TRANSCRIPT OF PROCEEDINGS

**The attached transcript, while an accurate recording of evidence given in the course of the hearing day, is not proofread prior to circulation and thus may contain minor errors.**

2015/16 HAZELWOOD MINE FIRE INQUIRY

MELBOURNE

THURSDAY, 6 AUGUST 2015

BEFORE:

THE HONOURABLE BERNARD TEAGUE AO - Chairman

MRS ANITA ROPER - Board Member

MR PETER ROZEN - Counsel Assisting

MR RICHARD ATTIWILL QC - State of Victoria

MS RENEE SION - State of Victoria

MR ROBERT TAYLOR - Alcoa of Australia

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1 CHAIRMAN: Yes, Mr Rozen.

2 MR ROZEN: Good morning, chair; good morning, Mrs Roper.

3 The purpose of today's hopefully brief hearing

4 will be to enable the parties and myself to make some

5 brief submissions about what we consider the board

6 ought to do by way of findings arising from the public

7 hearings which were held in Anglesea last week.

8 A document setting out the final submissions of

9 Counsel Assisting has been circulated to the parties

10 and I have had some brief discussions with counsel

11 representing both the State of Victoria and Alcoa.

12 I note that there are people in the room who were

13 not in the hearing at Anglesea, and in those

14 circumstances, at the risk of reading out something

15 that people probably will have read, I propose to read

16 through that document.

17 CHAIRMAN: That's appropriate if that is the case.

18 MR ROZEN: I should also indicate that the document from

19 which I'm reading will be uploaded onto the inquiry

20 website so that it will be available if anyone wants to

21 read it in any more detail. I'm obviously not going to

22 be going to each of the references that I've included

23 in the submissions, but they of course will be there

24 for anyone that wants to follow those up.

25 The references, I should add, are to items of

26 evidence in the transcript which are either on the

27 website or in the process of being uploaded to the

28 website.

29 If I could start with a few short words about the

30 inquiry itself. This board of inquiry was established

31 under s.53 of the Inquiries Act 2014 by Order in

1 Council dated 26 May 2015.

2 By paragraph 11 of its terms of reference, the

3 board is required to inquire into and report to the

4 Governor no later than 31 August 2015 about

5 "sustainable, practical and effective options that

6 could be undertaken by the mine operator to decrease

7 the risk of fire arising from or impacting the Anglesea

8 Mine for the 2015/2016 summer season, noting the

9 impending closure of the mine on 31 August 2015".

10 In my submission the following aspects of this

11 term of reference are noteworthy: firstly, the

12 investigation by the board is limited to options that

13 could be taken by Alcoa alone as the mine operator.

14 Secondly, the concern is with the risk of fire

15 both arising from the mine and impacting on it, for

16 example by ember attack.

17 Thirdly, the scope of the inquiry is limited

18 temporally to the 2015/2016 summer season.

19 As part of the inquiry process, members of the

20 board and the inquiry staff have visited the Anglesea

21 Mine and met with Alcoa managers. The board has

22 consulted with the local community at an open community

23 forum, and it has received and read several written

24 submissions from individuals and organisations.

25 Finally, the board heard two days of evidence at a

26 public hearing at Anglesea last week on 30 and 31 July.

27 At the public hearing the board heard from Alcoa

28 managers, government regulators, emergency services

29 personnel and expert witnesses.

30 The inquiry is clearly conducted against the

31 backdrop and in the context of the disastrous Hazelwood

1 Mine Fire of February/March 2014. That fire was the

2 subject of a separate board of inquiry that reported

3 in August 2014. All of the evidence before that

4 earlier inquiry is taken to be evidence before the

5 current board.

6 The Anglesea and Hazelwood coal mines. As the

7 evidence before the board has made clear, there are

8 significant differences between the Anglesea Mine and

9 the Hazelwood Mine. Importantly, these differences are

10 such that the fire risks associated with the Anglesea

11 Mine are considerably lower than those associated with

12 its Hazelwood counterpart. The differences include

13 that the Anglesea Mine is far smaller than the

14 Hazelwood Mine.

15 The overburden to coal ratio is far greater at

16 Anglesea and this has facilitated progressive

17 remediation of the Anglesea Mine.

18 The moisture content of the coal mine at Anglesea

19 is higher than that mined in the Latrobe Valley and the

20 coal has less potential for spontaneous combustion.

