

RECEIVED

Minerals & Petroleum Traralgon

1 3 FEB 2008

Hazelwood Power ABN 40 924 759 557

Brodribb Road Hazelwood, Victoria

PO Box 195, Morwell Victoria, 3840 Australia

8 February 2008

Ms Anne Bignell
District Manager Gippsland Mining and Extractive Operations
Department of Primary Industries
71 Hotham St
Traralgon Victoria 3844

Tel +61 3 5135 5000 Fax +61 3 5135 5122 www.hazelwoodpower.com.au

Dear Anne

MIN 5004 - Work Plan Variation - Mining Beyond Block 1B

Please find attached International Power Hazelwood's (IPRH) Work Plan Variation for Mining beyond Block 1B (the current approved extent of mining).

This submission is underpinned by the West Field Project EES that was initiated by the State Government of Victoria in December 2002 and concluded in September 2005 with release of the Minister's Assessment. The EES covers both the relocation of rivers and roads (RRR Project) and mining beyond Block 1B. The RRR Project is a prerequisite to allow mining to proceed beyond Block 1B; however, as the RRR Project boundaries extended beyond the mining licence, additional approvals were secured under other Acts. These approvals included:

- > a Road Agreement with VicRoads dated 31 August 2005,
- > a Works Approval for the RRR Project issued by the EPA on 20 December 2005,
- > a Licence to Divert Three Water Courses issued by the West Gippsland Catchment Management Authority on 16 February 2006,
- four (4) Planning Permits and Amendment C32 to the Latrobe Planning Scheme issued by the Department of Sustainability and Environment on 19 September 2005,
- > four new Mining Licences that have been subsequently amalgamated into MIN 5004,
- ➤ EPBC approval for impacts associated with the RRR and future mining issued 2 December 2005 by DEH,
- > A Net Gain Agreement for impacts for both the RRR and future mining issued by the Department of Sustainability and Environment on 19 March 2007.
- Approval of Project, Construction and Operational Environmental Management Plans by Regional Director DSE on 8 September 2006.

As you can see, related approvals for impacts on native vegetation and the new mining licences have already been addressed.

IPRH has established an "obligations register" to ensure that commitments made during the EES are implemented and managed effectively. In addition to reviewing Schedule 13 of the Minerals Resources Development Sustainability Act, in preparing this Work Plan Variation, IPRH extracted from the obligations register database those commitments that formed part of the "accepted" proposal from the EES. You would be most welcome to view the database to build confidence that all matters have been considered, and managed appropriately.

The rehabilitation concept-particularly the treatment of the permanent batters post closure—was the subject of discussion with DPI both before, and after, the EES process concluded. It was agreed at the time that we would deal with the matter after the EES. IPRH has now modified the rehabilitation plan in an attempt to accommodate our understanding of DPI's requirements. Specifically, we have commenced rehabilitation of the permanent batters adjacent to Morwell Township and other works in the South East Field are planned. Again we would be most pleased to show you our progress.

Whilst there have been changes made since the EES, apart from those associated with the rehabilitation concept (which was disputed at the time) IPRH does not consider any of the changes to be material. IPRH is of the view that studies supporting the EES are still relevant and accurate for DPI's consideration.

If, after reviewing the attached WPV you have any questions, please do not hesitate to contact me on Ph 5135 5055 or email richard.polmear@hazelwoodpower.com

Yours Faithfully

Richard Polmear

Mine Engineering Manager IPRH