

## Latrobe Valley Mine Rehabilitation Advisory Committee

Meeting 04 Minutes (with confidential information redacted)

### MEETING #04 MINUTES (with confidential information redacted)

THURSDAY 10 AUGUST 2017

AGL LOY YANG MINE, BARTONS LANE, TRARALGON SOUTH  
VIC 3844

#### ATTENDEES

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**Susan Lloyd (Chairperson)**, Latrobe Valley Community

**Roland Davies**, Latrobe Valley Community

**James Faithful**, Latrobe Valley Mine Operators (ENGIE Hazelwood)

**Sarah Gilbert**, Latrobe Valley Mine Operators (AGL Loy Yang)

**Graeme Middlemiss**, Latrobe City Council (Councillor)

**Phil Stone**, Latrobe City Council (Council Officer)

**Nicole Griffin**, Gippsland Water

**Terry Flynn**, Southern Rural Water

**Jane Burton**, Department of Economic Development, Jobs, Transport and Resources (DEDJTR)

**Grace Mitchell**, Department of Environment, Land, Water and Planning (DELWP)

**Brett Millsom (Secretariat)**, Department of Economic Development, Jobs, Transport and Resources (DEDJTR)

#### APOLOGIES

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**Luke Wilson**, Department of Economic Development, Jobs, Transport and Resources (DEDJTR)

**Joanne Brunt**, Aboriginal Community representative

**Ron Mether**, Latrobe Valley Mine Operators (EnergyAustralia Yallourn)

**Alan Freitag**, Department of Environment, Land, Water and Planning (DELWP)

**Tim Delany**, Gippsland Trades and Labour Council

#### GUESTS

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**Professor Rae Mackay**, Latrobe Valley Mine Rehabilitation Commissioner

**Earle Harper**, Managing Director, Vertical Mine

**Peter Young**, Strategic Advisor, Vertical Mine

**Elizabeth Cryer**, Senior Water Resource Officer, Department of Environment, Land, Water and Planning (DELWP)

**Nigel Browne**, Head of Business Transition, AGL Loy Yang

**Jeff Hobson**, Head of Mining (Acting), AGL Loy Yang

**Paul Barrand**, Regulatory, Compliance and Business Development Manager, AGL Loy Yang

**Steve Rieniets**, General Manager, AGL Loy Yang

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Meeting 04 Minutes (with confidential information redacted)

Agenda Item	Minutes
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1 **Introduction from the Chair and Committee administration**

**Agenda Item 1.1 – Minutes from last meeting and actions arising**

- Minutes from the previous meeting of the Committee (Meeting #03) were noted.
- Apologies for Luke Wilson, Joanne Brunt, Ron Mether, Alan Freitag and Tim Delany were noted.

**Agenda Item 1.2 – Project Status update**

*Delivered by: Jane Burton, Director Coal Resources Victoria, Department of Economic Development, Jobs, Transport and Resources (DEDJTR).*

- The completion of the following actions since the Committee's last meeting from the *Hazelwood Mine Fire Inquiry: Victorian Government Implementation Plan June 2016* were noted:
  - **186** – Establish the Latrobe Valley Mine Rehabilitation Commissioner as a Statutory Appointment under the MR(SD) Act.
  - **187** – Review of existing Latrobe Valley coal mine and power station water entitlements and water licensing (groundwater and surface waters).
  - **188** – Report on existing water use, water availability, aquatic ecosystems and water quality to provide baseline data and inform the works program.
  - **189** – Brief the Latrobe Valley Mine Rehabilitation Commissioner, upon commencement, on the work program delivered to date, the forecast work program and the engagement approach.
  - **190** – Conduct an annual progress review and produce a report (shared with Committee members).
- An intensive period of key stakeholder consultation is scheduled for the next few weeks to inform the development of regional rehabilitation scenarios and identification of valued regional receptors.
- Stakeholder briefings on the Latrobe Valley Regional Rehabilitation Strategy (LVRRS) Project continuing.
- Market research survey to better understand public attitudes to brown coal mine rehabilitation currently being prepared.

