

ANGLESEA POWER STATION COMMUNITY CONSULTATION NETWORK

FEBRUARY 2016 MEETING SNAPSHOT

Meeting purpose: A CCN meeting was held on 8 February to provide attendees the opportunity to discuss the process and timeline for the site's decommissioning and rehabilitation, and the draft strategy and process for community engagement.



Introduction

The meeting was independently facilitated by Jen Lilburn, 31 people attended, including representatives from Alcoa, community, local and state government.

Environment, Health & Safety

Warren reported that there had not been any injuries or non-compliances since the last meeting. However, there had been two instances of unauthorised entry, one of which involved a bushwalker who had inadvertently walked onto the site.

Fire Risk Mitigation

Warren reminded attendees about the current fire mitigation strategies, highlighting that the overburden placed over the remaining exposed coal has formed a very effective cap. Monthly inspections with WorkSafe and Earth Resources Regulation (ERR) are continuing to occur, part of which includes the testing of processes in place. Warren reported that Alcoa has not had any fire related issues on site since the shutdown.

Anglesea River

Alcoa is currently discharging water into the Anglesea River in line with its commitment to continue to do this until March 31, 2016, when the water discharge from Alcoa into the Anglesea River will cease. Alcoa has continued to comply with all aspects of its license during this process. Decommissioning of the power station proper, which includes the water treatment plant, is expected to commence approximately August 2016.

Angeline Charles (DELWP) offered copies of the Summary Report from the Anglesea River Flows Study to interested parties. This report was discussed at the 21 January 2016 Anglesea Futures Community Conversations event and a number of questions were collected from attendees at that time. These are currently being answered and will be included in the separate Anglesea Futures meeting report, available on the DELWP website shortly (<http://delwp.vic.gov.au/parks-forests-and-crown-land/anglesea-futures>).

CCN meeting attendees raised the possibility of the government utilising Alcoa's existing pumping equipment to continue pumping until a longer term plan is in place.

DELWP stated that the government must find a stand-alone long term arrangement and the solution needs to be bigger than Alcoa, as it applies for generations to come, long after Alcoa's work has been done. Alcoa indicated that it expects its rehabilitation and closure works on site will be sympathetic to the issues where appropriate.

Decommissioning and Rehabilitation of the Mine and Power Station

Warren outlined a number of tasks currently underway in relation to the decommissioning and rehabilitation of the mine and power station. Alcoa has reached an agreement with a third party to take ownership of a variety of redundant equipment. All loose scrap sales have been completed and removed from the site. A Div 6 Audit (an assessment of the site for asbestos) will soon be undertaken by a qualified consultant. This is a requirement prior to the commencement of any demolition works.

In terms of physical work, Warren stated that there couldn't be any action until the water discharge stops at the end of March. Recovery of ash from Ash Pond No. 1 is planned for late May/June whilst the power station decommissioning works are planned for about August. Technical studies that need to be undertaken for the mine are currently being scoped and will be out by March/April. Alcoa will provide the CCN with an overview as to what will be covered in the technical studies. Results will also be made available to the group.

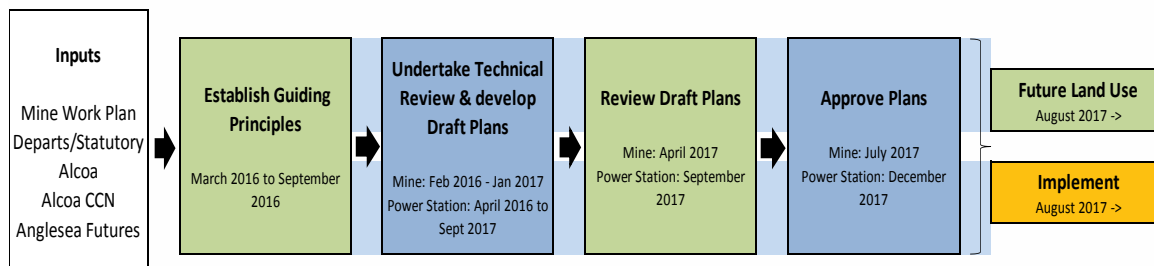
Activity Update


- Sale proceeding for all redundant workshop equipment, stores stock and mining equipment.
- Donation of workshop equipment to Anglesea Men's Shed.
- All loose scrap (steel, copper, aluminium) sales completed.
- Div 6 (Asbestos and Hazardous Materials Survey) Audit of the Powerstation soon to commence.
- Preparation of technical specification for Ash Pond No 1 removal.
- Commencement of technical specification for Powerstation decommissioning.
- Commencement of Mine Sump geotechnical study.
- Preparation underway for appointment of EPA auditor by 1 April.



Draft Community Engagement Timeline

- Purpose: To provide an overview of the process to develop the revised Anglesea Mine Closure Plan, and Remediation Action Plan and Master Plan for the Power Station.



 Commenced preparation of draft guiding principles for March launch

Warren provided a recap of the community engagement process.

Drafting of the guiding principles has commenced and is intended to be launched before Easter to include holidaying non-residents. These principles will be brought to the community in a variety of forums i.e. workshops, shopping centres, online etc. to seek feedback. They will also be brought to the next CCN meeting (April) for discussion and, once finalised, will form a key input with the technical studies and in the formulation of the Draft Closure Plan.

In response to a question regarding whether Alcoa has any preferred outcome for the leased freehold parcels, Warren explained that Alcoa has two leases in place, one of which is a lease from the golf course up near Coal Mine Rd and the other is the block of land leased to the bike park. Both leases expire in approximately November 2016. Alcoa hasn't started the process of discussing the future of these parcels yet, but given the imminent expiration of the leases, discussions are expected to commence with interested parties in May/June.

Questions on Notice

In answering the question as to the pH of the mine sump, Warren explained that the pH is between 3 and 4 as has historically been the case. The pH level has not fluctuated significantly over time. Substantial discussion then ensued regarding the pH levels of several other bodies of water including Salt Creek, Marsh Creek, Barwon Water bores and Alcoa bores.

In order to answer a question regarding the potential water level of the pit if it was allowed to fill to the level of the Anglesea River, Warren presented a conceptual image, stressing that the image is not suggestive of any possible future design or final outcome and that it was presented to answer the question only. Technical studies are to be undertaken during the year, and until they are completed, the image is hypothetical only. By January next year, Alcoa hopes to have a draft Closure Plan which will show the potential extent of the water body, the connections to Salt Creek and the river, the various land forms etc. This will be shared with the community.

Questions were asked regarding the likely water quality of the pit lake and the water table impacts to Marshy Creek and Salt Creek from the mine pit de-watering. Warren explained that these questions will be explored as part of the technical studies planned for this year and that Alcoa would expect that these questions will be answered over the next 12 months.

Next meeting: Monday 11 April 2016, 6pm at the Senior Citizens Club, McMillan St, Anglesea

The purpose of this document is to give community and other stakeholders a summary of what took place at the CCN meeting on Monday 8 February. 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 and any of the topics in this snapshot, visit www.alcoa.com.au/anglesea