

BHP Billiton Iron Ore

Draft Public Environmental Review Strategic Proposal

Derived Proposal Template

January 2015



Document Control

Action	Name	Position	Signature	Date

Document Abbreviations

ABBREVIATION	MEANING

Document Definitions

TERM	DEFINITION

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Executive Summary

Key content for the Executive Summary:

- Reference to relevant referral submission: “On <<insert date>> BHP Billiton Iron Ore referred the <<insert development name>> proposal to the EPA. The referral included a written request that the proposal be declared a derived proposal.”
- Statement of the purpose of this document: “This document supports the request to the EPA that the <<insert development name>> proposal be declared a derived proposal”.
- BHP Billiton Iron Ore’s explicit position on whether the proposal meets/does not meet the five ‘criteria’ that the EPA must consider before deciding whether or not to declare a proposal to be a Derived Proposal (see Table 1). Note that pursuant to section 39B of the Western Australian *Environmental Protection Act 1986* (EP Act), the EPA’s power to refuse to declare a proposal a ‘derived proposal’ is discretionary. This means that even if Criteria 3 to 5 are met, the EPA could choose to make a derived proposal declaration.
- BHP Billiton Iron Ore’s explicit position on whether the proposal is consistent with the environmental outcomes determined in the EPA’s assessment of the Strategic Proposal.
- BHP Billiton Iron Ore’s explicit position on whether the implementation conditions should be changed. Note that where the EPA decides to declare a proposal a Derived Proposal, it must then decide whether the implementation conditions should be changed. If so, the section 46 condition amendment process is triggered, which requires the EPA to conduct an inquiry and report to the Minister on the conditions to apply to the proposal.

Table 1: Assessment of the against the EPA's Criteria for the Declaration of a Derived Proposal

EPA DERIVED PROPOSAL CRITERIA	BHP BILLITON IRON ORE CONCLUSIONS	JUSTIFICATION
1. The referred proposal was identified in a strategic proposal that has been assessed by the EPA	<i>Proposal Consistent with Criteria</i>	<i>Short text justifying BHPBIO’s conclusion and reference to relevant section of the document</i>
2. Agreement reached or a decision made that the referred proposal could be implemented or could be implemented subject to conditions and procedures.	<i>Proposal Consistent with Criteria</i>	
3. Does the referred proposal raise environmental issues that were not adequately assessed when the strategic proposal was assessed?	<i>Proposal does not satisfy ground for refusal</i>	
4. Is there significant new or additional information that justifies reassessment of issues raised by the referred proposal?	<i>Proposal does not satisfy ground for refusal</i>	
5. Has there been a significant change in the relevant environmental factors since the strategic proposal was assessed?	<i>Proposal does not satisfy ground for refusal</i>	

1 INTRODUCTION AND BACKGROUND

The purpose of Chapter 1 is:

- to identify that the proposal is part of the Strategic Proposal and was assessed;
- to identify what the Derived Proposal comprises;
- to define the purpose of this Derived Proposal document; and
- to clearly describe the role each part of the document plays in achieving the above.

1.1 The Strategic Proposal Assessment Process

Key content for Section 1.1:

- Standard text providing:
 - background to BHP Billiton Iron Ore seeking approval of a Strategic Proposal - why it was sought and when it was approved;
 - a brief overview of what the Strategic Proposal is, how it works and outcomes; and
 - a brief overview of the Derived Proposal process.
- Statement that BHP Billiton Iron Ore is seeking that the EPA declare this proposal as a Derived Proposal pursuant to section 39B of the EP Act.

1.2 Purpose and Structure of this Document

Key content for Section 1.2:

- Statement of the purpose of the document: To demonstrate the referred proposal (proposed location, activities and associated impacts) is within the scope of the Strategic Proposal and should therefore be declared to be a Derived Proposal by the EPA.
- A standard table listing each section of the report, with a description of the role of each section and / or a summary of the information provided in the sections (Table 2).

Table 2: Document Structure

SECTION	SUMMARY

2 PROPOSAL DESCRIPTION

The purpose of Chapter 2 is:

- to provide a succinct description of all the relevant characteristics of the proposal (location, duration and proposal elements);
- to describe the nature and extent of key elements of the proposal likely to have an effect on the environment;
- to provide evidence that the nature and extent of the proposed activities are within the scope of the Strategic Proposal and were assessed;
- to identify that it was decided, as recorded in the Ministerial implementation decision for the Strategic Proposal, that the proposal could be implemented (with or without conditions);

2.1 Location and Extent

Figure 1: Proposal Location in Relation to the Strategic Proposal Boundary

2.2 Elements and Disturbance

Table 3: Key Proposal Elements and Extent of Disturbance

PROJECT ELEMENT	LOCATION	PROPOSED EXTENT
Physical Elements		
<i>E.g., Mine Pit</i>	<i>E.g., Figure 2.2 and geographic coordinates.</i>	<i>E.g., Clearing no more than XX ha within a XX ha development envelope.</i>
Operational Elements		
<i>E.g., Dewatering</i>		

Figure 2: Proposal Development Envelope and Indicative Site Layout

2.3 Consistency with the Strategic Proposal

Key content for Section 2.3:

This section will provide information on the consistency of the proposal with the Strategic Proposal. It will include a statement on the outcome of the Strategic Proposal (as per the Ministerial implementation decision) that the proposal could be implemented (with or without conditions).

