

Latrobe Valley Mine Rehabilitation Advisory Committee

MEETING #13 MINUTES (WITH CONFIDENTIAL INFORMATION REDACTED)

THURSDAY 02 MAY 2019

DEPARTMENT OF JOBS, PRECINCTS & REGIONS, ELLINBANK,
1301 HAZELDEAN ROAD, ELLINBANK VICTORIA 3821

ATTENDEES

Ms Susan Lloyd (Chairperson), Latrobe Valley community
Mr Roland Davies, Latrobe Valley community
Mr James Faithful, Latrobe Valley mine operators (ENGIE Hazelwood)
Mr Ron Mether, Latrobe Valley mine operators (EnergyAustralia Yallourn)
Mr Angelo Saridis, Gippsland Water
Cr Graeme Middlemiss, Latrobe City Council
Ms Gail Gatt, Latrobe City Council
Mr Terry Flynn, Southern Rural Water
Ms Jane Burton, Department of Jobs, Precincts and Regions (DJPR)
Mr Anthony Feigl, Department of Jobs, Precincts and Regions (DJPR)
Emeritus Professor Rae Mackay (observer), Latrobe Valley Mine Rehabilitation Commissioner
Mr Brett Millsom (secretariat), Department of Jobs, Precincts and Regions (DJPR)

APOLOGIES

Ms Sarah Gilbert, Latrobe Valley mine operators (AGL Loy Yang)
Mr Trevor Williams, Gippsland Trades and Labour Council
Mr Troy McDonald, Aboriginal community
Ms Anna May, Department of Environment, Land, Water and Planning (DELWP)
Mr Alan Freitag, Department of Environment, Land, Water and Planning (DELWP)

GUESTS

Mr Jamie Lowe, Head of Regulation, ENGIE Australia
Ms Antonia Scrase, Rehabilitation and Closure Planning Manager, ENGIE Hazelwood
Ms Eva Rampal, Principal Policy Officer, Latrobe Valley Regional Rehabilitation Strategy (LVRRS), DJPR
Ms Ann Kirwan, Program Manager – Land Use Strategy, LVRRS, DELWP
Mr Nic Drent, Senior Project Officer, Places and Precincts, DELWP
Mr Glenn Elliot, Senior Monitoring and Implementation Officer, Hazelwood, Inspector-General for Emergency Management

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Agenda Item	Minutes
1	<p>Update on development of ENGIE's Rehabilitation and Closure Plan and Masterplan for Hazelwood</p> <p><i>Delivered by: Antonia Scrase, Rehabilitation and Closure Planning Manager, ENGIE Hazelwood and Jamie Lowe, Head of Regulation, ENGIE Australia</i></p> <p>This presentation provided an update on ENGIE's work preparing its Rehabilitation and Closure Plan and Masterplan for the Hazelwood site.</p> <ul style="list-style-type: none"> • The Hazelwood Mine is currently regulated through its 2017 Work Plan Variation and the conditions listed in Mining Licence 5004. • ENGIE Hazelwood is currently preparing a draft Work Plan Variation to include the rehabilitation and closure plan for the Hazelwood site. The Rehabilitation and Closure Plan is intended to: <ul style="list-style-type: none"> – set out the closure vision for the mine site; – set out the work plan required to achieve a safe, stable and sustainable final landform; – provide the supporting technical information for the closure activities at the Hazelwood Mine, as described within the Rehabilitation and Closure Plan; and – be a live document that is updated as new information becomes available. • ENGIE is working from the Australia and New Zealand Minerals and Energy Council's definition for closure that is a "whole of mine life process which typically culminates in licence relinquishment. It includes decommissioning and rehabilitation". • ENGIE is developing its closure criteria based on SMART principles. • ENGIE has developed closure objectives. These are high-level statements that ENGIE will use to focus its closure planning activities, taking into account the minimum requirements of safe, stable, non-polluting while also being capable of sustaining a post-relinquishment use. • ENGIE's Rehabilitation and Closure Plan for Hazelwood will have 16 chapters. Three chapters in particular – the closure risk assessment, the closure objectives and the completion criteria – provide the most critical information. • The Rehabilitation and Closure Plan for Hazelwood has been developed on the assumption of a full pit lake (water level RL+45m) to provide for long term stability, fire risk management and beneficial future use. • Quick filling using multiple sources in a controlled manner improves stability outcomes. • At this point, the pit lake is not anticipated to be a terminal lake (i.e. no interconnectivity). • Based on ENGIE's current timelines it expects to commence filling of the Hazelwood Mine in January 2021. • When ENGIE anticipating a firm position regarding availability of water resources to commence filling at the scheduled time of 2021? Ultimately, ENGIE has a level of water already available to it right now. ENGIE is currently working with DELWP and other stakeholders to explore options to secure further water allocations. • A three-tiered approach has been taken to preparing the Rehabilitation and Closure Plan for Hazelwood. <ul style="list-style-type: none"> – Tier one involved a high-level assessment and identification of hazards and the corresponding consequences without consideration of mitigation controls. – Tier two involved an assessment of the potential sources, pathway and receptors for each hazard and identified mitigation strategies and knowledge gaps. Both tiers one and two were completed in April 2019. – Tier three will delve further into the effectiveness of mitigation controls, including testing their potential failure mechanisms. • Development of ENGIE's completion criteria will require the outputs of technical studies. • ENGIE is currently working through the draft of its Geotechnical Stability Completion Criteria as studies in this area are well advanced. • Identification and development of completion criteria for other areas will be undertaken as further information becomes available. • One of ENGIE's key technical studies is its pit lake water quality and closure water balance study. The study seeks to develop a water balance and water quality model for the Hazelwood Mine, supported by several additional assessments. The study will predict the water quality at closure for both a terminal and through-flowing pit and model