**Agenda Item 1.3 – Update from the Chairperson on 7 July 2017 meeting with the Minister for Resources, the Hon. Wade Noonan MP**

*Delivered by: Susan Lloyd, Chairperson, Latrobe Valley Mine Rehabilitation Advisory Committee.*

- Meeting with the Minister was productive, with the Minister acknowledging the significant experience of the members and expressing his appreciation for member's contributions to date.
- Minister is looking forward to receiving advice from the Committee in the years ahead.
- Minister and the Chair discussed the composition of the Committee and agreed that it contains a good representation of local skills and experience. They agreed that a review of the membership should be undertaken at the end of the first year of operation.

**Agenda Item 1.4 – Discussion regarding the Committee's Annual Report**

- In accordance with its Terms of Reference, the Chairperson is required to prepare an annual report on the work of the Committee and provide to the Minister for Resources.
- The Annual Report is to be provided to the Minister by no later than 31 August each year and provide an update on the work of the Committee during the previous financial year.
- Members have been provided with a first draft of the report with the meeting papers.
- It was noted that the Committee was not involved in developing 'its own' Terms of Reference as the Annual Report mentions and suggested this be removed.
- It was noted that there is a timing issue that exists between the delivery of the LVRRS by 30 June 2020 and the rehabilitation planning ENGIE is currently undertaking at Hazelwood. It was suggested that this needs to be captured as an issue within the document.
- It was noted that there is a 'grey area' regarding the scope of the Committee, particularly in relation to its role (if any)

## Latrobe Valley Mine Rehabilitation Advisory Committee

Meeting 04 Minutes (confidential)

regarding potential future mining projects.

### 2 Presentation on an alternative concept for mine rehabilitation in the Latrobe Valley

*Delivered by: Earle Harper, Managing Director, Vertical Mine.*

The presentation provided Committee members with an overview of an alternative (to the pit-lake) rehabilitation option for the Latrobe Valley coal mines.

### 3 Introduction to the Latrobe Valley Mine Rehabilitation Commissioner

*Delivered by: Professor Rae Mackay, Latrobe Valley Mine Rehabilitation Commissioner.*

Latrobe Valley Mine Rehabilitation Commissioner, Professor Rae Mackay (the Commissioner) provided Committee members with an overview of his role.

- The Commissioner noted that rehabilitation issues for the mines haven't just materialised as a result of the Hazelwood Mine Fire Inquiry.
- The 2007 batter failure at the Yallourn Mine resulted in a Mining Warden Inquiry which recommended the establishment of a geotechnical research centre which Professor Mackay went on to head up (i.e. Monash University, then Federation University's Geotechnical and Hydrogeological Engineering Research Group or GHERG).
- Heavy rainfall events could create stability issues for the Latrobe Valley mines in the years ahead.
- The stakeholder community in regards to mine rehabilitation is large and the Commissioner's role is to help break down some of the potential conflicts and concerns between the various stakeholders relevant to mine rehabilitation in the Latrobe Valley and understand the connections between them.
- The Latrobe Valley Mine Rehabilitation Commissioner has been established as a response to the findings and recommendations of the Hazelwood Mine Fire Inquiry.
- A big focus of Commissioner's role will be on supporting the delivery of the LVRRS.

#### **The Commissioner's objectives:**

- To provide assurance to the Victorian community that public sector bodies and the Latrobe Valley licensees are:
  - planning for the rehabilitation of the coal mine land; and
  - implementing the Regional Rehabilitation Strategy.
- To promote the participation of the community and stakeholders from the Latrobe Valley region in the development and implementation of the Regional Rehabilitation Strategy.
- To promote the effective rehabilitation of coal mine land in accordance with the Regional Rehabilitation Strategy.