Table 4: Comparison of proposed activities with activities approved under the Strategic Proposal

PROJECT ELEMENT	PROPOSED	APPROVED UNDER THE STRATEGIC PROPOSAL	CONSISTENT (Y/N)

3 CONSIDERATION OF ENVIRONMENTAL FACTORS

3.1 Identification of Factors Material to the Proposal

The purpose of Section 3.1 is:

- To provide a screening assessment that identifies the factors that are material to the Proposal and which therefore require further consideration in the subsequent sections. This will involve screening the Strategic Proposal Key Factors to identify those that are material to the Derived Proposal and identifying any additional factors. Note, justification for the selection of factors identified as material or additional will be provided in the context of Criteria 3, 4, and / or 5, with an explanation as to why BHP Billiton Iron Ore considers that they do not meet the significance test for criteria 3 to 5 (see Table 1). The assessment should also consider where a criterion might be triggered and reasons why it is not. The screening process to identify material factors will consider contemporary legislation, policy and guidance and application of relevant BHP Billiton Iron Ore processes such as risk assessment.
- In respect to the material factors, identify the environmental outcomes determined in the EPA’s assessment of the Strategic Proposal.
- For each material factor, identify and justify whether existing information is sufficient (in detail, accuracy and currency) for assessment or whether additional validation / verification work is required and how the environmental outcomes will be met.

Table 5: Determination of factors material to this Proposal

FACTOR	ASSESSMENT OF STRATEGIC PROPOSAL BY EPA	MATERIAL TO THIS PROPOSAL (Y/N)	ENVIRONMENTAL ASPECTS	VALIDATION/ VERIFICATION REQUIRED?
<p><i>Include:</i></p> <ul style="list-style-type: none"> <i>Key Factors confirmed by EPA as part of assessment of the Strategic Proposal.</i> <i>Other Factors identified by BHP Billiton Iron Ore and agreed with EPA via consultation as being relevant to the Derived Proposal.</i> 	<p><i>For each factor, describes the outcome of the EPAs assessment of the SP and any relevant commitments. E.g., The EPA considers the XXX factor to have been adequately addressed and the Strategic Proposal and subsequent Derived Proposals can meet the EPA’s factor objective provided that a XXX Plan is implemented appropriately.</i></p>		<p><i>List the Environmental Aspects that impact on the factor.</i></p>	<p><i>Yes / No</i> <i>Table reference</i> <i>If yes, what validation is required.</i></p>

3.2 Validation of Material Factors

The purpose of Section 3.2 is:

- to describe the pre-development (baseline) condition of Factors determined to be material to the Proposal (see Table 6);
- to identify the relevant aspects of the proposal that could impact the Factors (see Table 6);
- to describe the nature of the potential inherent impacts (pre-mitigation) to the Factors (see Table 6);
- to describe the mitigation actions (by applying the mitigation hierarchy to the potential inherent impacts) and describing the residual impact (impact remaining after mitigation);
- to describe any offsets proposed to be applied in light of residual impacts that cannot otherwise be adequately mitigated; and
- to demonstrate the impacts are consistent with the outcomes determined in the EPA's assessment of the Strategic Proposal (see Table 6).

Table 6: Environmental Factors – Factor X– Factor X

The purpose of Table 6: To provide a clear, concise summary of predicted impacts to material factors, describe key mitigations (as per the mitigation hierarchy) and identify that the impacts are consistent with the the outcomes determined in the EPA’s assessment of the Strategic Proposal. This table should be reproduced for each material factor.

