



Latrobe Valley Regional REHABILITATION STRATEGY

Latrobe Valley Mine Rehabilitation
Advisory Committee

Final Report

26 June 2020

FOREWORD FROM THE CHAIRPERSON



To describe mine rehabilitation in the Latrobe Valley as a complex issue would be an understatement.

However, it's only in the last almost four years, in my time as Chairperson of the Latrobe Valley Mine Rehabilitation Advisory Committee, that I've come to fully appreciate just how complex this issue is.

The Latrobe Valley is synonymous with brown coal mining, with an abundance of the lignite resource that has delivered decades of affordable electricity to the State of Victoria and Australia more broadly and underpinned the local economy.

The local Latrobe Valley community has a strong connection to the region's mining and power generation industry and its rich history through generations of workers and their families either directly employed in or supported by the economic benefits from decades of mining and power generation.

However, a global shift of preference towards power generation from renewable sources means that demand for coal-fired power generation will reduce and with it, the need for the region's brown coal mines to supply coal to aging power stations.

The reality of this hit home in 2017, when ENGIE's Hazelwood Coal Mine and Power Station ceased operations. The Latrobe Valley's remaining two operating coal mines, EnergyAustralia's Yallourn and AGL's Loy Yang are due to close in 2032 and 2048 respectively.

Right now, the Latrobe Valley is grappling with the challenge of what a post-mining landscape might look like in a region where the sight of a chimney stacks or cooling towers on the horizon has served as an ever-present reminder of home. Just recently in May 2020, Hazelwood Power Station's eight chimneys were demolished which has brought attention to the changing future of our region.

The Hazelwood Mine Fire Inquiry, conducted in 2015 and 2016 following the devastating mine fire, recommended further consideration of the pit lake rehabilitation option after identifying several elements of these rehabilitation plans that required further investigation.

Over the course of the last four years, many of these investigations have been completed and we now know a lot more about mine rehabilitation than we did at the start of the Latrobe Valley Mine Rehabilitation Committee's tenure.

The findings of these studies are presented in the *Latrobe Valley Regional Rehabilitation Strategy* providing a blueprint to progress mine rehabilitation planning and achieve safe, stable and sustainable final landforms at the Latrobe Valley's three brown coal mine sites that support their next use.

The Strategy is the culmination of four years of incredibly hard work by the Departments of Jobs, Precincts and Regions, and Environment, Land, Water and Planning. As Chairperson of the Latrobe Valley Mine Rehabilitation Advisory Committee, along with my fellow members representing the local community, local government, the Aboriginal community, the water industry, the mine and power station operators and the unions have had the privilege of lending our expertise and advice to this important project.



The Committee visiting the AGL Loy Yang Mine in 2017

On behalf on the Committee, I would like to commend the various departments for their hard work in preparing this important strategy that will help guide mine rehabilitation planning in the Latrobe Valley for decades to come. It's a privilege to have been able to contribute to this project and address a number of the knowledge gaps associated with the pit lake rehabilitation option in the Latrobe Valley.

I'd also like to extend a note of thanks to the Latrobe Valley community and other key stakeholders who have provided their own feedback and views on mine rehabilitation in the Latrobe Valley as part of the consultation for this Project. Your views and input have been greatly valued and have provided important and rich information to inform the Strategy. It is important to acknowledge that mine rehabilitation is a lengthy process and community input is an important part of this, with community interest in this issue likely to grow in the future.

In addition, I would also like to thank the Minister for Resources for establishing this important Committee, and for being committed to delivering the optimal mine rehabilitation outcomes for the Latrobe Valley. The Committee comprises decades of knowledge and expertise with knowledge from mine operators, water corporations, local government, the GunaiKurnai Aboriginal community, relevant government departments and most importantly the broader community. The Victorian Government's recognition of the importance of a Committee such as this where the perspectives of multiple stakeholders has led to a full and earnest consideration of options for mine rehabilitation and the opportunity to advise the development of the Latrobe Valley Regional Rehabilitation Strategy and support its delivery over the last several decades has been valued.

Finally, I'd like to thank my fellow Committee members, both current and those that have served as members throughout the life of the Project. The time committed to attend Committee meetings and the provision of your knowledge and expertise has provided significant benefits to the development of the Strategy. This extends not only to those members currently listed within this report but previous members that have served on the Committee.

Susan Lloyd

Chairperson

Latrobe Valley Mine Rehabilitation Advisory Committee

BACKGROUND

The Latrobe Valley Mine Rehabilitation Advisory Committee (the Committee) was established in late 2016 to provide expert and strategic advice to the Minister for Resources and the Department of Jobs, Precincts and Regions regarding the preparation of a regional rehabilitation strategy for the Latrobe Valley's three brown coal mines.

The preparation of the Latrobe Valley Regional Rehabilitation Strategy (LVRRS) is a key element of the Victorian Government's response to the findings and recommendations of the 2015/16 Hazelwood Mine Fire Inquiry.

