



Guidelines for Preparing Mine Closure Plans

Department of Mines and Petroleum

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About CME

The Chamber of Minerals and Energy of Western Australia (CME) is the peak resources sector representative body in Western Australia (WA) funded by its member companies, which generate 95 per cent of the value of all mineral and energy production and employ 80 per cent of the resources sector workforce in the state.

The WA resources sector is diverse and complex, covering exploration, processing, downstream value adding and refining of over 50 different types of mineral and energy resources.

In 2013-14, the value of WA's mineral and petroleum production was \$121.6 billion, accounting for 91 per cent of the state's total merchandise exports. Furthermore, the value of royalties received by the WA government from the resources sector increased by 33 per cent from the 2012-13 financial year to reach a record \$6.98 billion in 2013-14.

Recommendations

CME recommend:

- The Department of Mines and Petroleum (DMP) extend the consultation period for the revised *Guidelines for Preparing Mine Closure Plans* to allow DMP to workshop the significant changes with industry.
- DMP amend Section 2.9 'Submission of Mine Closure Plans' to include provisions for the department to provide an 'Assessment Summary' document to proponents regarding the sections of the MCP done well and areas which require improvement.
- DMP review all tenement conditions related to submitting a MCP and remove duplication where possible.
- DMP amend Section 3.1 'Principles of Mine Closure Planning' to delineate closure objectives, where practicable, from the broad environmental objectives proposed in the Mining Proposal Reform Discussion Paper.
- DMP incorporate the ALARP principle into Section 3.2 'Risk Based Approach to Mine Closure Planning'.
- DMP amend Section 3.2 'Risk Based Approach to Mine Closure Planning' to remove the requirement for proponents to identify 'cumulative impacts' and 'social and economic risks' as part of the risk assessment required for the MCP.
- CME consider the establishment of closure criteria at landscape scale and the establishment of onsite 'alternate' closure objectives to compensate for lower levels of ecological diversity achievable for novel ecosystems is more appropriate.
- Guidance material for the development of the Mining Proposal and MCP are streamlined and duplication is minimised wherever possible.
- DMP amend Section 4.7 'Stakeholder Engagement' to remove the requirement for proponents to include the stakeholder engagement register as part of the MCP.
- DMP hold workshops for industry to further explain the development of closure criteria in line with the release of the revised *Guidelines for Preparing Mine Closure Plans*.
- Further engagement with key stakeholders to encourage better landscape scale outcomes for mine closure.

- DMP develop technical guidance for proponents on tailings storage facilities, waste rock landforms and acid and metalliferous drainage management following closure for inclusion in the appendices.

Stakeholder Response Form

General Comments
<p>CME welcome the opportunity to review and provide comment on the Department of Mines and Petroleum's (DMP's) revised <i>Guidelines for Preparing Mine Closure Plans</i>. Overall, CME consider the revised guidelines have addressed many of the issues raised by industry in early 2014.</p> <p>However, CME is concerned the new guidelines include significant changes and have been released with inadequate time (2 weeks) to respond. The DMP's Industry Briefing Session (held 7 October 2014) included a short summary of the changes, however, no further opportunity to workshop these changes has occurred. This could result in increased and unnecessary costs for mine closure if the final guidelines (due to be released in December 2014) are impractical.</p> <p>CME recommend DMP extend the consultation period for the revised <i>Guidelines for Preparing Mine Closure Plans</i> to allow DMP to workshop the significant changes with industry.</p>
Section 1 'Purpose of the guidelines'
<p>CME has no further comments related to Section 1 'Purpose of the guidelines'.</p>
Section 2 'Regulatory and administrative context'
<p>A lack of feedback from DMP on a proponent's submitted Mine Closure Plan (MCP) is creating uncertainty about the regulator's requirements. Proponents are unsure which sections of the MCP have met the DMP standards, and which sections could be improved for future versions.</p> <p>DMP's industry briefing session (held 7 October 2014) identified the following trends for the MCPs submitted to date:</p> <ul style="list-style-type: none"> • Stakeholder consultation is often substandard. • Plans lack sufficient detail (eg. geotechnical considerations, vague final landform designs). • Inadequate detail on methodology of financial provisioning. • Discrepancies between Mining Proposal commitments & MCP outcomes (wanting to deviate from original rehabilitation commitments). • Completion criteria section generally insufficient. • Completion criteria and monitoring strategies are not well aligned. <p>DMP feedback to proponents is necessary to ensure consistency of standards for preparing MCPs and to encourage continual improvement.</p> <p>CME recommend DMP amend Section 2.9 'Submission of Mine Closure Plans' to include provisions for the department to provide an 'Assessment Summary' document to proponents regarding the sections of the MCP done well and areas which require improvement.</p> <p>Section 2.1 'Key Regulators and Regulatory Framework' and the <i>Mining Act 1978</i> stipulate a MCP is required to be submitted for approval as part of the Mining Proposal application. The plan must then be reviewed and submitted for approval by DMP three years after this initial approval, or at such other time as required in writing by DMP. CME is aware of tenement conditions stating the same requirement, resulting in duplication.</p>

