

Latrobe Valley Mine Rehabilitation Advisory Committee

MEETING #20 MINUTES (WITH CONFIDENTIAL INFORMATION REDACTED)

THURSDAY 16 APRIL 2020

VIDEOCONFERENCE VIA WEBEX

ATTENDEES

Ms Susan Lloyd (Chairperson), Latrobe Valley community

Mr Roland Davies, Latrobe Valley community

Mr Ron Mether, Latrobe Valley mine operators (EnergyAustralia Yallourn)

Ms Sarah Gilbert, Latrobe Valley mine operators (AGL Loy Yang)

Ms Gail Gatt, Latrobe City Council

Cr Graeme Middlemiss, Latrobe City Council

Mr Terry Flynn, Southern Rural Water

Ms Jane Burton, Department of Jobs, Precincts and Regions

Mr Anthony Feigl, Department of Jobs, Precincts and Regions

Ms Anna May, Department of Environment, Land, Water and Planning

Mr Alan Freitag, Department of Environment, Land, Water and Planning

Emeritus Professor Rae Mackay (observer), Latrobe Valley Mine Rehabilitation Commissioner

Mr Brett Millsom (secretariat), Department of Jobs, Precincts and Regions

APOLOGIES

Mr James Faithful, Latrobe Valley mine operators (ENGIE Hazelwood)

Mr Trevor Williams, Gippsland Trades and Labour Council

Mr Troy McDonald, Aboriginal community

GUESTS

Mr Tony Hicks, Loy Yang B

Mr Chris Wood, Gippsland Water

Mr Gavin Prior, Southern Rural Water

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Agenda Item	Minutes
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1 Introduction from the Chairperson and Committee administration

- The Chairperson noted apologies from James Faithful, Trevor Williams and Troy McDonald.
- Minutes from the previous Committee meeting (Meeting #19) were noted.

2 Update on the Latrobe Valley Regional Rehabilitation Strategy

Delivered by: Anthony Feigl, Acting Director Coal Resources Victoria, Department of Jobs, Precincts and Regions and Anna May, Director Water Resource Assessment and Planning, Department of Environment, Land, Water and Planning.

Work is well underway towards finalising the Latrobe Valley Regional Rehabilitation Strategy (LVRRS). This presentation provided an overview of the progress of the Strategy, including a summary of the feedback from Advisory Committee members and how this is being considered.

3 Preparing for the release of the Latrobe Valley Regional Rehabilitation Strategy

Delivered by: Brett Millsom, Senior Engagement Specialist, Department of Jobs, Precincts and Regions.

With the Latrobe Valley Regional Rehabilitation Strategy nearing completion, attention is turning to the communications and engagement to support the release of the final strategy. This presentation provided an update on communications and engagement to support the final Strategy.

- At Meeting 17 of the Committee in December 2019, Members were provided with an overview of the communications and engagement approach for the final six months of the LVRRS. This has been reviewed in light of the COVID-19 pandemic, however all actions and activities are proceeding with some revised timelines and delivery methods in some instances.
- A total of 31 submissions were received on the LVRRS Overview. Of these, 21 responded directly to the questions posed on engage.vic while 10 were longer submissions provided feedback on the LVRRS Overview in general.
 - Of the 21 responses directly to the engage.vic questions posed, 16 respondents provided postcodes. Of these, 12 were from within Latrobe City.
- Key feedback and themes to emerge in the responses included:
 - A desire for the rehabilitated mine sites to offer amenity value to the local community.
 - A desire to ensure that rehabilitation of the Latrobe Valley's three brown coal mines doesn't come at a cost to current and/or future taxpayers.
 - Concerns about whether or not water would be available in the volumes required to rehabilitate the three mines and what impacts there might be on other water users if water is to be provided to rehabilitate the mines to full pit lakes.
 - The need for a transparent decision-making process regarding mine rehabilitation and transparency from the mine operators regarding their intentions for the sites when they cease operating.
 - The need for clarity around some of the key terms, including safe, stable and sustainable.
 - A desire to see mine rehabilitation options other than the pit lake considered in more detail.
 - The need for a genuine partnership between industry, government and the community with a commitment to delivering the best overall outcome for the region.

4 Awarding of water allocations in dry climates

Delivered by: Gavin Prior, Manager Water Supply, Southern Rural Water

Members of the Latrobe Valley Mine Rehabilitation Advisory Committee have previously expressed an interest in learning more about how water allocations are considered and awarded in times of drought or a dry climate. This presentation will provide further information on this and will acquit outstanding action 17.2 in the *Action Register*.

- Victoria's Water Entitlement Framework is established under the *Water Act 1989*. It provides for three tiers of water entitlements:
 - Tier one entitlements refer to rights held by the Crown, which retains the right to the use, flow and control of all surface water and groundwater on behalf of Victorians.
 - Tier two entitlements allow the Minister for Water to grant entitlements to water to authorities and set limits and caps.

