What can and can't be done on the easement

The pipeline will occupy a registered easement across intersected properties. The easement will be registered on the land title and will transfer with any sale of the property. Conditions of the easement include:

- Hunter Gas Pipeline will have access to the easement for inspection, repair and maintenance of the pipeline including any associated infrastructure. Access conditions for entry onto properties will be negotiated with the landholder.

- The easement width will be 30 metres within the property (unless it needs to be constrained further to avoid significant impacts).
- The easement does not need to be fenced or gated except where it crosses the boundary between properties.
- Landholders will have full access to the easement within their property to conduct their usual farming or recreational operations.
- Restrictions will be placed on the construction of buildings on the property including dwellings and machinery or other sheds, stables and property outbuildings.
- No restrictions will be placed on cropping or grazing over the easement.
- Fencing can be undertaken in the easement although posts should not be placed over the top of the pipe.
- Low shrubs and vegetation can be grown over the pipeline although deep rooted species which may affect the integrity of the pipe are not acceptable.
- Road registerable machinery can be driven over the pipeline easement. Hunter Gas Pipeline can construct heavy vehicle crossings where identified.



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