Given the requirement to submit a MCP is contained within the *Mining Act 1978* and the *Guidelines for Preparing Mine Closure Plans*, **CME recommend the DMP review all tenement conditions related to submitting a MCP and remove duplication where possible.**

Section 3 'Principles and approaches for mine closure'

DMP recently released the Mining Proposal Reform discussion paper for public consultation (September 2014) and this includes the preliminary regulatory expectations in establishing appropriate environmental outcomes as part of a Mining Proposal. The primary objective shown in this discussion paper is in line with the EPA's objective for Rehabilitation and Closure (as shown in Section 3.1 'Principles of Mine Closure Planning of the revised guidelines').

While CME support DMP's proposed outcomes-based approach for mining activities in Western Australia, DMP should ensure duplication between the Mining Proposal and MCP is minimised as far as possible. Clear delineation between environmental outcomes for construction/operation of a project and closure, where practicable, should be outlined in both the Mining Proposal guidelines and the *Guidelines for Preparing Mine Closure Plans*.

CME recommend DMP amend Section 3.1 'Principles of Mine Closure Planning' to delineate closure objectives, where practicable, from the broad environmental objectives proposed in the Mining Proposal Reform Discussion Paper.

The recently released Mining Proposal Reform discussion paper also outlines proponents are required to demonstrate project activities meet the following key two key environmental outcomes:

1. Risks have been reduced to as low as reasonably practicable (ALARP principle); and
2. The environmental impacts are acceptable.

The application of the ALARP principle as a basis for conducting risk assessments is supported by industry, however Section 3.2 'Risk Based Approach to Mine Closure Planning' and Appendix J 'Risk Assessment and Management' does not reflect this.

To ensure alignment with the proposed Mining Proposal guidelines, **CME recommend DMP incorporate the ALARP principle into Section 3.2 'Risk Based Approach to Mine Closure Planning'.**

The addition of Section 3.2 'Risk Based Approach to Mine Closure Planning' introduces the mandatory requirement for proponents to undertake a risk assessment at each phase of the mining project and include this as an appendix. CME question the inclusion of the risk assessment as an appendix given the MCP is intended to be publicly available and this may result in commercial in confidence implications.

CME recommend DMP amend Section 3.2 'Risk Based Approach to Mine Closure Planning' to remove the requirement for proponents to include the risk assessment as an appendix to the MCP.

The DMP have made reference to 'cumulative impacts' and 'social and economic risks' as part of the risk assessment required under Section 3.2 'Risk Based Approach to Mine Closure Planning' with no further guidance regarding the scope. CME consider the inclusion of 'cumulative impacts' and 'social and economic risks' as inappropriate for MCPs given:

- 'Cumulative Impacts' should be addressed within primary environmental approvals. Additionally, the methodologies for conducting cumulative impact assessments are not particularly well understood, described or standardised.

- ‘Social and Economic Risks’ are outside of the EPA’s and DMP’s area of responsibility with regard to environmental approvals.

CME recommend DMP amend Section 3.2 ‘Risk Based Approach to Mine Closure Planning’ to remove the requirement for proponents to identify ‘cumulative impacts’ and ‘social and economic risks’ as part of the risk assessment required for the MCP.

CME highlight the following text under Section 3.4 ‘Closure Issues’:

“For existing mine sites, attention needs to be given to what are the best pragmatic options for mine closure, given the costs that would be required to achieve limited environmental gains... Options may include identifying areas that will remain as significant residual impacts and undertaking suitable offsets to counterbalance these environmental losses.”

