

MINISTER FOR ENVIRONMENT

**KOOLYANOBING IRON ORE EXPANSION – PROPOSAL UNDER S46 OF THE ENVIRONMENTAL PROTECTION ACT 1986 TO REMOVE CONDITION 7 (ASSESSMENT NO. 1888)**

I refer to your letter of 14 October 2010 requesting the Environmental Protection Authority (EPA) to report to you on Cliffs Asia Pacific Iron Ore Pty Ltd's (Cliffs) (formerly Portman Iron Ore Limited) proposed changes to the environmental conditions for the Koolyanobbing Iron Ore Project.

The following is the EPA's Report and Recommendations (No. 1405) to you pursuant to section 46(3) of the Environmental Protection Act 1986.

**Introduction**

The proponent, Cliffs, has approval to expand the Koolyanobbing Iron Ore operation by the addition of new iron ore mining operations at the Windarling Range and at Mt Jackson, together with a transport corridor connecting the three mining areas, as documented in Schedule 1 of Statement 627.

Condition 7-1 of Statement 627 requires the proponent to prepare a Landscape and Geological Features Protection Plan (LGFP) to protect monoliths, cliffs, caves, scenic viewpoints, and other key landscape and geological features, specifically in the area of Windarling Range known as the Windarling 1 deposit.

Condition 7 states:

- 7-1 *Prior to ground-disturbing activity at the Windarling 1 deposit, the proponent shall prepare a Landscape and Geological Features Protection Plan for mining activities in the vicinity of the Windarling 1 deposit, to the requirements of the Minister for the Environment and Heritage on advice of the Environmental Protection Authority.*

*The objective of this plan is to:*

- *Integrate the protection of monoliths, cliffs, caves, scenic viewpoints, and other key landscape and geological features with the proponent's Mining Plan so as to ensure their protection.*

*This plan shall address:*

1. *planning of mining operations to protect key landscape and geological features;*
  2. *prevention of damage or degradation to monoliths, cliffs, caves, scenic viewpoints, and other key landscape and geological features arising from earthworks, dust, blasting, vibration and transport associated with mining and related activities;*
  3. *maintenance of public access (see condition 18); and*
  4. *contingency measures in the event that damage or degradation to monoliths, cliffs, caves, scenic viewpoints, and other key landscape and geological features appears likely or has occurred. This may involve the erection of supporting structures in the case of monoliths, other rock structures and caves and/or the restoration of damaged landscape and geological features.*
- 7-2 *Prior to and during ground-disturbing activity, the proponent shall implement the Landscape and Geological Features Protection Plan, required by condition 7-1, to the requirements of the Minister for the Environment and Heritage on advice of the Environmental Protection Authority.*
- 7-3 *The proponent shall make the Landscape and Geological Features Protection Plan, required by condition 7-1 publicly available to the requirements of the Minister for the Environment and Heritage on advice of the Environmental Protection Authority.*

The proponent advises that as no specific features requiring protection have been identified, management actions to protect features are not required, and now requests to delete Condition 7.

Without deletion of this condition, the proponent has also stated that it would not be able to mine in the area surrounding the Windarling 1 deposit, due to the restrictions that this would place on the viability of the mining operation.

## Discussion

In 2002, the EPA assessed a proposal to expand the Koolyanobbing Iron Ore project by adding new mines at Windarling Range and Mt Jackson. The EPA recommended (Report 1082) that the proposal not be approved, as its potential impacts on Declared Rare Flora *Tetratheca paynterae* and unique vegetation communities were unacceptable.

The EPA's Report and Recommendations were appealed and in the subsequent Appeals Report (March 2003) the Appeals Convener reported:

- Many of the appellants opposed to the proposal raised concerns in relation to the impact of mining and associated infrastructure on the broad landscape values of the area.
- Many appellants cited the view that the area has wilderness qualities and the ranges represented unique landscape and geological/geo-heritage features with substantial ecotourism potential.
- While the area has features of local significance in terms of landscape and geology, it does not have overriding significance in terms of these values.
- The proposal will clearly lead to landscape impacts at a local level, however, and will lead to the loss of geological features of local significance.
- The proposal can be modified to retain features of highest local significance.
- In particular, the modification of the proposal to minimize impacts on landscape and geological features associated with the Windarling 1 deposit would assist in this regard.

