

Technical Review Board

3 April 2013

Our Ref: TRB.L37

Mr J Mitas
General Manager
Minerals and Extractive Operations
Department of Primary Industries
Level 16
1 Spring St
Melbourne Victoria 3000

Dear John

TRB Recommendations Re: PSM Hazelwood Mine Stability Report, PSM1632-140R

The following advice to the Minister, through DPI, arises from the TRB's review of the PSM Hazelwood Mine Stability Report, Report No. PSM1632-140R.

It is important to appreciate the context of this PSM Report when considering the TRB's advice. The PSM review was not intended to constitute a comprehensive study of any particular stability aspect or site. Rather, the review arose from and was undertaken in support of the overall focus of the TRB in respect of reducing risk to the environment, public safety, infrastructure and continuity of power supply. Within that framework, the aims of the PSM review were to:

1. Identify the major stability related issues currently evident in the mine.
2. Identify any future emerging issues.
3. Highlight areas where improved management of related technical areas will assist ongoing management in the mine.
4. Identify any overriding technical issues.

The TRB may be contacted through the TRB Executive Officer:

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It transpired that the PSM review was seriously constrained in many of these aspects due to:

- A lack of reliable mine stability monitoring data.
- A lack of comprehensive geotechnical and groundwater models.

A number of attempts were made by PSM during the course of its review to address inaccuracies and uncertainties in field monitoring data. However, for the most part, these were unsuccessful. The constraints are of serious concern to the TRB because mine stability cannot be managed effectively without reliable monitoring data and comprehensive geotechnical and groundwater models.

During the course of the review and subsequently, Hazelwood Mine has been proactive in addressing some of these deficiencies, with one major initiative being the development of a comprehensive Ground Control Management Plan (GCMP). This will take time to complete, although some deficiencies have apparently already been addressed in developing the GCMP to date. Even though Hazelwood Mine has acted on some of the PSM recommendations, these recommendations should stand as they reflect the situation at a particular point in time.

There are a number of minor matters of an editorial nature that the TRB has identified and will refer directly to the relevant officers of the DPI. A query has also arisen between TRB members as to the appropriate offset distance to the Morwell River Diversion (MRD) in the North Field in time to come. The TRB will consider this and, if necessary, provide advice accordingly to DPI at a later date.

Against this background, the TRB advises in respect of the PSM Report that:

1. The report is clear, concise and measured.
2. The PSM recommendations are appropriate and consistent with the issues identified in the report and the DPI should endorse all of them.
3. A third party review of the HAP4 external ash pond is a matter of priority given the potential downstream impacts on areas and stakeholders well outside of the mine lease.



4. The collection and reliability of mine stability monitoring data should be a major point of focus in the GCMP currently under development.

If you have any queries in regards to this advice, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink that reads "JM Galvin". The signature is written in a cursive style with a large, stylized 'J' and 'G'.

JM Galvin
Chair, Technical Review Board