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its evolution over time. It will also help ENGIE in understanding the demand for water to fill and maintain the pit lake over the short, medium and long term and how climate change and variability might affect water quality.

- Based on the findings of its technical studies to date, ENGIE is of the view that the full pit lake is the best rehabilitation option for long term stability, fire risk management and beneficial uses for the Hazelwood Mine. Latrobe City Council has a different position to ENGIE. Latrobe City is not convinced that the pit lake is the most appropriate rehabilitation option for the Latrobe Valley's brown coal mines. ENGIE has previously discussed the options it has considered for the Hazelwood Mine site with Latrobe City Council and is open to continuing these discussions.
- Quick filling from multiple sources in a controlled manner will lead to improved stability outcomes.
- ENGIE has had a number of discussions with the Department of Environment, Land, Water and Planning (DELWP) regarding connectivity of a pit lake. There's currently not a process to allow for this so ENGIE is working on an assumption that the rehabilitated mine being won't connect into existing waterways.
- The Rehabilitation and Closure Plan only deals with what is within the mining licence. It doesn't consider the Power Station or the Cooling Pond.
- It's difficult to put a definitive time on mine rehabilitation in terms of years taken to fill. It's not possible to definitively say it will take a specific number of years because of a number of factors including climate uncertainty, drought conditions what other pressures might be on the water system over the filling time period.
- ENGIE is modelling a range of pit lake scenarios as part of its mine rehabilitation and closure planning. It's also considering whether or not the Hazelwood Ash Retention Area is covered or uncovered.
- ENGIE is considering ground movement within two areas:
 - the mine ground movement zone which extends approximately one kilometre from the mine crest. Golder is assisting ENGIE in examining the mine ground zone movement, particularly any movement that might extend to the Morwell South township; and
 - the regional ground movement zone which extends beyond the one kilometre mine ground movement zone.
- The probability of batter failure associated with RL+8 partial pit lake is higher in comparison to the RL+45 full pit lake. This is consistent across all batters.
- ENGIE's mine zone and batter stability assessment also support a faster fill rate for increased geotechnical stability.
- Under a scenario where aquifer pressures recover to pre-mining levels, a partial pit lake is not viable.
- Why do ENGIE's mine batters not fail now? ENGIE does significant work to manage batters to prevent them from failing. This includes de-watering, drilling holes into batters and other activities.
- Members discussed the need for greater clarity regarding access to water for mine rehabilitation purposes and a pathway for accessing it. Members noted that the local community, mine operators and other stakeholders are keen to understand how much water the mines will get for mine rehabilitation.
- If there are avenues or opportunities to increase availability of water to fill the mines quicker the community needs to be made aware of this, in particular where that water is coming from and what the broader environmental implications of that are.
- Arup has been engaged to support ENGIE in the development of a Masterplan for the Hazelwood site.
- The Masterplan outlines why ENGIE is considering a full pit lake, why interconnectivity is not being considered and potential future land use opportunities for the site.
- The Masterplan breaks down the sites into various parcels of land and identifies what types of land uses they may support. It also outlines plans to see these uses realised on these parcels, including plans to progressively release the land and reduce the overall size of ENGIE's site.
- The Masterplan sets out a vision for the site that ENGIE can see, but not necessarily a vision that it will deliver.
- The Masterplan also identifies constraints on the site. For example, what you can do with the Cooling Pond land is very different to what you can do on the Overburden Dump site.
- The Masterplan will become something similar to a prospectus regarding what can be done on the site.
- Has ENGIE had any response from government in terms of planning mechanisms to support the realisation of this vision? The Victorian Government is currently developing its own regional land use vision as part of the Latrobe Valley Regional Rehabilitation Strategy (LVRRS). There is broad alignment between this document and the early draft of the land use vision being prepared as part of the LVRRS.
- ENGIE's mining licence will not be relinquished until ongoing risk management plans have been resolved. Questions