21 By contrast to the history of significant fires at

22 Hazelwood, there have been very few fires at Anglesea

23 and none that has impacted on the coal or required the

24 attendance of the CFA.

25 Contrary to the experience of Hazelwood on

26 9 February 2014 the extreme Ash Wednesday fire of 1983,

27 which of course burnt in the Anglesea area, did not

28 result in ignition of the coal at Anglesea even though

29 there was some spotting into the mine.

30 The Anglesea Mine is subject to a lower level of

31 occupational health and safety regulation compared to

1 the Hazelwood Mine by virtue of not being a prescribed

2 mine under the Occupational Health and Safety

3 Regulations. The board heard evidence that this is on

4 the basis of an assessment by the regulator, the

5 Victorian WorkCover Authority, that the Anglesea Mine

6 presents a lower level of risk than the Hazelwood Mine.

7 Further, closure of the mine on 31 August 2015

8 will significantly reduce its risk profile, according

9 to Mr Lapsley, the State's Emergency Management

10 Commissioner. This view is supported by the Alcoa risk

11 assessment dated July 2015 which is in evidence.

12 As noted above, the inquiry heard from two expert

13 witnesses: they were mining engineer, Cameron

14 Farrington of Mining One Consultants, and bushfire risk

15 consultant, Rod Incoll. Mr Farrington had been engaged

16 through Mining One Consultants by Alcoa to assess its

17 strategies; Mr Incoll was engaged directly by the

18 board.

19 In relation to the risk of fire arising from the

20 Anglesea Mine, Mr Farrington and Mr Incoll both

21 examined the risk of a fire resulting from spontaneous

22 combustion of the coal. Mr Rolland of Alcoa informed

23 the inquiry that there is some history of such fires,

24 although only three have resulted in what he called

25 "flame events". Most such events have involved "steamy

26 coal" short of open flame.

27 Mr Incoll, the board's bushfire risk consultant,

28 considered that it was unlikely that a fire would

29 commence due to spontaneous combustion or as a result

30 of worker carelessness or non-observance of permit

31 conditions.

1 In relation to the western coalface, which I will

2 refer to in a moment, Mr Incoll rated the probability

3 of fire as rare. Mr Farrington also considered fire

4 from spontaneous combustion as being unlikely. The

5 Alcoa risk assessment of July of this year reached

6 similar conclusions about the risk of fire arising from

7 the mine.

8 As far as the risk of fire impacting on the mine

9 is concerned, Mr Incoll examined the risk of mine fire

10 caused by ember or ash attack and, as the board will of

11 course be aware, this was the cause of the Hazelwood

12 Mine fire, that is, embers from outside the mine being

13 thrown into it during a bushfire and igniting the coal.

14 After examining the history of planned burning in

15 the Anglesea heath to the north and west of the

16 Anglesea Mine, Mr Incoll opined that the likelihood of

17 a high intensity bushfire impacting the Anglesea Mine

18 during the 2015/16 fire season is considered to be

19 rare.

20 Referring to both the risk of fire from within the

21 mine and from outside the mine, Mr Incoll concluded,

22 and I quote from his report , "The analysis of fire

23 risk on the mine site after 31 August 2015 has

24 indicated that, at the worst case, a fire outbreak in

25 coal or vegetation at the mine after shutdown is

26 'unlikely', and should an incident occur any risk of

27 fire spread beyond the mine is insignificant."

28 CHAIRMAN: Could I just interrupt there to in effect make

29 the point that, because these are submissions, you

30 don't have to cover the sort of things that a report

31 would cover, but I think it's highly likely that there

1 would be reference in the report to the matters raised

2 by Mr Incoll about the high risk of fire in the Otways

3 generally, and to prescribed burning, for the kind of

4 reason that is underlined in the Black Saturday Royal

5 Commission, that there's a kind of forgetfulness of

6 what can happen and a complacency that may arise

7 therefrom, and if one reads it without reference to

8 that, there isn't, I think, the appreciation of what

9 always is in my mind, that the Dandenongs and the

10 Otways, for reasons that Mr Incoll has referred to,

11 just are a major cause for concern compared with other

12 parts of Victoria, and the prescribed burning is an

13 aspect of dealing with those that impacts upon the risk

14 of fire.