The Committee comprises membership with a diverse range of experience and expertise regarding mine rehabilitation in the Latrobe Valley. The members of the Committee are:

- Ms Susan Lloyd (Chairperson), representing the Latrobe Valley community
- Mr Roland Davies, representing the Latrobe Valley community
- Mr James Faithful, representing the Latrobe Valley mine operators (ENGIE Hazelwood)
- Ms Sarah Gilbert, representing the Latrobe Valley mine operators (AGL Loy Yang)
- Mr Ron Methel, representing the Latrobe Valley mine operators (EnergyAustralia Yallourn)
- Ms Gail Gatt, representing the Latrobe City Council
- Cr Graeme Middlemiss, representing the Latrobe City Council
- Mr Terry Flynn, representing Southern Rural Water
- Mr Troy McDonald, representing the local Aboriginal community
- Mr Trevor Williams, representing the Gippsland Trades and Labour Council
- Mr Chris Wood (observer), representing Gippsland Water
- Mr Tony Hicks (observer), representing Loy Yang B
- Ms Jane Burton, representing the Department of Jobs, Precincts and Regions
- Mr Anthony Feigl, representing the Department of Jobs, Precincts and Regions
- Ms Anna May, representing the Department of Environment, Land, Water and Planning
- Mr Alan Freitag, representing the Department of Environment, Land, Water and Planning.



The Committee visiting Alcoa's Anglesea Mine in late 2017

- d) Represent key stakeholders and stakeholder group interests in relation to mine rehabilitation in the Latrobe Valley; and
- e) Act as a conduit to broader stakeholder engagement in the Latrobe Valley.

Over the last three-and-a-half years, the Committee has acquitted each of its specific responsibilities under its Terms of Reference. A summary of how the Committee has delivered on each of these specific responsibilities is provided below.

Contribute to the development of the Strategy through the provision of expertise and advice

The Committee has had an ongoing role in providing advice and contributing its expertise to the development of the Strategy. Opportunities for it to exercise its advisory role have taken several forms including:

- Being provided early and preliminary results from the findings of the technical studies that underpin the LVRRS and being able to question, interrogate and provide feedback on these. The variety of stakeholders represented in the room meant that challenging and complex issues were able to be explored and interrogated from multiple perspectives with often robust debate ensuing. This provided valuable feedback to the Project Team that was able to inform refinements and clarifications to studies and work and ultimately a better final product.
- Providing written feedback on reports and other documents, including a draft of the LVRRS. The Committee has been provided with early drafts of many key documents that ultimately became public to provide their feedback on. This early review provided a good litmus test for the Project Team of documents that would ultimately enter the public domain, ensuring these documents met stakeholder expectations, provided valuable information and answered key questions that stakeholders may have had.



Committee members James Faithful (ENGIE), Gail Gatt (Latrobe City Council) and Ron Mether (EnergyAustralia)

- Drawing on specialist advice, background and technical information of the stakeholder groups and organisations members represent. Members have often drawn on their own individual expertise or the expertise of others within their organisation to provide feedback on the Strategy and the various elements and studies that underpin it. The individual connections of members to their organisations, as well as broader network within the community have provided a wealth of valuable information to the project.

- Advising the Project Team on communications and stakeholder engagement. The Advisory Committee has played an active role in advising the Project Team on communications and engagement activities to support the delivery of the LVRRS. They have also actively contributed to the development and delivery of key stakeholder engagement events for the Project including open days and public information forums.

Facilitate interaction and partnerships between industry, the community and other relevant Government agencies and departments

The wide range of stakeholder interests represented on the Committee has allowed for the development of positive working relationships between the various organisations and stakeholder groups members represent. As a result of Committee discussions and deliberations, briefings, meetings and information sharing often occurred between members and their respective organisations to further progress issues and discussions relevant to mine rehabilitation.

Provide advice on policy and legislation development when requested by the Department or the Minister

The Committee has been given the opportunity to provide feedback on the declared mine regulations and the establishment of the Mine Land Rehabilitation Authority. The Committee valued this opportunity and the ability to provide open and honest feedback in the development of key policy and legislation regarding mine rehabilitation.

Represent key stakeholders and stakeholder group interests in relation to mine rehabilitation in the Latrobe Valley

The Latrobe Valley Mine Rehabilitation Advisory Committee comprises a wide range of stakeholders and stakeholder groups interests in relation to mine rehabilitation. Having all of these stakeholders around the table at Committee meetings has provided a useful forum to explore and discuss issues from multiple perspectives.

As appropriate, members were given opportunities to take material back to the organisation or stakeholder group they represented to share this more broadly, ensuring information and feedback provided to the Project Team was reflective of the stakeholder group or organisation as a collective, rather than the individual member.

The Committee acknowledges that the groups represented on the Advisory Committee represent many of the key stakeholders relevant to mine rehabilitation in the Latrobe Valley but not all. For those stakeholder groups that might not be represented on the Advisory Committee, the Project Team has worked to keep these actively engaged and informed of the Project.