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- Tier three entitlements allow for the Minister for Water to grant entitlements to water to individuals
- Entitlements are secure, set out the obligations of the holders, can be traded on a permanent/temporary basis and set limits on consumptive use.
- Bulk entitlements can only be held by authorities specified under section 34 (1) of the *Water Act 1989*. This includes:
 - Water corporations
 - Generation companies
 - The Minister administering the *Conservation, Forests and Lands Act 1987*
 - Victorian Environmental Water Holder.
- Bulk entitlements provide the right to take, store, and use water subject to the terms and conditions specified, don't expire, and can only be amended via the processes set out in the *Water Act 1989*.
- Water corporations use their bulk entitlements to supply customers including urban/industrial customers, supply by agreement customers and other entitlement holders.
- The Loy Yang ¾ Bench bulk entitlement is held by the Minister for Energy, Environment and Climate Change and is administered by the Department of Treasury and Finance. The entitlement was created for the balance of the former State Electricity Commission of Victoria's total share of water in the Latrobe system and is associated with a parcel of land adjacent to the Loy Yang B Power Station.
- The Latrobe Reserve bulk entitlement's primary purpose is to protect the reliability of supply and reduce the risk of water shortages for entitlement holders. This is managed to ensure that water is available for purchase by entitlement holders if there is a high risk of one or more of the entitlement holders experiencing a shortfall in supply in the next six months. A minimum of 25 per cent of the reserve is to remain as security for the following season.
- In most years, there is sufficient industry returns and river flows to ensure irrigators can access their full licence volume.
- The Environmental Water Reserve is a legally recognised amount of water set aside to meet environmental needs. The objective of this reserve is to preserve the environmental values and health of water ecosystems.
- Each year, the Victorian Environmental Water Holder develops a seasonal watering plan which sets priorities for where, when, why and how the environmental water it manages will be used across Victoria.
- Southern Rural Water is appointed by the Minister for Water as the storage manager for the Latrobe River System.
- The storage manager must consider the following objectives when operating the Latrobe headworks system and carrying out other storage management functions:
 - Structures (to direct operations to ensure that the structural and operational integrity of the Latrobe headworks system is maintained).
 - Bulk and environmental entitlements (to deliver water to entitlement holders in a timely, transparent and efficient manner).
 - Accounts (to account for the water stored and water flows in the Latrobe headworks system and for the water taken by entitlement holders).
 - Water efficiency (to direct operations to reduce water losses in the Latrobe headworks system where possible).
 - Water trade (to provide technical advice and information that would facilitate the trade of water between entitlement holders in a timely, transparent and efficient manner, when requested).
 - Water quality (to minimise the water quality impacts of operating the Latrobe headworks system where possible).
 - Environment (to direct operations to provide opportunities for recreation activities in the Latrobe headworks system where that is compatible with other objectives).
 - Floods (to mitigate floods in the Latrobe headworks system where that is compatible with other objectives (consistent with functions of the storage manager under section 122ZL of the *Water Act 1989*)).
 - Aboriginal cultural heritage (to facilitate the protection of Aboriginal cultural heritage in accordance with relevant cultural heritage management plans and by other means, where it is compatible with other objectives).
- Roland Davies noted that Hazelwood's water doesn't appear to be mentioned in the presentation. Presumably this is because this is water obtained through a supply by agreement with Gippsland Water. Gavin advised this is correct.
- Gavin advised that Southern Rural Water is not the manager of the Gippsland Lakes.

5 Round the table updates

Tony Hicks, Loy Yang B

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- Loy Yang B has split operations onsite to help ensure continued operation of the asset in the event of a COVID-19 case.
- Electricity demand is down approximately 20 per cent as a result of COVID-19.
- Loy Yang B is still pressing ahead with major outage plans for later in the year.

Ron Mether, Latrobe Valley mine operators (EnergyAustralia Yallourn)

- Yallourn has been working to put measures in place to manage COVID-19, including separation measures.
- It's been a wet season which has posed some issues for truck and shovel operations.

Sarah Gilbert, Latrobe Valley mine operators (AGL Loy Yang)

- AGL is also actively managing the impacts of COVID-19. All non-operational staff are working remotely, and measures have been put in place onsite to help protect staff health.

Gail Gatt, Latrobe City Council (Council Officer)

- While Latrobe City has closed a number of services in light of COVID-19, it's working to maintain business as usual as much as possible.
- Most staff that can are now working from home.
- Councillors are receiving briefings and meeting electronically, however there's no forum yet for formal Council meetings to occur electronically, so these are still going ahead in person with social distancing measures being observed.

Graeme Middlemiss, Latrobe City Council (Councillor)

- There remains a great deal of community interest in maintaining the Hazelwood Pondage as a community facility.

Chris Wood, Gippsland Water

- Gippsland Water is continuing to work with ENGIE and others regarding potential uses for water going forward and it's availability to the community for other uses.

Terry Flynn, Southern Rural Water

- Southern Rural Water has transitioned to working from home. Staff are well-accustomed to remote communication given geographic distribution of staff.
- The group of Latrobe Irrigators that has been actively campaigning against the use of water for mine rehabilitation has received funding from Wellington Shire Council to establish a website

Susan Lloyd, Latrobe Valley Community (Chairperson)

- Congratulated Jane Burton on her recent appointment as Executive Director, Earth Resources Policy and Programs.

Rae Mackay, Latrobe Valley Mine Rehabilitation Commissioner

- Face-to-face community engagement activities for Commissioner's Office have been cancelled due to COVID-19.
- The Commissioner has met with Latrobe River irrigators regarding use of water for mine rehabilitation.
- The Commissioner's office is producing a digital brochure intended to go out in May 2020.
- The Commissioner's office has completed review of Hazelwood's Workplan Variation which includes its mine rehabilitation plan.

Jane Burton, Department of Jobs, Precincts and Regions

- The ongoing feedback of Advisory Committee members throughout the life of the LVRRS Project has been valuable.
- Interviews for board members of the Mine Land Rehabilitation Authority are underway. We'll consider how this Committee provides a handover of sorts to the new Authority.

Anna May, Department of Environment, Land, Water and Planning

- Thanks to members of the Advisory Committee for their continued feedback, noting that it's really helped round out the LVRRS. While we're working remotely, we're still forging ahead with the delivery of the LVRRS.
- Last week, the West Gippsland Catchment Management Authority hosted a virtual tour of the Latrobe River System.

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6 Other business and next meeting

- Next meeting scheduled for Thursday 11 June 2020
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