

Latrobe Valley Mine Rehabilitation Advisory Committee

MEETING #26 MINUTES (WITH CONFIDENTIAL INFORMATION REDACTED)

MONDAY 31 MAY 2021

VIDEOCONFERENCE VIA MICROSOFT TEAMS

ATTENDEES

Mr Roland Davies (Chairperson), Latrobe Valley community
Ms Susan Lloyd (Deputy Chairperson), Latrobe Valley community
Mr Ron Mether, Latrobe Valley mine operators (EnergyAustralia Yallourn)
Mr Jon Missen, Latrobe Valley mine operators (AGL Loy Yang)
Mr Tony Hicks, Loy Yang B
Cr Graeme Middlemiss, Latrobe City Council
Ms Gail Gatt, Latrobe City Council
Mr Terry Flynn, Southern Rural Water
Mr Chris Wood, Gippsland Water
Ms Anne Murphy, Gippsland Trades and Labour Council
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
Ms Aimi Johnson (secretariat), Department of Jobs, Precincts and Regions

APOLOGIES

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

GUESTS

Emeritus Professor Rae Mackay, Chairperson, Mine Land Rehabilitation Authority
Ms Lisa Hocking, Gunaikurnai Land and Waters Aboriginal Corporation
Dr Andrea Ballinger, Senior Manager Water Assessment Projects and Planning, Department of Environment, Land, Water and Planning
Mr Mark Facciolo, Project Lead - Water and Mining, Department of Environment, Land, Water and Planning
Mr Chris McAuley, Senior Project Manager Latrobe Valley Regional Rehabilitation Strategy, Department of Jobs, Precincts and Regions
Ms Heather Griffith, Director Policy Partnerships, Department of Environment, Land, Water and Planning
Dr Lisa Lowe, Senior Manager Sustainable Water Strategies, Department of Environment, Land, Water and Planning

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Agenda Item	Minutes
1	<p>Welcome and introduction from the Chairperson</p> <ul style="list-style-type: none"> The Chairperson opened the meeting and acknowledged the Traditional Owners of the land. Apologies for Alan Freitag were noted.
2	<p>Latrobe Valley Regional Rehabilitation Strategy Implementation Actions Three and Four - update</p> <p><i>Delivered by Andrea Ballinger, Senior Manager Water Assessment Projects and Planning and Mark Facciolo, Project Lead - Water and Mining, Department of Environment, Land, Water and Planning</i></p> <p>The Committee was provided with an update on LVRRS implementation actions three (guidance on potential water sources and access arrangements for mine licensees to undertake rehabilitation) and four (further assess the feasibility of alternative water sources that could be used for rehabilitation).</p> <ul style="list-style-type: none"> The Committee discussed the conceptual indicative conditions that could be placed on access to water for mine rehabilitation to protect other water users, environmental and Traditional Owner cultural values. These conditions could include limiting take to wetter periods and capping volume of take. The Committee discussed the increase in urban housing demands in Latrobe City and the need to factor this in regarding the flow-on demands for water for household consumptive use. The use of water for irrigation was discussed, including whether all existing irrigators that utilise water from the Latrobe River have been taken into account with this modelling, as well as factoring in projected growth in irrigation demands. All existing irrigators have been considered as part of this modelling. LVRRS implementation action three is about protecting existing water users; future water users are considered outside of the scope of this work. The <i>Central and Gippsland Region Sustainable Water Strategy</i> is exploring opportunities to underpin a strong irrigation sector into the future. The Committee discussed how the impacts of floods are considered as part of this environmental risk assessment. The environmental risk assessment is focussed on how environmental values, particularly animals and plants, experience flows (including flooding). A number of alternative water sources that may be able to support mine rehabilitation have been considered as part of implementation action four, including desalination, utilisation of the Eastern Treatment Plant and recycled water from the Gippsland Water Factory. The options were assessed against a number of criteria including the quality of water, volumes, reliability, any secondary benefits and likely stakeholder support. The water produced would not necessarily be drinking water quality, but rather fit-for-purpose (i.e. mine rehabilitation). The changing industrial profile and the flow-on effects for water supply and demand needs to be factored into water resource planning for the region. For example, four gigalitres of water previously held as an entitlement by Energy Brix has recently been returned to the system.
3	<p>Latrobe Valley Regional Rehabilitation Strategy Implementation Action Five - update</p> <p><i>Delivered by Chris McAuley, Senior Project Manager Latrobe Valley Regional Rehabilitation Strategy, Department of Jobs, Precincts and Regions</i></p> <p>The Committee was provided with an update on LVRRS implementation action five to 'identify alternative/contingency rehabilitation options to manage land stability and fire risks if sufficient water is not available'. This included the approach to mine stability analysis for alternative/contingency rehabilitation options, the types of ongoing management requirements for non-water rehabilitation options and identified risks, as well as two contingency analysis scenarios for water-based rehabilitation plans, if sufficient water is not available.</p> <ul style="list-style-type: none"> The Committee discussed the importance of differentiating between factor of safety and probability of failure. A need to consider practicality of use for the rehabilitated sites was also discussed, noting that a dry pit will require significant active

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management with limited public access to the site.