15 You're not saying that they shouldn't be included,

16 your just saying, well, you haven't specifically

17 included them because you're really rather fixedly

18 going to the matters that have been of particular

19 concern.

20 MR ROZEN: Yes, that's correct, chair. I should add that,

21 even though the terms of reference do rather focus the

22 minds of the board on the mine - - -

23 CHAIRMAN: It's clearly the particular focus is this coming

24 fire season, but one can't say that the potential

25 risk - we've referred to Ash Wednesday and you've got a

26 brief reference to Ash Wednesday, but it's that overall

27 picture, that complacency concern that stems from

28 southeastern Australia, being the most fire risk prone

29 area of the world, in my opinion, and the Dandenongs

30 and Otways just being one of the higher risk areas that

31 needs to be focused on. I didn't happen to have

1 Mr Lapsley's here, but I have an idea that, if he

2 hasn't put it in, it's not because he doesn't think

3 that way because I've heard him speak on the subject in

4 other circumstances.

5 MR ROZEN: I was just going to add that, even though the

6 terms of reference focus the minds of the board on the

7 mine itself, it's somewhat artificial to look at the

8 mine not in the context of the surrounding area that

9 it's in, particularly the evidence that we've heard

10 about the heath.

11 If I could turn then to Alcoa's strategy for

12 minimising the risk of fire after the closure of the

13 mine on 31 August 2015. The evidence before the board

14 establishes that Alcoa is in the process of

15 implementing a detailed and comprehensive strategy for

16 minimising the risk of fire at the mine post closure.

17 The strategy includes the following features: covering

18 most of the exposed coal through what's been referred

19 to in the evidence as the overburden strategy; updating

20 the internal risk assessments; updating the Alcoa

21 emergency plan; co-operating with the CFA in updating

22 the CFA's pre-incident plan and addressing practical

23 issues such as access to water for firefighting;

24 updating the Alcoa standard work instruction for mine

25 coal fires and hot coal procedure; and putting in place

26 staffing arrangements addressing site security, plant

27 maintenance and operation and the implementation of the

28 Mining One recommendations concerning inspection of the

29 mine post closure. I'll come to those in a moment.

30 The key plank in the strategy, in my submission,

31 is the overburden strategy. This consists of covering

1 most of the exposed coal at the mine, some 41 hectares,

2 with a metre of overburden. The evidence is that that

3 overburden is soil with a significant clay content.

4 This strategy has been the subject of detailed

5 assessment by Mining One Consultants through

6 Mr Farrington, the mining engineer. Mining One

7 considered the quantity and quality of the overburden

8 being used and ultimately endorsed the strategy.

9 Mr Farrington has "endorsed the minimum capping

10 levels as ongoing monitoring provides an opportunity to

11 identify any problematic areas". He explains that, if

12 there are problem areas, the one metre of capping is

13 easily removed to access the area to be addressed.

14 Mr Incoll endorsed the Mining One assessment.

15 Similarly, the overburden strategy has been endorsed by

16 Alcoa's Global Mining Centre of Expertise.

17 As at the date that the hearing concluded, which

18 was last Friday, 31 July, Alcoa had capped 23 hectares

19 of the coal. Alcoa expects the mine floor will be

20 covered by 31 August 2015, and it is sourcing external

21 contracted earthmoving support to ensure that this is

22 the case.

23 It is important to note that some of the coal will

24 not be covered. Alcoa told the inquiry that due to a

25 combination of time constraints and its proximity to

26 the approved Cultural Heritage Management Plan

27 boundary, an area of exposed vertical coal, known as

28 the west wall, will not be covered before 31 August

29 2015.

30 Mining One expressed the view that the long term

31 exposure of this coal presents minimal combustion risk,

1 and it proposed that the vertical faces be left exposed

2 in the period between the interim closure work and

3 final rehabilitation.

4 However, as Mining One explained, if this is in

5 fact done, Alcoa needs to ensure the following: that an

6 inspection regime is implemented as detailed on

7 pages 21-23 of the Mining One report; that a water cart

8 and an appropriate management strategy for tackling any

9 coal fire and spontaneous combustion must be maintained

10 on site; and what was referred to as a Target Action

11 Response Plan (or TARP) is developed. The TARP should

12 address the risks of fire, for example from a bushfire

13 in the vicinity, and should outline appropriate

14 responses that will be implemented.