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regarding this will likely be taken up by the Declared Mine Land Rehabilitation Authority when it comes into effect from 1 July 2020.

2 Committee administration

Minutes from last meeting and actions arising

- Minutes from the previous meeting of the Committee (Meeting #12) were noted.
- Apologies for Trevor Williams, Sarah Gilbert, Troy McDonald, Anna May and Alan Freitag were noted.

Update from the Latrobe Valley Mine Rehabilitation Commissioner

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

- The Latrobe Valley Mine Rehabilitation Commissioner's Facebook Page has gone live. This is getting a lot of attention and interest.
- The Commissioner's next public forum is scheduled for June 2019 and will focus on regulation.
- While the regional geotechnical and regional water studies are now complete, there is still some finessing of these to occur, including technical peer review.
- The Commissioner is currently doing some work exploring what a dry pit at each of the Latrobe Valley's three brown coal mines could look like. This work highlights the challenges and costs associated with this option.
- ENGIE recently amended its workplan variation. The Commissioner has reviewed this.
- A number of community organisations have been in contact with the Commissioner asking him to come along and have a discussion regarding mine rehabilitation, including the challenges and opportunities associated with this.

3 Principles for development of the LVRRS

Delivered by: Eva Rampal, Principal Policy Officer, LVRRS, Department of Jobs, Precincts and Regions (DJPR)

This presentation provided an overview of the approach to developing the final LVRRS over the remaining year of the Project.

- The LVRRS will set out broad parameters for the rehabilitation of the Latrobe Valley's three brown coal mines. It will include an implementation plan of further work and actions to be delivered.
- The technical studies that have recently been completed will form the evidence base for the Strategy.
- The process for Stage Four of the LVRRS can be broken down into three key areas:
 - strategy development;
 - engagement; and
 - government decision points.
- At what point will the final LVRRS will get presented to this Committee? Material will be presented to the Advisory Committee progressively as it is finalised.
- What is the Committee's role in the finalisation of the LVRRS? The Latrobe Valley Mine Rehabilitation Advisory Committee is an advisory body and doesn't have a formal sign-off role in the final Strategy. It's tasked with providing advice and input to inform the Strategy's development.
- There is a need for certainty to be provided to the mine operators and the community at large regarding access to water, particularly the administrative, legislative and regulatory process to access water.
- There is a challenge in trying to get early wins; the LVRRS will need time to build itself.
- DELWP provided a presentation at the last meeting of this Committee on potential future water availability. The next step is to look at the administrative side of accessing water for rehabilitation.
- Is the LVRRS team comfortable that it's had enough time to assess the mammoth amount of technical information to guide the decision making, and then synthesise a position? The LVRRS Project Team is confident that by June 2020 it can deliver a pragmatic plan that will allow rehabilitation planning to progress.

4 Latrobe Valley Regional Land Use Study update

Delivered by: Ann Kirwan, Program Manager – Land Use Strategy – LVRRS, DELWP

This presentation provided an update on the land use planning workstream of the LVRRS, including the development of a

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preliminary land use vision.

