



Report and recommendations of the Environmental Protection Authority



**Albany Iron Ore Project - Southdown
Magnetite proposal
- inquiry under s46 of the
Environmental Protection Act 1986 to
amend Ministerial Statement 816**

Grange Resources Limited

Report 1529

September 2014

MINISTER FOR ENVIRONMENT

**ALBANY IRON ORE PROJECT – SOUTHDOWN MAGNETITE PROPOSAL
– INQUIRY UNDER SECTION 46 OF THE *ENVIRONMENTAL
PROTECTION ACT 1986* – EXTENSION OF TIMEFRAME FOR
SUBSTANTIAL COMMENCEMENT (ASSESSMENT NO. 2004)**

The Minister for Environment has requested (on 21 January 2014) that under section 46 of the *Environmental Protection Act 1986* (EP Act) the Environmental Protection Authority (EPA) inquire into and report on the matter of changing the implementation conditions relating to the Albany Iron Ore Project – Southdown Magnetite Proposal.

The following is the EPA's Report and Recommendations (No. 1529) to the Minister pursuant to section 46(6) of the EP Act.

Background

Ministerial Statement 816 (published 25 November 2009) gives approval for the Albany Iron Ore Project – Southdown Magnetite Proposal mine, ore slurry and water pipelines, and port loading facilities 90 kilometres east-north-east of Albany. Under Section 40 of the EP Act the EPA determined that the proposal was to be assessed at the 'Public Environmental Review' level of assessment.

The EPA considered the following key environmental factors in its original assessment of the proposal:

- Biodiversity (including flora and vegetation, fauna, short-range endemic fauna, stygofauna and environmental offsets);
- Surface water and groundwater;
- Dust;
- Noise; and
- Mine closure and rehabilitation

Using the new Environmental Assessment Guidelines for Environmental Factors and Objectives (EAG 8) these factors are now represented by:

- Flora and Vegetation;
- Terrestrial Fauna;
- Hydrological Processes;
- Inland Waters and Environmental Quality;

- Air Quality;
- Amenity;
- Offsets; and
- Rehabilitation and Closure.

Proposed change

Condition 3 of Statement 816 requires the proponent to substantially commence the proposal within five years of the date of the Statement (i.e. before 25 November 2014).

The proposal has not yet substantially commenced. The proponent has requested an extension of the timeframe for substantial commencement for a further five years, to 25 November 2019.

Assessment of the proposed change

The EPA considers that the environmental factors of the proposal have not changed significantly from those presented in the Public Environmental Review and as assessed by the EPA in Report 1291 (June 2008), and no new significant environmental factors have arisen since the EPA's assessment of the proposal. The EPA is satisfied that the existing implementation conditions will continue to address the relevant environmental factors, and manage and mitigate the potential impacts of the proposal.

The EPA concludes that its objectives would not be compromised through amendment to Condition 3 to extend the 'Time Limit of Authorisation' by five years, to 25 November 2019. Subsequently a change to the definition of "CEO" in condition 12 is recommended.

The EPA also considers it appropriate to remove conditions 4 and 5 of Ministerial Statement 816 for the preparation of compliance reports and performance review reports respectively, and replace them with the most recent contemporary Compliance Reporting Condition. This would allow for more consistent compliance reporting and auditing.

Since assessment of the original proposal, further reviews of flora survey data have been undertaken and have identified future potential issues relating to the management of rare flora. A full evaluation of these issues is being undertaken in consultation with the Department of Parks and Wildlife. The outcome of this evaluation may require a separate future review of conditions under section 46 of the *Environmental Protection Act 1986* to be conducted. Should this be required the Minister for Environment will be requested by the OEPA to initiate a further s46 request.

EPA Recommendations

Having inquired into the matter, the EPA recommends to the Minister for Environment that:

- the timeframe for substantial commencement of the Albany Iron Ore Project – Southdown Magnetite Proposal be extended by five years, to 25 November 2019;
- conditions 4 and 5 be removed and replaced with a more contemporary Compliance Reporting Condition;
- the definition of CEO in condition 12 be amended to match contemporary wording; and
- after complying with section 46(8) of the EP Act, the Minister issues a Statement of decision to amend the conditions of Ministerial Statement 816 in the manner provided for in the attached recommended Statement.