15 One of the clear themes in the evidence is that

16 most, if not all, of the work Alcoa is doing to

17 mitigate the risk of fire post closure is presently

18 incomplete. Alcoa has helpfully provided a table, a

19 document dated 29 July 2015 to the inquiry which sets

20 out 39 recommendations made variously by Mining One,

21 Mr Incoll, Robert Barry of the CFA and Ross McGowan of

22 the Earth Resources Regulations department.

23 In relation to each recommendation Alcoa has set

24 out what it intends to do to implement the

25 recommendation. In the majority of cases the date by

26 which the work is to be completed is 31 August 2015,

27 the date of mine closure.

28 With the reporting date of the same date,

29 31 August 2015, and time needed to write the report,

30 the board will not hear new evidence after

31 31 July 2015. This means that it will not hear

1 evidence of the outcomes of the various scheduled

2 meetings and other work that will be done by Alcoa and

3 the various government agencies that regulate and

4 interact with Alcoa during August. For example, the

5 inquiry has been told that the CFA pre-incident plan

6 was to be discussed and revisions finalised by Alcoa

7 and the CFA on 3 August 2015, which was last Monday.

8 The Alcoa emergency plan was also to be discussed at

9 that meeting and Alcoa set a target date of 14 August

10 2015 for finalisation of that plan.

11 The inquiry was told that Alcoa was yet to make

12 final decisions about who will maintain and operate its

13 equipment on site, including its firefighting

14 equipment.

15 We were told that Alcoa is developing the TARP,

16 the Target Action Response Plan recommended by

17 Mr Farrington of Mining One, and in particular is

18 considering what needs to be in place by way of

19 pre-planning on days of high fire danger.

20 Finally, Alcoa is yet to engage trained security

21 officers who will have the important tasks of

22 inspecting the overburden, escorting the CFA in an

23 emergency and addressing any spontaneous combustion

24 events that might occur.

25 Simply put, the board cannot know what has been

26 and will be done after 31 July 2015. What should the

27 board do to address this knowledge gap?

28 It's my submission that the answer to this

29 important question is to be found in the evidence that

30 the board has heard. A clear theme in the evidence is

31 that, as the well respected and highly experienced

1 Emergency Management Commissioner Mr Lapsley put it,

2 Alcoa is "a good corporate citizen within the

3 community".

4 The senior officers of the government agencies

5 that regulate and interact with Alcoa have echoed these

6 sentiments in their evidence. The board heard from

7 Ross McGowan, the Executive Director of the Earth

8 Resources Regulation branch, the principal mining

9 regulator in this State. He said that he had been

10 "extremely satisfied" about his interaction with Alcoa.

11 Similarly, Robert Barry, assistant chief officer

12 with the CFA, said that, "Alcoa are very positive in

13 their arrangements with the CFA for post closure."

14 Highly experienced bushfire risk consultant, Rod

15 Incoll, whose evidence was central to the conclusions

16 of the first Hazelwood Mine Fire Inquiry, was referred

17 to the Alcoa response to his recommendations. That

18 document is exhibit 11 in these proceedings.

19 Mr Incoll said that, "Generally speaking, they

20 (Alcoa) have satisfied the main thrust of my issues."

21 Mr Incoll noted that he was unable to assess certain

22 aspects of Alcoa's response like the TARP because it

23 was not yet available.

24 What he then said to the inquiry in his evidence

25 is worth quoting in full. Mr Incoll said, "... so I

26 can't know what is in them [that is those documents],

27 but the fact that [Alcoa is] producing something that

28 deals with the issue that I've raised gives me a sense

29 of comfort in that everything else they said they'd do

30 they have done up-to-date, so I assume on that basis

31 that it is going to happen henceforth."

1 Mr Incoll concluded his valuable contribution to

2 the inquiry with the observation that he would be

3 comfortable that the end result would be satisfactory.

4 It is my submission that, in light of all of the

5 evidence that it has heard, the board too can have the

6 sense of comfort that Mr Incoll has that Alcoa will

7 deliver on the commitments it has set out in

8 exhibit 11.

9 In this regard I submit that two particular

10 aspects of the evidence enable the board to have a

11 reasonable expectation that, as Mr Incoll put it, the

12 end result will be satisfactory.

