ANGLESEA POWER STATION COMMUNITY CONSULTATION NETWORK

FEBRUARY 2018 MEETING SNAPSHOT

Meeting purpose: A CCN meeting was held on 12 February to provide an opportunity for CCN attendees to discuss the site's decommissioning and rehabilitation, the ongoing community engagement processes and the Concept Master Plan for the Alcoa freehold land.



Introduction

The meeting was independently facilitated by Jen Lilburn. 49 people attended, including representatives from community, local and state government, local authorities and Alcoa.

FIGURE 1

Environmental Health and Safety

Warren Sharp (Anglesea and Point Henry Site Asset Manager) reported that there had been two injuries and eight security instances since the last meeting. There were no environmental non-compliances. A fire in the decommissioned condenser unit at the power station on 7 February was contained and extinguished without incident.

Mine Sump Water

The water level as at 1 February was sitting at 25.6 metres below sea level, just under 6% of the eventual total volume. The pH of the mine sump was 3.7.

Questions/comments regarding the water body included: We must ensure that it is referred to as a water body rather than a lake. It will be a totally unusable body of water. The term 'lake' has other connotations and is a misconception; Others disagreed that the water body will be 'totally unusable'; The pH level won't take away people's enjoyment of the amenity of the area; and the worst case scenario would be that the water body looks like a reservoir that looks good but you can't swim in or recreate on it.



FIGURE 2

Warren explained that Alcoa very deliberately refers to it as a water body. A decision about how it can be used is probably 10 years away and is expected to be guided by specific Australian guidelines. Regardless of the end land uses, Alcoa is aiming for an aspirational target of pH 5 or better for the water. Current fencing and 24-hour security means that Alcoa has full control over access to the water body. In the long term, reedy wetland vegetation will make general access to the water's edge very difficult. The worst case scenario is that the water quality will be the same as Salt Creek.

Decommissioning and Rehabilitation

Dean Schmidt (Project Engineer) reported that asbestos removal is nearing completion. Substantial amounts of concrete have been removed from the workshops and tank area.

Warren apologised for any confusion caused by the consideration of the chimney stack as a potential viewing platform in the draft Freehold Concept Master Plan. Previous CCN meetings had consistently referred only to its intended demolition. Several suggestions to consider its re-purposing into a viewing platform resulted in its late inclusion in the draft Concept Master Plan for broader community consideration. Depending on feedback received during current consultation process, Alcoa will determine its eventual outcome.

However, planning is continuing for its demolition in the event that the consultation process results in the demolition decision being made. Demolition of the stack and adjacent main boiler building would occur in late March/early April 2018. It will be well communicated to the community, including directly to the primary school. The stack does not contain asbestos.

Power Station activity update









Precipitator zone

Turbine / generator zone

Workshops & Tanks zone FIGURE 3

Post meeting note: The event has been delayed due to ongoing preparation works. The likely timing is now May 2018. Alcoa will update at the April CCN meeting.

Mine Rehabilitation and Closure Plan Update

Chris Rolland (Mine Rehabilitation Supervisor) reported that feedback from ERR on the draft Mine Rehabilitation and Closure Plan is currently being considered. This plan can't be approved until the EPBC and Cultural Heritage approval processes are completed.

A Work Plan Variation was submitted to ERR late January for consideration and approval focused on targeted 'no regrets' aspects of the Rehabilitation and Closure Plan along the south and west walls. If approved, this will allow Alcoa to commence earthworks during the topsoil/subsoil season (March-April) rather than having to wait another 12 months.

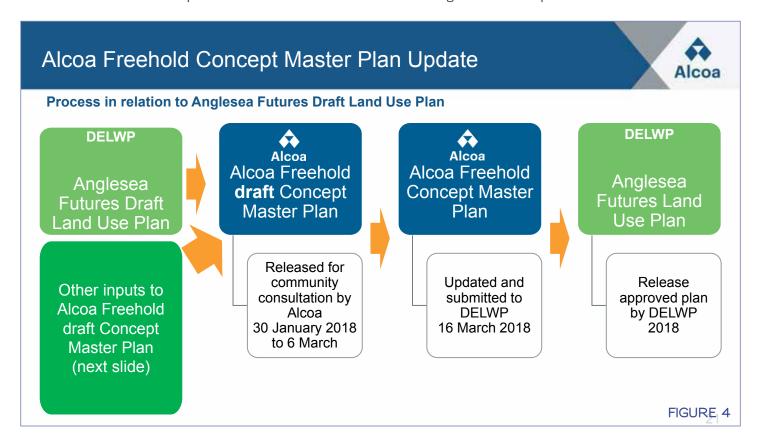
Agency Update

Jared Scott (Barwon Water) advised that approximately 25 megalitres of water in the previous ash pond was discharged to the Anglesea River over summer, leaving a further 100 megalitres in storage for discharge as required.

Keith Baillie (Surf Coast Shire) advised that advised that Council will consider its submissions to both the Anglesea Futures Land Use Plan and Alcoa's draft Freehold Concept Master Plan at its next meeting, scheduled for 27 February.