- A first draft of the preliminary land use vision being prepared as part of the LVRRS has now been substantially completed.
- The draft preliminary land use vision has been informed by consultation with a number of stakeholders including Latrobe City Council officers.
- The preliminary land use vision:
 - builds on existing assets and values including identified state and local policies; and
 - provides a broad framework for land use, comprising many opportunities 'on the ground' (i.e. agri-tourism supporting the Gippsland food bowl's agricultural strengths and providing long-term retention of coal resource areas).
- Jobs was one of the key themes to emerge from discussions with stakeholders regarding the preliminary land use vision.
- Tourism, liveability and recreation was another key theme. A key requirement to enable this would be the development of an integrated tourism strategy which includes the rehabilitated mine sites potential for tourism or recreational uses and identified tourism routes.
- Industry, business and commerce is another key theme identified in the preliminary land use vision. A key requirement to enable this would be the development of a long-term infrastructure delivery plan and program, place-based marketing and promotion program and an increase to the local education and training offering.
- The preliminary land use vision also identifies agriculture, water and energy as a key theme as well as services, education and training.
- The preliminary vision gives consideration to the potential closure timings for the Latrobe Valley's two remaining operating coal mines. Three stages are considered:
 - operating;
 - closure and rehabilitation; and
 - achievement of final landform.
- The land uses for areas under the existing State Resource Overlay (SRO) are treated consistent with the current State policy (*Statement on Future Uses of Brown Coal*). This allows for further coal winning activities on the parcels adjacent to the existing mines subject to the existing regulatory regime.
- An assessment of the existing planning provisions and their suitability for post-rehabilitation and closure phases is identified as further work.
- The draft preliminary land use vision will be subject to further public consultation later this year through a public submission process.
- There are a number of land use plans that have been prepared for the Latrobe Valley over the years. Most recently the major strategic work by Latrobe City - *Live, Work Latrobe*.
- There is a large body of work from a number of parties currently preparing similar plans for areas common to the parts of the Latrobe City region – i.e. ENGIE's Masterplan for the Hazelwood site, and this preliminary land use vision. There was strong concern that the implementation component of these plans often gets forgotten about and they sit on a shelf for years without effective action.
- DELWP is due to present a status report on the land use study work (including the preliminary land use vision) to the Latrobe City Council in May 2019.
- There was discussion of the number of titles which form the mine land areas. It's important to ensure that land on any of the mine sites is not subject to unnecessary fragmentation to the detriment of future beneficial land uses. Are the right mechanism(s) in place to ensure that this doesn't happen? This is something that will have to be considered by multiple parties as this process progresses including DELWP, ENGIE and Latrobe City Council.
- It's important to note that ENGIE is neither a responsible authority nor a planning authority. It is however, required to prepare concepts that outline its plan for the end landform on its Hazelwood site.
- ENGIE does not see itself as a property developer but rather a landform developer, delivering a landform that offers opportunities for others to develop further.
- DELWP has had conversations with Regional Development Victoria's Gippsland Office and the Latrobe Valley Authority throughout the development of the Preliminary Land Use Vision.

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- It was considered that there is currently a window of opportunity where industry is in a position where it's willing to help see a positive future vision for the Latrobe Valley realised. Some cautioned that this window won't however exist forever and opportunities to capitalise on this should be considered and actively seized.
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5 Future engagement events for the Latrobe Valley Mine Rehabilitation Advisory Committee

The Committee discussed future opportunities for engagement including increasing community awareness and knowledge of the LVRRS Project, the findings of the technical studies and the work of the Committee.

- LVRRS engagement to date has been primarily focused on a process story – i.e. what the project team is doing and what the project is setting out to achieve.
 - The LVRRS Project is now at a point where it's transitioning from a process story to a findings and next steps story.
 - Sharing findings of the studies will only answer some of the questions regarding mine rehabilitation. There is still further work to be done to answer outstanding questions and address some issues.
 - The LVRRS Project Team is turning its attention to how it engages with the Latrobe Valley community to share the findings of the technical studies and communicate next steps.
 - Latrobe City Council is of the view that that a dry void is the best option and that access to the resource should be retained to support a future low emissions coal project.
 - Graeme Middlemiss noted that the Committee is currently proceeding in a direction that does not align with Latrobe City Council's position.
 - The Committee has not formally adopted the pit lake option as the preferred option but rather this has been assumed given the findings of the Hazelwood Mine Fire Inquiry and the scope of the LVRRS Project.
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6 Round the table updates and future aspirations and challenges for the Committee

Graeme Middlemiss, Latrobe City Council

- The LVRRS Project Team needs to start providing the information that starts to focus on what the mine rehabilitation solution is.
- More consultation is needed on the preliminary land use vision, particularly with the local community and Latrobe City Councillors.

