

ANGLESEA POWER STATION COMMUNITY CONSULTATION NETWORK

MAY 2015 MEETING SNAPSHOT

Meeting purpose: The proposed 1 June CCN meeting was brought forward to 18 May to enable attendees to discuss Alcoa's decision to close the Anglesea power station and mine on 31 August 2015.



Introduction

The meeting was independently facilitated by Jen Lilburn. 35 people attended, including representatives from Alcoa, community, local and state government. Prior to the meeting Jen met with some participants so that she could understand what had and hadn't been working in the CCN. She tabled the feedback and meeting attendees agreed on a Code of Conduct for the future.

The announcement and impacts on employees

Warren Sharp (Anglesea Power Station Manager) gave a brief outline of the 12 May announcement to permanently close the power station and coal mine, effective 31 August 2015. The site will continue to operate and all employees will have a job until this date. The impact of this decision is significant for the site's 85 employees and their families; the welfare and safety of staff will be Alcoa's focus for coming months.

Warren expressed his appreciation for the mature and composed manner in which the employees responded to the news and the way in which the Anglesea community has supported them and their families.

Alcoa will now develop technical plans for the closure of the power station, which will be shared with the community at the next CCN meeting.

Employees are being given assistance with career counselling and training. Alcoa contributed to the Geelong Region Innovation and Investment Fund (GRIIF) following the 2014 announcement to close Point Henry; no announcement has been made regarding any further contribution as a result of the Anglesea closure.

Environmental considerations and mine rehabilitation

A Rehabilitation Plan will be developed over coming months with all relevant parties. Warren suggested it may take years to rehabilitate the site properly and to appropriate standards. Alcoa will therefore remain accountable for the site, including ongoing management of fire risk, well into the future.

Impacts on Anglesea River are likely, given that Alcoa discharges approximately 4-5 megalitres of water per day into the river. After the meeting, Alcoa staff advised that, during periods of low rainfall, Alcoa's discharge may constitute as much as 100% of the river's flow.

Part of the mine closure plan will be eliminating the risk of coal mine fire in the future. The intention is that the mine site's exposed coal will be covered by 31 August.



Kate Betts (Alcoa's Senior Communications & Engagement Advisor) advised that the following budget has been set aside: \$40-45m for asset retirement obligations and environmental remediation, \$20-25m for employee-related costs and \$5m for other related costs (all in US dollars).

In answer to a question, Warren stated that it is possible, but unlikely, that some employees may gain work with the specialist organisations that will be engaged to rehabilitate the site due to expected gap between closure and commencement of rehabilitation

Future use of the site

There is no plan as yet for the future management of the Alcoa-owned freehold land portion. It is expected that the leased component of the site will return to the management of state government at the appropriate time.

A meeting attendee reminded the group that the mine is contained within the Anglesea Heath, which is listed on the Register of the National Estate. She stated that an election commitment from the current state government was that the site would be incorporated into the Great Otway National Park. The community must be mindful of this when discussing future uses for the site.

Another meeting attendee stated that specific mine remediation works should not limit potential future uses of the site.

Role of government

Tony Robinson (Manager Major Projects, EPA Victoria) stated that EPA will oversee the closure, decommissioning and demolition of the power station. Alcoa will propose an order of decommissioning which the EPA will review. Once approved, this information will be available to the public in terms of the basic steps and safeguards for the protection of environmental values and human safety.

EPA Victoria will oversee the management (environmentally) of site clean-up in order to protect potential future uses of the site, through issuing a Clean Up Notice (likely to be around the time of closure). This will likely include the need for a site assessment to determine what needs to be remediated and the best methods for doing so. This will take in the order of 18 months and will be overseen by an independent auditor, prior to EPA verification and approval. The process takes time and there will be ample opportunity for public input.

John Mitas (General Manager Operations and Chief Inspector, Earth Resources Regulation, Department of Economic Development, Jobs, Transport and Resources) explained that the mine is managed in line with the *Mineral Resources (Sustainable Development) Act*. ERR oversees the implementation of a Work Plan, which spells out how the mine is operated and rehabilitated. A critical component of rehabilitation is that works must be satisfactory 'forever'. If ERR is satisfied with rehabilitation, the bond will be returned to Alcoa and the land will revert to the state government. John commented that existing rehabilitation works have been of a very high standard.

The Work Plan has been endorsed under clause 21A of the *Mines (Aluminum Agreement) Act 1961* and sits within ERR and can be made available to the public following the removal of commercial-in-confidence material.

During decommissioning

Both Tony and Warren stated that the minimisation of offsite impacts will be a priority. The EPA will ensure that it understands community concerns regarding the works; CCN meetings were considered a good starting point for this discussion.

Alcoa will need to prepare an Engagement Plan that includes a range of methods to hear and understand community concerns and to notify people about any works that may be of concern.

Future role of CCN

Many suggestions were made about ways in which the CCN could provide an "opportunity for good consultation between Alcoa and community in all aspects of decommissioning". Meeting participants were clear about the importance of providing timely and comprehensive information to the community about aspects including regulatory frameworks, responsibilities, timeframes and potential future uses of the site.

Participants felt that fact that the CCN is open to any member of the community who may wish to attend should be widely promoted.



Next meeting: Monday 10 August 2015, 6pm

The purpose of this document is to give community and other stakeholders a summary of what took place at the meeting on Monday 18 May. For a full account of discussions at the meeting, email angleseaps@alcoa.com.au requesting a copy of the minutes.

The CCN, established in 2001, provides advice and feedback on issues relevant to Alcoa, to assist it becoming more responsive to the needs and concerns of the community. For further information about Alcoa visit www.alcoa.com.au/anglesea.