13 The first aspect of the evidence is that Alcoa's

14 operations at Anglesea are being competently regulated

15 by two relatively well resourced and active government

16 agencies. These agencies, Earth Resources Regulation

17 and the WorkCover Authority, are well aware of the

18 deficiencies in their regulation of the risk of fire at

19 the Hazelwood Mine that were discussed at length in the

20 2014 Mine Fire Report. The evidence of the officers

21 from those agencies would suggest that the approach

22 that they're taking in the case of Anglesea is a very

23 detailed and thorough one.

24 Firstly, the Earth Resources Regulation branch has

25 been extensively involved in the closure of the mine

26 since 18 May of this year. That involvement is

27 detailed in the statement of Mr McGowan. Most

28 recently, the branch's senior mining inspector,

29 Mr Mitas, wrote to Mr Rolland of Alcoa, requiring Alcoa

30 to address a number of questions concerning its

31 implementation of the Mining One recommendations. The

1 board heard that Mr Mitas has requested answers to

2 these questions no later than 21 August this year.

3 Mr Rolland of Alcoa told the inquiry that he will meet

4 with Mr Mitas to discuss that letter on 10 August, that

5 is, next Monday.

6 The other mine regulator is the VWA, the Victorian

7 WorkCover Authority. Mr Kelly of the VWA explained to

8 the board its role since June 2015 in relation to the

9 imminent closure of the mine. He explained that the

10 role is ongoing and that his staff are meeting with

11 Alcoa on 10 August to discuss the capping strategy,

12 amongst other parts of Alcoa's post closure plans.

13 In addition, Alcoa, the various agencies and the

14 Emergency Management Commissioner all participate in

15 the Surf Coast Taskforce. The Taskforce and its

16 Latrobe Valley counterpart were established on

17 16 September last year with the aim of implementing the

18 improvement plans and recommendations detailed in the

19 Hazelwood Mine Fire Inquiry Report, Victorian

20 Government Implementation and Monitoring Plan October

21 2014 to the Hazelwood Coal Mine Fire Inquiry.

22 As the chair of that taskforce, Mr Lapsley

23 explained to this inquiry that Alcoa's involvement in

24 the Taskforce has been a very positive experience. At

25 its most recent meeting on 28 May this year, the

26 members of the Taskforce were informed by Alcoa of

27 Alcoa's plans to shut down its mine and power station

28 at Anglesea. Mr Sharp of Alcoa advised of Alcoa's five

29 mitigation plans as described in these submissions.

30 Mr Lapsley informed this inquiry that at its next

31 meeting the Taskforce would consider the existing Alcoa

1 risk assessments and, in Mr Lapsley's words, ensure

2 that everyone's got ownership and understanding, and

3 what are the other risks that need to be considered.

4 The board therefore, in my submission, can readily

5 assume that the level of regulation and oversight will

6 continue through the month of August and beyond, thus

7 providing the board with a further level of comfort.

8 The second important aspect of the evidence

9 concerns Alcoa's staffing plans at the mine post

10 closure. In particular, the board has been told that

11 Mr Chris Rolland, the highly experienced mine manager,

12 will remain on the site as the mine rehabilitation

13 supervisor. His role, he told the inquiry, will

14 include supervision of the fire minimisation strategy.

15 He will have an experienced team to support this work.

16 That team is detailed in the evidence.

17 The Anglesea team will in turn be supported by

18 Mr Sharp, existing site manager, and the health and

19 safety and environmental professionals in Alcoa's asset

20 management and planning group.

21 Mr Farrington of Mining One was asked if the

22 ongoing involvement of Mr Rolland was beneficial to the

23 oversight of the inspection regime and maintenance

24 issues that he had identified in his report, Mining One

25 report. His response also should be quoted in full.

26 Mr Farrington told the board, "Based on my

27 exposure to Chris [Rolland] he is very competent, has a

28 very good understanding of the site and its

29 characteristics and I think he would be an ideal person

30 to maintain vigilance on the operation as a whole."

31 In a similar vein Mr Incoll described Mr Rolland

1 as "an experienced and competent person", and he said

2 that his appointment would be a "significant bolster

3 for the company's plans". He added that Mr Rolland's

4 appointment would add what Mr Incoll described as

5 "quality assurance".