Angelo Saridis, Gippsland Water

- A lot of information that comes through to the Committee is about how the LVRRS will set a path that allows for the acquittal of statutory obligations – i.e. safe, stable and sustainable. However, it's worth the Committee considering if there is a position that goes over and above the minimum statutory obligations and reflects the aspirations of the local community that members would be willing to support and advocate for.

Roland Davies, Latrobe Valley community

- How the Committee communicates the work that it has been doing on this Project and the advice it has been providing is imperative. There's a lack of awareness of the Committee and the LVRRS Project in the local community.
- A compelling case to maintain the mines as dry pits has not been presented to the Committee.

James Faithful, Latrobe Valley mine operators (ENGIE Hazelwood)

- This Committee has to be able to come to a landing on something that it sees as a viable rehabilitation outcome on a regional scale. At the end of this Project, the community expects to see an outcome. There's a number of ways this could occur. It could be through a traffic light system that looks at a number of different landforms and the benefits and disbenefits associated with each.

Rae Mackay, Latrobe Valley Mine Rehabilitation Commissioner

- The 'dry pit' was rejected at the time of the Hazelwood Mine Fire Inquiry on the basis of expert opinion, including the opinion of the Commissioner.
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- It's important that people understand the implications of the dry pit option and what that means, particularly in terms of cost. The Commissioner is currently working through a process to elaborate on, and provide more information about the dry pit option so as people understand that this is not a free option and that there are significant costs attached to it.
- All landforms are technically feasible but their desirability, cost and long-term maintenance must be considered.
- Land use visions are never intended to produce a concrete statement of what the region will look like. They ought to provide a framework for those people that want to develop those visions.
- In terms of engagement, the Commissioner's role is to look at the planning for rehabilitation. Most of the work he does is in the form of a conversation with community groups and other key stakeholders.
- Trying to bring forward conclusions may not necessarily be helpful in the overall scheme of the Project. It's important that this work is allowed enough time to fully explore and consider all of the relevant issues.

Jane Burton, DJPR

- Getting the community involved has been a challenge for the Project and for the Committee. Consideration ought to be given to setting up a subcommittee of members to consider this issue and provide some advice back to the Committee collectively.

Gail Gatt, Latrobe City Council

- The Committee needs to be able to communicate quickly and be more active in the mine rehabilitation space.
- What can the Committee do to provide advice to the Minister for Resources to ensure that the mine sites and the land surrounding them are not fragmented in a way that is contrary to regional plans or identified land uses?

Ron Mether, Latrobe Valley mine operators (EnergyAustralia Yallourn)

- EnergyAustralia's Workplan Variation for Yallourn, including its Rehabilitation and Closure Plan, has recently been approved.
- EnergyAustralia will host a public Environmental Review Committee Meeting on 22 May 2019 in Moe.
- David Burt will be stepping into the role of Community Engagement Lead for Yallourn.
- Ron Mether is retiring in July 2019.

Terry Flynn, Southern Rural Water

- Wellington Shire is currently experiencing the worst drought that it's been in for a very long time.
- No water restrictions are currently in place.
- A large amount of work is underway to modernise irrigation districts, including \$31 million from the Federal Government to complete the modernisation of the Macalister Irrigation District.
- \$10 million has also been allocated for farmers near the Mitchell River to install on-farm storages.

Anthony Feigl, DJPR

- The LVRRS Project Team will work to map the upcoming project milestones, reports and other key items that will require the Committee's input and feedback against future Committee meeting dates.

Susan Lloyd, Latrobe Valley community (Chairperson)

- Thanks to all members for making the time to meet individually with the Chairperson. This feedback will be collated and presented to the Committee at its June 2019 meeting.
- The Chairperson will be meeting with the Minister for Resources next Tuesday (7th May 2019) afternoon.

7 Other business and next meeting

- Next meeting scheduled for Thursday 13 June 2019.
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