On 1 April 2003, the then Minister for Environment and Heritage wrote to the then Department of Environmental Protection setting out her decision on the Appeal Report. With respect to landscape and geological features, the Minister wrote:

- ... the proposal can be made environmentally acceptable providing conditions are applied which ... restrict mining at Windarling 1 deposit to retain features of key local landscape and geological significance.

Condition 7-1 was subsequently included in Ministerial Statement 627 for this purpose. In order to satisfy this condition, Cliffs submitted a revision of the LGFPP on 25 June 2010. A letter from the Office of the Environmental Protection Authority (OEPA) dated 6 September 2010 stated that the LGFPP was not approved as it did not satisfy the requirements of Condition 7-1, and that it was understood that Cliffs did indeed intend to write to the Minister for Environment to seek deletion of Condition 7 under section 46 of the *Environmental Protection Act 1986*.

On 23 September 2010 the proponent applied for deletion of Condition 7 under section 46 of the *Environmental Protection Act 1986*.

In response to this request, the EPA sought advice from the Department of Environment and Conservation (DEC). In summary, the DEC considered that there is no evidence that landscape values at Windarling 1 deposit and immediate area are unique at the regional scale and while components of the landscape in the area of the Windarling 1 deposit may be considered significant at the local scale, the landscape value of the Windarling Range has been significantly compromised by mining.

The DEC also advised landscapes with similar values are found in the nearby ranges and that it was in discussions with Cliffs in relation to the purchase of the nearby Ennuin Station, which contains considerable conservation value.

The EPA also sought clarification from Cliffs as to whether the LGFPP was made publically available in accordance with Condition 7-3 and whether the proposal to delete Condition 7 was discussed with the Consultative Reference Group, established under Condition 14.

In response, Cliffs advised that it had consulted with the Consultative Reference Group regarding the LGFPP, but not specifically on alteration or deletion of Condition 7. However, Cliffs also stated that the development of the Windarling Range W1 deposit had been discussed at meetings of the Consultative Reference Group for the previous three years.

### **EPA's Consideration**

Given the extent of mining which has occurred in the Windarling Range, and its impacts on the landscape, the EPA accepted that Condition 7 could be deleted. However, the EPA also considered that there were some features at the Windarling 1 deposit and immediate area which had local landscape and geological significance, and noted the previous Minister's appeal decision.

Having regard for this, the EPA considered that there should be an appropriate offset if Condition 7 was deleted. While the EPA recognised that it was unlikely to be feasible for the Cliffs to provide a "like for like" offset, none the less, there should be an offset of appropriate conservation value.

In consideration of these matters, Cliffs proposed to provide financial provision to the Department of Environment and Conservation of \$150,000 to acquire the Ennuin Pastoral Lease, or for an alternate land holding, for the purpose of the addition of the land holding to the State conservation reserve system in order to offset the landscape and geological values impacted by development of the Windarling Range W1 Deposit.

## EPA Recommendation

It is recommended that:

1. Condition 7 be deleted from Ministerial Statement 627.
2. A new condition be inserted into Ministerial Statement 627 as set out below:

### 22 *Environmental Offsets*

22-1 *The Proponent shall provide financial provision to the Department of Environment and Conservation of \$150,000 to acquire the Ennuin Pastoral Lease, or for an alternate land holding, for the purpose of the addition of the land holding to the State conservation reserve system by the Department of Environment and Conservation, in order to offset the landscape and geological values impacted by development of the Windarling Range W1 Deposit.*

22-2 *The Proponent shall provide financial provision to the Department of Environment and Conservation of \$50,000 per year for 5 years (\$250,000 total) for the management of the land holding identified in Condition 22-1.*



Dr Paul Vogel  
CHAIRMAN

23 June 2011