6 In summary then, Mr Incoll was asked by the

7 inquiry whether the measures taken and planned to be

8 taken by Alcoa are sustainable, practical and effective

9 to mitigate the risk of fire at the mine. Those words

10 were chosen deliberately, because of course they're the

11 words used in the board's term of reference -

12 sustainable, practical and effective.

13 In Mr Incoll's report to the board, he outlined

14 Alcoa's action and proposed actions, which I've

15 referred to briefly in these submissions, and he

16 concluded as follows, "From an emergency management

17 viewpoint, these arrangements follow a rational path

18 and appear to be both sustainable and practical. As to

19 their effectiveness, the sole comment is that the

20 contribution an experienced manager makes in an

21 emergency was highlighted by less than effective

22 management when senior managers were not available in

23 the early stages of the Hazelwood Mine Fire. This

24 should be borne in mind when planning incident response

25 at Anglesea."

26 It's my submission that Alcoa's resourcing plans,

27 and in particular the ongoing role of Mr Rolland, which

28 I've made brief reference to earlier, address this

29 concern of Mr Incoll, as Mr Incoll himself acknowledged

30 in his evidence to the board.

31 I therefore submit that, for the reasons explained

1 above, the board should conclude that Alcoa has either

2 implemented or is in the process of implementing a

3 range of fire minimisation strategies that are

4 effective, practical and sustainable. These strategies

5 when fully implemented should reduce the risk of fire

6 at the Anglesea Mine so far as is reasonably

7 practicable.

8 It's important to note that the inquiry has not

9 identified any particular options over and above those

10 developed by Alcoa in conjunction with the regulators

11 that the board considers should be implemented at the

12 mine.

13 The board should be reassured that the regulatory

14 agencies identified above will continue to monitor

15 Alcoa's progress towards fulfillment of the commitments

16 it has made to the board.

17 I should add that nothing the board concludes or

18 recommends should, in my submission, be taken to limit

19 what Alcoa does or what the various regulatory agencies

20 require Alcoa to do; that is, over and above the

21 commitments in the evidence given to the inquiry.

22 It is submitted that it would also be desirable if

23 Alcoa updated the Surf Coast Taskforce about its

24 implementation of its fire risk mitigation plans, as is

25 likely to occur at the Taskforce's next meeting in

26 light of the evidence we heard from Mr Lapsley.

27 It follows then that the only recommendation that

28 I would urge the board to make in relation to this

29 aspect of its terms of reference is to recommend that

30 Alcoa publish on its website a report by

31 15 September 2015 detailing the steps it has taken

1 since 31 July 2015 to implement its fire minimisation

2 strategies as set out in the list of the commitments it

3 provided to the inquiry; that is, exhibit 11.

4 Publication on the Alcoa website will provide important

5 information, both to the community and to regulators.

6 They're the submissions that I would make to the

7 board.

8 CHAIRMAN: Yes, thank you, Mr Rozen. Yes, Mr Attiwill.

9 MR ATTIWILL: Mr Chairman, Mrs Roper, as you know I appear

10 on behalf of the Victorian Government, together with

11 Ms Sion. Mr Rozen has provided a fair and accurate -

12 and has given that submission - all based on the

13 evidence and we don't wish to add anything in relation

14 to those matters.

15 The Victorian Government supports the proposed

16 recommendation that's set out in paragraph 50. The

17 only matter that I'd raise in addition to those

18 matters, Mr Chairman, is, you raised with Mr Rozen this

19 issue of the general fire risk to Anglesea outside of

20 the impact of the closure of the mine. I'd simply say

21 in relation to that, that a convenient source of that

22 general fire risk is in Mr McKenzie's statement at

23 paragraph 19.

24 Mr McKenzie, you will recall, Mr Chairman, is both

25 a senior instructor within the CFA but he is also a

26 local volunteer at Anglesea, and at paragraph 19 he

27 both deals with the fire risk and prescribed burning in

28 short compass, but makes the point - - -

29 CHAIRMAN: It's only that I think that, in the final report,

30 there should be reference to that so that anyone

31 reading the report just understands that there is a

1 balancing consideration that needs to be borne in mind

2 over this question of fire risk.

3 MR ATTIWILL: Yes, we understand the concern. The only

4 other statement that is relevant to that of course is

5 the statement of Dr Smith, who didn't give oral

6 evidence, but as a deputy secretary he has much to say

7 about prescribed burning and precautions and so forth,

8 and so we will just direct your attention to that as

9 well.