Act as a conduit to broader stakeholder engagement in the Latrobe Valley

The Advisory Committee has worked to act as a conduit to broader stakeholder engagement in the Latrobe Valley throughout the life of the Project. This has included through reviewing and providing feedback on project collateral and supporting community and stakeholder engagement activities for the Project, including information open days, workshops, and public information events. This



Committee member Roland Davies (second from left) participating in an LVRRS community forum in October 2019

Credit: Latrobe Valley Express

included the Chairperson of the Committee serving as MC at a community information event to provide an update on the LVRRS technical studies in late 2019 as well as member participation in the panel discussion as part of the event.

FEEDBACK ON THE LVRRS

The Advisory Committee has had several opportunities to review and provide feedback on the final LVRRS.

The diversity of stakeholders and stakeholder groups represented on the Advisory Committee means that a consensus position on the LVRRS as a Committee is challenging to reach.

That said, the Committee as a collective is supportive of the LVRRS and what it is setting out to achieve. It's also keen to see a positive mine rehabilitation outcome for the region that delivers an asset to the local community.

Some of the key feedback provided by Committee members on the Strategy included:

- **The need to ensure the balance between the water and geotechnical elements of the Strategy.** Several committee members, particularly those from the Latrobe Valley mine operators, noted the importance of the final Strategy striking the right balance between the findings of the regional geotechnical and regional water studies. According to some members, earlier drafts of the Strategy did not acknowledge the importance of water to achieving a geotechnically safe, stable and sustainable outcome.
- **Decision-making regarding mine rehabilitation.** Early drafts of the Strategy featured a decision-making pathway that resulted in questions and uncertainty from some members of the Advisory Committee. Members noted the needs for certainty of process regarding decision making for mine rehabilitation and the importance of this for all stakeholders including the mine operators and the local community.
- **Need to ensure practical and pragmatic planning for mine rehabilitation and accompanying policy settings.** Members have consistently expressed a need for policy settings and an approach to mine rehabilitation that is practical and pragmatic. Members have discussed that a regulatory environment, or expectations of the mine operators regarding rehabilitation that are too onerous could result in early closure or disincentivise rehabilitation. At the same time, members have noted the need for robust oversight and regulation of mine rehabilitation to ensure the mine operators fulfill their legislative obligations under the *Mineral Resources (Sustainable Development) Act 1990* and deliver the best possible outcomes for the community.
- **Need for communication regarding timelines for mine rehabilitation.** Members have noted an apparent lack of understanding within the community regarding the timelines associated with mine rehabilitation. The fact that it may take decades before the mines are rehabilitated to a state that is safe, stable and sustainable and before the community may be able to access these and enjoy any associated benefits is something that needs to be clearly communicated to the local community.
- **The challenges of attracting community attention to the project.** For many in the Latrobe Valley, the long timeframes associated with mine rehabilitation have caused some challenges in attracting community interest to the Project. Many see it as an issue that is decades away and so are reluctant to engage with the issue due to competing issues that are more immediate. There will be a need to ensure future communication regarding mine rehabilitation is able to tap into why the community should take an active interest in mine rehabilitation now.

KNOWLEDGE TRANSFER AND SUPPORTING THE NEW MINE LAND REHABILITATION AUTHORITY

The Committee was established to support the development of the LVRSS. Monitoring the implementation of the LVRSS will be the responsibility of the new Mine Land Rehabilitation Authority.

Over the course of the last several years, members of the Committee have built up a great deal of knowledge regarding the challenges and opportunities associated with mine rehabilitation in the Latrobe Valley and the LVRSS.

The Committee is keen to ensure that this built up knowledge is not lost and looks forward to ensuring the transfer of this knowledge to the Board of Directors for the Mine Land Rehabilitation Authority. Allowing for a transition period of six months whereby the two groups could meet and exchange knowledge would be invaluable to the formative months of the new Mine Land Rehabilitation Authority Board.

At its June 2020 meeting, the Committee discussed how it could best support the new board of directors of the Mine Land Rehabilitation Authority during the six-month transition period. The Committee is looking to organise a workshop with board members of the Authority in July 2020 to discuss how the two parties can best work together and ensure the learnings of the Committee are transferred. The Committee will also use this workshop to identify any other priority areas where it can support the formative months of the Authority.

FINAL ACKNOWLEDGEMENT

Thanks to my fellow members of the Advisory Committee as over the course of three and a half years, 21 meetings and countless reports and presentations, members have given their time, expertise and frank and fearless advice to what is an incredibly important Project for the region. I'd also like to acknowledge and thank those that were members but resigned from this Committee during the project – Nicole Griffin, Phil Stone, Angelo Saridis, Tim Delany, Joanne Brunt, Grace Mitchell and John Krbaleski.

Thanks also to the Latrobe Valley Mine Rehabilitation Commissioner Emeritus Professor Rae Mackay for attending committee meetings as an observer over the last four years. Your insights have been greatly valued and I'd like to acknowledge the significant contribution to furthering mine rehabilitation planning in the Latrobe Valley in your three years as the inaugural Latrobe Valley Mine Rehabilitation Commissioner.

It's been a wonderful opportunity to be a part of something that will continue to drive positive mine rehabilitation outcomes for the region for decades to come and as a Committee, we look forward to ensuring that our key learnings are passed onto the board of directors of the new Mine Land Rehabilitation Authority in the coming months.