- Probability of failure needs to be considered in the context of historical failures across the Latrobe Valley's brown coal mines and current active stability management measures in place.
- Work to understand how much the mine area may increase in size if the batter slopes were to be reduced has not yet been completed.
- In considering fill material (other than water) as a rehabilitation solution for the Latrobe Valley coal mines, transport requirements and truck movements also need to be considered.
- Horizontal drains serve as one of the key control measures in managing batter stability. There is a need to consider the placement and maintenance of drainage infrastructure for non-water fill scenarios.
- The Committee discussed the maintenance associated with non-water based rehabilitation options, noting that this is significant and will require active management in perpetuity. Funding this monitoring and maintenance is challenging when the asset is no longer producing revenue.
- It was suggested further work be undertaken in considering sourcing of non-water fill material and costs associated with establishing and maintaining a dry pit. In addition, careful consideration needs to be given to how the concept of 'factor of safety' is communicated.
- A number of specific terms, including factor of safety, probability of failure, risks and consequences were discussed and the need to develop clear communications material that explains these terms in the context of mine rehabilitation.
- A cost comparison for the dry pit option compared with alternative water source rehabilitation options(s) was identified as being needed, noting that the costs are significant across all options and it is important these are sufficiently understood by stakeholders.
- In addition to managing stability of the batters, ongoing groundwater depressurisation would be needed to prevent floor heave and the impacts of regional subsidence would need to be considered.
- While surcharging may provide some relief, it won't substantially address movement of land towards the void for a long time. All of these risks can be addressed, however a clear and universally agreed acceptable risk level would be helpful in developing plans to manage these risks.
- While each of the Latrobe Valley brown coal mines is unique, with unique domains within each mine, the acceptable thresholds for risk could be standardised, with each mine able to work backwards from the defined risk thresholds.

4 Latrobe Valley Regional Rehabilitation Strategy Implementation Actions – communicating study findings

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

The Committee was provided with an update on the plans to communicate the findings of the LVRRS implementation action studies with key stakeholders and the broader community.

- The Committee recognised the need for the community to be informed of these study findings to help build broader knowledge of the challenges and opportunities associated with various rehabilitation options.
- It was noted that the local community feels over-consulted and that when it comes to mine rehabilitation community members don't see an opportunity to genuinely influence the outcome through consultative processes but rather just obtain information.
- Opportunities may exist for members to tap into their professional networks to help in sharing this information more widely and generating interest.

5 Central and Gippsland Region Sustainable Water Strategy

Delivered by Heather Griffith, Director Policy Partnerships and Lisa Lowe, Senior Manager Sustainable Water Strategies, Department of Environment, Land, Water and Planning

The Committee was provided with an overview of the draft *Central and Gippsland Region Sustainable Water Strategy*.

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- Currently six million people reside in the Central and Gippsland regions, an area that covers the waterways and catchments south of the Great Divide down to the coast, from the Otways to East Gippsland. This is set to increase to 10 million by 2056, in turn increasing demand for water.
- Water availability in the region is declining. There is a need for additional water supply to support cities and towns, agriculture and food and fibre as the population grows.
- This strategy is the first that has been developed in partnership with Traditional Owners across the region, recognising that they have previously not had an active role in water management.
- The *Central and Gippsland Region Sustainable Water Strategy* is a 50-year strategy that will be reviewed every 20 years. An implementation plan will include actions for the next 5-10 years.
- The draft strategy which will be released for public consultation in 2021 will include high-level actions and water recovery targets. The final strategy, to be released in early 2022, will include more detailed information about these actions including responsible agencies and authorities.
- The minimum water level for recreational use at Lake Narracan was discussed. The Committee was advised that this hasn't come up in consultation to date, however the team preparing the strategy is aware of this issue. Southern Rural Water tries to manage Lake Narracan's water level to allow for recreational use, but there is no mandatory requirement for this to be maintained. Any changes to this would require an amendment to the relevant bulk entitlement, which would need to be approved by the Minister for Water in a separate process to the Sustainable Water Strategy.
- The Sustainable Water Strategy is looking at water availability within the region and what that could be used for, rather than decisions on individual existing entitlements.

6 Operational updates from members

Ron Mether, Latrobe Valley mine operators (EnergyAustralia Yallourn)

- Yallourn's internal overburden dump has progressed to the Latrobe batters for stability in preparation for mine filling.
- Stability dumps are also being placed on the Eastern Maryvale Batters in preparation for mine filling.

Terry Flynn, Southern Rural Water

- Southern Rural Water is continuing discussions with irrigators and their proposal for increased irrigation along the Latrobe River, noting that water resource constraints are now more of an issue rather than infrastructure requirements.

Rae Mackay, Mine Land Rehabilitation Authority

- The Mine Land Rehabilitation Authority (MLRA) is continuing to engage with stakeholders including recent briefings and presentations to the Gippsland Regional Executive Forum, mine rehabilitation conferences and the Australian Geomechanics Society.
- The MLRA will move to the Morwell GovHub in August.

Chris Wood, Gippsland Water

- Gippsland Water is currently working through its five-year pricing submission.

Graeme Middlemiss, Latrobe City Council

- Any changes in water availability which could impact recreational use of Lake Narracan have the potential to impact on surrounding property development. Council will adopt a formal position on the *Central and Gippsland Sustainable Water Strategy* in the months ahead.

Gail Gatt, Latrobe City Council

- Latrobe City Council will meet with Southern Rural Water later this week to discuss Lake Narracan and maintaining water levels to support recreational use. Council will provide a submission to the Department of Environment, Land, Water and Planning on the *Central and Gippsland Sustainable Water Strategy*.
- Latrobe City councillors visited Canberra in March 2021, meeting with ministers and shadow ministers to advocate for job

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creation in the Latrobe Valley.

Tony Hicks, Loy Yang B

- Instances of negative energy prices due to increased penetration of renewables are currently being witnessed. This presents a challenge for the Latrobe Valley coal-fired power generators as they're not designed to ramp up and down.

Jon Missen, Latrobe Valley mine operators (AGL Loy Yang)

- Work is continuing on the disaggregation of the AGL business. This will be reported publicly as soon appropriate.

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Other business and next meeting

- Next meeting date to be confirmed.
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