10 CHAIRMAN: Yes. They're incidental references that I think

11 are relatively important but don't directly bear on the

12 issue.

13 MR ATTIWILL: That's correct. They're the submissions on

14 behalf of the Victorian Government, it's a bit longer

15 than I was during the hearing.

16 CHAIRMAN: There are a couple of other factors that mean

17 that the continuing presence of the inquiry is likely

18 to be a factor that will mean it will be kind of

19 exerting a polite pressure indirectly to see that

20 things are done because it has a kind of indirect

21 relevance to matters to do with the short and long-term

22 future of the three mines in the Latrobe Valley.

23 MR ATTIWILL: Yes, and I think, although Mr Rozen has put

24 it, but it was very plain at the end of the two days

25 that Alcoa has made much progress, is prepared to

26 listen, and there's been much good cooperation between

27 Alcoa, the local community and the regulators and

28 that's going to continue.

29 They're the only matters.

30 CHAIRMAN: Yes, thank you Mr Attiwill. Yes, Mr Taylor.

31 MR TAYLOR: Thank you, chairman; good morning, Mrs Roper.

1 Once again, I appear for Alcoa Australia.

2 Before I pass to some more formal remarks that I

3 was going to make and which I'll hand a very brief

4 outline that has been provided to the Bar table, I can

5 update the board, at the risk of giving some evidence

6 from the Bar table, that the contracting crews

7 commenced work on Monday and we've now reached 25 and a

8 half hectares of overburden coverage on the floor of

9 the mine, so the work is progressing at a pace.

10 There's one matter, and I apologise to Counsel

11 Assisting for not drawing his attention to this because

12 it had got past I and others until this morning. My

13 learned friend suggested that at paragraph 6(c) the

14 moisture content at Anglesea was lower. I think he

15 might have meant to say the moisture content of the

16 coal mine either at Hazelwood was lower; because if one

17 goes to paragraph 28 of Mr Burton's report, the

18 moisture content as received in the samples is

19 44.7 per cent according to Alcoa's records, and 46.2

20 according to the Gloe data.

21 What was higher of course was the megajoules per

22 kilogram of coal, so nothing turns on that as a matter

23 of record.

24 CHAIRMAN: That needs to be checked, yes.

25 MR TAYLOR: Just as a matter of record. I can also agree

26 with the amendment to the coverage of the floor that my

27 learned friend made.

28 The meeting referenced in Counsel Assisting's

29 submissions at paragraph 24(a) on page 7 with the CFA

30 did take place, the minutes are with the CFA for

31 verification and adoption. Other meetings have been

1 confirmed. That's in particular the one reference to

2 paragraph 34 for 10 August on page 9; that's also been

3 confirmed.

4 Can I introduce as present today Mr Tim McAuliffe,

5 the gentleman seated to my right in the second row, the

6 Director of Environment Sustainability and Director of

7 Government Relations for Alcoa of Australia.

8 Mr McAuliffe has come from Perth to be present at

9 today's hearing to hear the submissions; and Mr John

10 Osborne, who was present throughout the evidence last

11 week. Mr Osborne is the Director, Asset Management and

12 Planning Eastern Australia and has come up from

13 Geelong; and of course Mr Sharp, who the board heard

14 from for some time has also come up today.

15 Other activities are under way, as the board will

16 appreciate, and obviously for that reason Mr Rolland's

17 not present today, he's managing matters.

18 Could I ask for copies of some brief remarks to be

19 handed to the board. I will speak briefly to these and

20 they won't take long and I don't think they'll even

21 take as long as Mr Attiwill took all of last week.

22 Can I say first of all that Alcoa has appreciated

23 the opportunity to participate in the inquiry process.

24 It has seen it as an opportunity to be fairly heard, to

25 tell the community and the board what its situation is

26 and what it's doing.

27 It's had an almost 50-year relationship with the

28 community at Anglesea and is, in my submission, rightly

29 proud of the contribution it's made over the years to

30 the community and the way in which it's managed the

31 mine generally.

1 Alcoa's decision to close the mine and the power

2 station has not been an easy one; not from an

3 industrial level and certainly not from the human toll

4 level. It's committed to undertaking the site closure

5 and rehabilitation, including the fire risk management,

6 with the same level of diligence that we submit it

7 brought to the operation of the assets throughout its

8 occupation of the site.