RECOMMENDED ENVIRONMENTAL CONDITIONS

**STATEMENT TO AMEND CONDITIONS APPLYING TO A PROPOSAL
(PURSUANT TO THE PROVISIONS OF SECTION 46 OF THE
ENVIRONMENTAL PROTECTION ACT 1986)**

ALBANY IRON ORE PROJECT – SOUTHDOWN MAGNETITE PROPOSAL – MINE,
ORE SLURRY AND WATER PIPELINES, AND PORT LOADING FACILITIES

Proposal: The construction and operation of an open pit magnetite mine located approximately 90 kilometres east-north-east of Albany, and pipelines for ore slurry transport and return water, connecting the mine site and new port loading facilities in the Port of Albany.

Proponent: Grange Resources Limited (ACN 009 132 405)

Proponent Address: 34A Alexander Street BURNIE TAS 7320

Assessment Number: 2004

Report of the Environmental Protection Authority Number: 1529

Previous Ministerial Statement Number: 816

The implementation of the proposal to which the above report of the Environmental Protection Authority relates is subject to the conditions and procedures contained in Ministerial Statement No. 816, as amended by the following:

1. Condition 3 changed

Condition 3 of Ministerial Statement 816 is deleted and replaced with:

3 Time Limit of Authorisation

3-1 The proponent shall not commence implementation of the proposal after 25 November 2019, and any commencement, prior to this date, must be substantial.

3-2 Any commencement of implementation of the proposal, prior to 25 November 2019, must be demonstrated as substantial by providing the CEO with written evidence, on or before 25 November 2019.

2. Conditions 4 and 5 changed

Conditions 4 and 5 of Ministerial Statement 816 are deleted and replaced with:

4 Compliance Reporting

4-1 The proponent shall prepare, submit and maintain a Compliance Assessment Plan to the CEO at least six (6) months prior to the first Compliance Assessment Report required by condition 4-6, or prior to implementation, whichever is sooner.

4-2 The Compliance Assessment Plan shall indicate:

- (1) the frequency of compliance reporting;
- (2) the approach and timing of compliance assessments;
- (3) the retention of compliance assessments;
- (4) the method of reporting of potential non-compliances and corrective actions taken;
- (5) the table of contents of Compliance Assessment Reports; and
- (6) public availability of Compliance Assessment Reports.

4-3 After receiving notice in writing from the CEO that the Compliance Assessment Plan satisfies the requirements of condition 4-2 the proponent shall assess compliance with conditions in accordance with the Compliance Assessment Plan required by condition 4-1.

4-4 The proponent shall retain reports of all compliance assessments described in the Compliance Assessment Plan required by condition 4-1 and shall make those reports available when requested by the CEO.

4-5 The proponent shall advise the CEO of any potential non-compliance within seven (7) days of that non-compliance being known.

4-6 The proponent shall submit to the CEO the first Compliance Assessment Report fifteen (15) months from the date of issue of this Statement addressing the twelve (12) month period from the date of issue of this Statement and then annually from the date of submission of the first Compliance Assessment Report, or as agreed in writing by the CEO.

The Compliance Assessment Report shall:

- (1) be endorsed by the proponent's Chief Executive Officer or a person delegated to sign on the Chief Executive Officer's behalf;
- (2) include a statement as to whether the proponent has complied with the conditions;

- (3) identify all potential non-compliances and describe corrective and preventative actions taken;
- (4) be made publicly available in accordance with the approved Compliance Assessment Plan; and
- (5) indicate any proposed changes to the Compliance Assessment Plan required by condition 4-1.

3. Condition 12 changed

Condition 12 of Ministerial Statement 816 is amended by deleting the definition of “CEO” and replacing it with the following definition:

“CEO” means the Chief Executive Officer of the Department of the Public Service which is responsible for the administration of section 48 of the *Environmental Protection Act 1986*, or his delegate.

[Signed xxx]

**HON ALBERT JACOB MLA
MINISTER FOR ENVIRONMENT; HERITAGE**