#### **Functions and powers of the Commissioner:**

- Define and implement a framework to monitor and evaluate rehabilitation planning activities.
- Carry out strategic audits of public sector bodies and the Latrobe Valley coal mine licensees in relation to rehabilitation planning activities.
- Review research plans in relation to the rehabilitation of brown coal mines.
- Engage with the following groups:
  - Victorian community
  - Public sector bodies
  - Latrobe Valley coal mine licensees
  - Other stakeholders.
- Promote information sharing through engagement and education.
- Advise the Minister for Resources on the LVRRS and post-closure maintenance of coal mining land.
- Carry out investigations referred by the Minister.

#### **Commissioner's goals within the next three years:**

- LVRRS developed for implementation.
- Agreements around water and final landforms resolved.

## Latrobe Valley Mine Rehabilitation Advisory Committee

Meeting 04 Minutes (confidential)

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- Outstanding knowledge gaps identified.
  - Integrated mine research program operationalised and delivering results.
  - Future land use planning strategies developed even if final land uses are not yet fully defined.
  - Community confidence in the plans for rehabilitation and closure.
  - Hazelwood work plan for final closure established.
  - Minister for Resources is comfortable that the rehabilitation proposals are deliverable and risks appropriately managed.
  - Next three to six months a monitoring plan for the Commissioner will be developed.
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### 4 Presentation on how water allocations and entitlements are awarded in Victoria

*Delivered by: Elizabeth Cryer, Senior Water Resource Officer, Department of Environment, Land, Water and Planning (DELWP).*

The presentation provided Committee members with an overview of how water entitlements and allocations are awarded in Victoria (**Action Register Item 3.4**)

- Victoria's Water Entitlement Framework is established in the *Water Act 1989*.
- The Framework defines how water is shared, held, used and traded.
- Under the *Water Act 1989* the Victorian Government retains the overall right to the use, flow and control of all surface water and groundwater on behalf of all Victorians.
- The Minister for Water is responsible for granting entitlements to water to Authorities and setting limits and caps.
- Water entitlements in Victoria are issued for a period of time and limits apply on the volume of water entitlements that can issued.
- The Water Entitlement Framework prescribes clear consultative processes relating to entitlements.
- Entitlements are tradeable.

#### Bulk water entitlements

- Bulk water entitlements are only held by Authorities specified under Section 34 (1) of the *Water Act 1989*:
  - *Water corporations*
  - *Generation companies*
  - *Minister administering the Conservation, Forests and Land Act 1987*
  - *Victorian Environmental Water Holder.*
- Bulk entitlements do not expire.
- Bulk entitlements can be amended. The process for this is prescribed within the *Water Act 1989*.
- Environmental entitlements (similar to bulk entitlements) are held by the Victorian Environmental Water Holder.

#### Other rights relevant to the Latrobe Valley:

- **Section 51 take and use licences** – commonly held by individuals. Allow for take and use of a specified volume of water over a set period.
  - **Supplies by agreement** – arranged by a water corporation to provide water outside of defined districts.
  - **Section 8 rights** – commonly known as 'stock and domestic' rights. Provide for an individual to take and use water from surface and groundwater sources for domestic and stock use.
  - Latrobe surface water system provides bulk of water for local power generation assets.
  - There is currently no unallocated water in the Latrobe system.
  - All water in Blue Rock Reservoir and Lake Narracan is allocated.
  - Blue Rock Reservoir managed by Southern Rural Water.
  - Moondarra Reservoir owned and operated by Gippsland Water.
  - Two power companies have their own separate bulk entitlements.
  - 3/4 Bench land has an associated bulk entitlement reserved for future electricity generation requirements in the Latrobe Valley or other purposes.
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## Latrobe Valley Mine Rehabilitation Advisory Committee

Meeting 04 Minutes (confidential)

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**5 Round-the-table updates**

Only one round-the-table update was provided due to time constraints.

**Graeme Middlemiss, Latrobe City Council (Councillor)**

- C87 Planning Scheme Amendment has been gazetted.
- Decision made has come as unexpected to Latrobe City.
- Decision could have significant implications for the work of this Committee.

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**6 Other business and next meeting**

Next meeting to be held early October 2017 (final date TBC) at Anglesea.

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