9 We acknowledge the work of Counsel Assisting and

10 the work of the State of Victoria in providing the

11 board with, in our view, a fair, a balanced and a

12 well-informed summary of the history of Alcoa's

13 interactions with the various State agencies in

14 relation to fire risk management.

15 Alcoa is pleased with the manner in which the

16 hearing was conducted, if we may say so, and we are

17 satisfied that all issues of substance that relate to

18 the terms of reference have been put on the table for

19 consideration by the board. We recognise the comments

20 made by I think Mr Barry and certainly Mr Incoll, that

21 the matters can't be viewed in isolation and the

22 comments of the chair this morning. We hope that the

23 material provided by Alcoa has been of great assistance

24 to the board in determining the issues Alcoa can deal

25 with.

26 Alcoa's closely reviewed the closing submissions

27 prepared by Counsel Assisting and Alcoa agrees with the

28 summary of the hearing and the key elements of the

29 evidence. We appreciate the recognition of the

30 business's standing as a good corporate citizen and as

31 an organisation that can be trusted to make good on the

1 commitments it gives.

2 As the submissions note, a number of issues remain

3 a work-in-progress, but Alcoa is committed to working

4 with relevant agencies to reach a mutually satisfactory

5 resolution to each issue.

6 Parenthetically I note that Alcoa of course

7 continues to remain a Victorian corporate citizen and

8 continues to have operations in the southwest of the

9 State and will not simply be leaving the jurisdiction

10 come closure of the mine.

11 The presence of Alcoa's senior management

12 throughout the hearing and again today, in my

13 submission, underlines the seriousness with which Alcoa

14 takes the process.

15 Alcoa notes the recommendation made by Counsel

16 Assisting that it prepare a report detailing the steps

17 taken since 31 July to implement its fire minimisation

18 strategies and to publish the report on its website by

19 15 September. Alcoa accepts this recommendation.

20 In Alcoa's submission, no further recommendations

21 are necessary for the board to be satisfied that the

22 measures Alcoa has committed to will be undertaken.

23 In that note we understand that one additional

24 submission that we've seen from Environment Victoria

25 has been uploaded and makes some further suggestions

26 with respect to implementation monitor or something of

27 that sort. We would respectfully submit that that is

28 completely unnecessary, and for the reasons that

29 Mr Rozen gave in respect to two well resourced and

30 competent regulatory agencies and the clear evidence

31 given by both Mr Farrington and the evidence given by

1 Mr Incoll, which not only endorsed what Alcoa had done

2 to date, but also endorsed to a very high standard the

3 opinions and conclusions that were expressed by

4 Mr Farrington. The board might recall Mr Incoll saying

5 that he regarded it as a highly professional and

6 thoroughly well considered report.

7 For those reasons, we would agree both with the

8 State and with Counsel Assisting that no further

9 recommendations or progress monitoring need be

10 recommended.

11 Beyond the inquiry process Alcoa will continue to

12 engage with the community through the community

13 consultation network and with the State agencies

14 through the Surf Coast Taskforce and through its

15 ordinary dealings with each agency. Alcoa will use

16 these avenues to provide regular updates about its

17 progress across the range of activities to be performed

18 at Anglesea as the closure transitions into the

19 rehabilitation process.

20 Alcoa thanks the board for its assistance and its

21 time today. May it please the board, unless there are

22 matters that you want to raise with me, those are the

23 remarks that we make on behalf of Alcoa.

24 CHAIRMAN: Thank you, Mr Taylor. Any matter arising?

25 MR ROZEN: Just one brief matter to correct an error which

26 is entirely my own. In paragraph 6(c), as Mr Taylor

27 noted, the word "higher" in line 1 should in fact be

28 "lower". For the record, Ms Stansen did point that out

29 to me just before Mr Taylor rose to his feet. That

30 change, I should indicate, will be made before the

31 document is placed on the website.

1 MR TAYLOR: I hope no one thinks it was a "got you"; it

2 occurred to us at the same time.

3 MR ROZEN: Not at all.

4 CHAIRMAN: Thank you all. We'll now embark upon the process

5 of preparing the report for delivery on its due date.

6 Thank you all.

7 HEARING ADJOURNED

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