CME is concerned this statement may establish a regulatory expectation of ‘retrospective offsets’. This could result in additional closure costs being applied late in the closure planning process and without appropriate provisioning through the mines life. Given the potential implications, CME do not consider the establishment of ‘retrospective offsets’ appropriate.

CME consider the establishment of closure criteria at a landscape scale and the establishment of onsite ‘alternate’ closure objectives to compensate for lower levels of ecological diversity achievable for novel ecosystems is more appropriate.

Section 4 ‘Structure and content of a Mine Closure Plan’

CME reiterate, guidance material should be streamlined and duplication should be minimised wherever possible. In accordance with the proposed Mining Proposal structure (as outlined in the Mining Proposal Reform discussion paper), the following sections will be required for both the Mining Proposal and MCP:

- Stakeholder engagement.
- Baseline data.
- Environmental risk assessment.
- Environmental monitoring.

CME consider there is an opportunity for the requirements of both guidelines to be streamlined. While there is an opportunity for these sections to be completed simultaneously, clear delineation between construction/operation and closure should be emphasised in the guidelines.

CME recommend guidance material for the development of the Mining Proposal and MCP are streamlined and duplication is minimised wherever possible.

Section 4.7 ‘Stakeholder Engagement’ requires proponents to develop a Stakeholder Engagement Register for submission with the Mine Closure Plan. As stated above for risk assessments, CME question the inclusion of this information in the MCP given the document will be made publicly available. Alternatively, the DMP could require proponents to maintain a Stakeholder Engagement Register which can be provided upon request.

CME recommend DMP amend Section 4.7 ‘Stakeholder Engagement’ to remove the requirement for proponents to include the stakeholder engagement register as part of the MCP.

The development of completion criteria to date has been an area of concern for both industry and government, with feedback received indicating further guidance is required to ensure proponents meet the DMP’s standards. Section 4.9 ‘Completion Criteria’ has been updated to address some of the issues related to proponents developing insufficient completion criteria. However, CME

consider a workshop run by DMP would be beneficial for industry to:

- explain the process for developing criteria (including engaging stakeholders);
- provide guidance on linking the criteria to objectives, research, trials and monitoring; and
- provide examples of criteria.

CME recommend DMP hold workshops for industry to further explain the development of closure criteria in line with the release of the revised *Guidelines for Preparing Mine Closure Plans*.

Section 3.1 'Principles of Mine Closure Planning' has been updated to include the following key principle and approach when preparing a MCP:

*"Post-mining land uses should be identified and agreed upon through consultation before approval of new projects. This should take into account the operational life span of the project, and should include consideration of opportunities to improve management outcomes of the **wider environmental setting and landscape, and possibilities for multiple land uses**. For existing mining projects, post-mining land uses should be agreed as soon as practicable."*

Additionally, Section 4.8 'Post-mining Land Use(s) and Closure Objectives' has been amended to include a land use hierarchy to provide a guide to determining post-mining land use(s).

CME consider a strategic approach to establishing criteria at a landscape scale is required. In its current form, the *Guidelines for Preparing Mine Closure Plans* do not encourage this.

The EPA have recently placed an emphasis on cumulative impacts in their Annual Reports and Section 16(e) Strategic Advice, *Cumulative Impacts environmental impacts of development in the Pilbara region* (EPA, 2014).

This Strategic Advice highlights the importance of considering landscape scale impacts and therefore, **CME recommend further engagement with key stakeholders to encourage better landscape scale outcomes for mine closure.**

Appendices

Feedback received indicates the examples included in the appendices of these guidelines are useful for proponents.


CME acknowledge the appendices have been updated to include technical guidance on pit lakes, which will aid proponents in a risk-based approach to managing the closure issues. However, industry feedback indicates proponents require further guidance on tailings storage facilities, waste rock landforms and acid and metalliferous drainage management.

CME recommend DMP develop technical guidance for proponents on tailings storage facilities, waste rock landforms and acid and metalliferous drainage management following closure for inclusion in the appendices.

Conclusion

CME welcome the opportunity to review and provide comment on the DMP's *Guidelines for Preparing Mine Closure Plans*. We look forward to working with the DMP on delivering an objective and risk-based MCP guidelines.

If you have any further queries regarding the above matters, please contact Kirrillie L'Estrange, Policy Adviser – Environment on (08) 9220 8507 or k.lestrange@cmewa.com.

Authorised by	Position	Date	Signed
Nicole Roocke	Deputy Chief Executive	3 November 2014	
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