Community Engagement

Warren provided a flow chart describing how the DELWP and Alcoa planning processes relate to each other (Figure 4). The feedback period for the Anglesea Futures Draft Land Use Plan has been extended to 16 March 2018. Alcoa will conclude its feedback period on the Draft Freehold Concept Master Plan two weeks prior. This will enable Alcoa to finalise the Freehold Concept Master Plan as its submission to the Anglesea Futures process.



Draft Freehold Concept Master Plan

Warren explained the key proposed land tenure changes as part of the draft Freehold ConceptMaster Plan. Alcoa currently owns 143 hectares of land in four main precincts. It is proposed that the power station and mine parcels be part of a land tenure exchange between Alcoa and DELWP resulting in an overall reduction in Alcoa's freehold of approximately 25 hectares. The primary reason for seeking the land tenure exchange is a recognition that the water body is of strategic importance to the future management of the Anglesea River and, therefore, should be contained solely on Crown land. In addition, the asbestos landfill should be solely Alcoa's responsibility and, therefore, should be contained completely on Alcoa managed freehold land. Both assets currently cross both freehold and Crown land. The Fraser Avenue and Betleigh and Wilkins streets parcels will not change.

Warren presented a visual representation of the draft Freehold Concept Master Plan.

In response to questions regarding why Alcoa is interested in identifying future uses on land that will probably be sold to a third party to develop, Warren explained that the key driver for Alcoa is its reputation and legacy. People will only remember what is left behind so Alcoa doesn't want to sell the property to someone who will develop it in a way that is contrary to Alcoa's values and also what the Anglesea community wants. To assist in achieving this, it is proposed that a Section 173 agreement attached to the title will specify land uses, built form, infrastructure etc. Prospective purchasers will be made aware of these requirements and their obligation to comply with them. There will also be zoning and planning overlay controls in place.

In response to a question about whether a Section 173 agreement could be overturned by VCAT, Warren said that he would hope that this type of agreement would filter out incompatible purchasers in the first instance and then the regulatory environment would be very important. Although, at the end of the day, there is nothing to stop a developer going to VCAT, we have to have faith in the enormous investment that the community, Alcoa, the Shire and the State have put into this process.

In response to a question regarding the intended scale of the proposed developments onsite, Warren advised that, whilst Alcoa is envisaging an eco-tourism development that is of national significance, the impact of the built form on

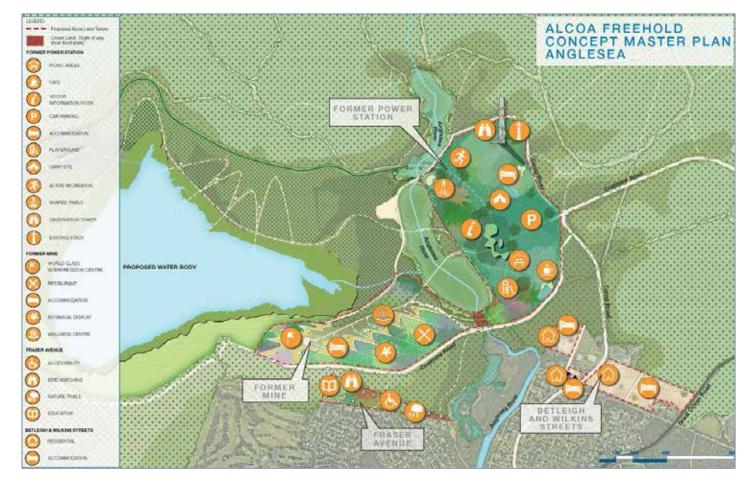


FIGURE 5

the amenity and the landscape would need to be very cleverly designed. Alcoa would only support developments that were consistent with the Anglesea 'feel' and that 'fitted in' with the surrounding character and land uses.

Comments on the draft Freehold Concept Master Plan and the Anglesea Futures process included: The consultative process run by Alcoa and DELWP to date has been great in that it has involved a lot of people and been broad, positive, constructive and creative. What has been missed between the consultation phase and the concept plan is the analysis of the various proposals that underpinned the decision to put some in the plan and leave others out. Could the Anglesea Futures Plan be delayed by one year to allow that analysis to occur and people to understand the analytical process; The Master Concept Plan is substantially more detailed in that it is than what is in the Anglesea Futures Plan. There are a lot of questions about 'What is tourism?', 'What is commercial?' It is difficult to give feedback without the detail about what those terms actually mean; and Alcoa has a Concept Plan and there is room for development and ideas. If we delay it for another year for consultation, it will never finish. Let's move forward.

Warren explained that delaying the Anglesea Futures process would delay Alcoa's decisions around its freehold land as they couldn't go forward with their plan until they understand how it fits with the Anglesea Futures Land Use Plan. It was difficult to determine the appropriate level of detail for the plan as too little detail would mean lots of questions and uncertainty as to what was meant and too much detail might suggest that community feedback was pointless because Alcoa had already made up its mind.

Warren encouraged the community to provide feedback to the Concept Plan by 6 March 2018.

NEXT MEETING: Monday 16 April 2018, 6pm at the Senior Citizens Club, McMillan St, Anglesea **ALL WELCOME**

The purpose of this document is to give community and other stakeholders a summary of what took place at the CCN meeting on Monday 12 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 and assists it to be 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