POTENTIAL INHERENT IMPACT	ENVIRONMENTAL ASPECTS	MITIGATION ACTIONS AND RESIDUAL IMPACT	REGULATORY MECHANISMS FOR ENSURING MITIGATION	OUTCOME TO DEMONSTRATE PROPOSAL CONSISTENT WITH STRATEGIC PROPOSAL
<p>Context Context against which the significance of any impacts to the Factor can be measured. Should include:</p> <ul style="list-style-type: none"> Information on known values. The current condition of the environment, including any changes in information and issues or their relevance since the Strategic Proposal was assessed. Sensitivity of the factor to impact. Relevant policies, plans, standards and survey findings. <p>Impacts Clear and concise summary of the potential direct, indirect and cumulative impacts on the</p>	<p>Identify the environmental aspects of the Proposal responsible for each potential significant impact.</p>	<p>Clear and concise summary of the proposed mitigation actions that shows how the mitigation hierarchy has been applied to demonstrate that the proposal can be implemented in a manner which meets the outcomes for the factor determined in the EPA’s assessment of the Strategic Proposal.</p> <p>Clear and concise summary of the remaining residual impact.</p> <p>Summary of any offsets required in the face of significant residual impacts.</p> <p>If required, details on mitigations including regional management approach context can be provided in an appendix. The appendix could be a summary of commitments that could be the basis for the site management plan/CMO.</p> <p>Avoid Minimise Rehabilitate Offset</p>	<p>With reference to the SP Ministerial conditions, describe the how the mitigation actions can be regulated by EPA and other relevant DMAs (e.g., the DER) where relevant.</p>	<p>This column should contain the following statements with adequate justifications:</p> <p>1. The criteria in section 39B of the EP Act are satisfied as:</p> <ul style="list-style-type: none"> Environmental issues raised were adequately assessed when the SP was assessed. If this isn’t the case, that material issues have been adequately considered by BHP Billiton Iron Ore and further assessment/reassessment of the proposal is not justified. No significant new/additional information, or where there is, that this information has been adequately considered by BHP Billiton Iron Ore and further assessment / reassessment of the proposal is not justified. No significant change to factors since SP assessed, or if there has been, this change has been adequately considered by BHP Billiton Iron Ore and further assessment/reassessment

<i>environment from the proposal.</i>				<i>of the proposal is not justified. 2. The outcomes meet the outcomes for the factor determined in the EPA's assessment of the Strategic Proposal.</i>

Table 7: Supporting information – Factor X

The purpose of Table 7: This is a supporting table to the one above and identifies and briefly describes the studies used to support the above analysis. Importantly, it highlights what studies have been undertaken for validation/verification purposes.

STUDY NAME	CONSULTANT	STUDY PURPOSE AND DETAILS	STUDY STANDARD/ GUIDANCE AND LIMITATIONS	APPENDIX
		<i>Purpose: Regional vs validation / verification Details: study area, type and timing</i>	<i>List the regulator guidance that applies and has been followed.</i>	<i>Appendix reference</i>

4 CONSULTATION

The purpose of Chapter 4 is:

- to give confidence to the EPA that BHP Billiton Iron Ore has consulted with all relevant stakeholders, the outcomes of the consultation have been considered and, where required, addressed in the development of this Proposal; and
- to identify the stakeholders that were consulted and provide a summary of the consultation.

Generic introductory text for this section could be:

BHP Billiton Iron Ore’s commitment to community engagement is articulated in the company’s Code of Business Conduct, whereby:

Our aim is to be the company of choice, valued and respected by the communities in which we operate. We do this by engaging regularly, openly and honestly with people affected by our operations, and by taking their views and concerns into account in our decision-making.

To support this commitment, BHP Billiton Iron Ore has comprehensive company standards and dedicated resources to ensure our activities are underpinned by continuous community engagement and feedback.

BHP Billiton Iron Ore has identified stakeholders with diverse interests in this Proposal. Based on an analysis of the Proposal location, effected land users and potential impacts and risks, BHP Billiton Iron Ore has commenced consultation with the stakeholders as outlined in Table 8.

Table 8: Details of stakeholder consultation

STAKEHOLDER	DATE OF CONSULTATION	TOPIC / ISSUE RAISED	BHP BILLITON IRON ORE RESPONSE / OUTCOME

5 DERIVED PROPOSAL DECLARATION RECOMMENDATION

The purpose of Chapter 5 is to provide a summary statement on:

- alignment with the outcomes for factors determined in the EPA’s assessment of the Strategic Proposal;
- BHP Billiton Iron Ore’s consideration of the proposal against the Derived Proposal criteria, concluding that the proposal meets all relevant criteria to be declared a Derived Proposal; and
- BHP Billiton Iron Ore’s conclusion on whether the implementation conditions should be changed.

5.1 Alignment with outcomes for Key Factors

Key content for Section 5.1: Statement that the proposal can be implemented in a manner such that the outcomes for Factors determined during the EPA’s assessment of the Strategic Proposal can be met.

5.2 Derived Proposal Criteria

Table 9: Assessment of the against the EPA's Criteria for the Declaration of a Derived Proposal

EPA DERIVED PROPOSAL CRITERIA	BHP BILLITON IRON ORE CONCLUSIONS	JUSTIFICATION
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2. Agreement reached or a decision made that the referred proposal could be implemented or could be implemented subject to conditions and procedures.	<i>Proposal Consistent with Criteria</i>	
3. Does the referred proposal raise environmental issues that were not adequately assessed when the strategic proposal was assessed?	<i>Proposal does not satisfy ground for refusal</i>	
4. Is there significant new or additional information that justifies reassessment of issues raised by the referred proposal?	<i>Proposal does not satisfy ground for refusal</i>	
5. Has there been a significant change in the relevant environmental factors since the strategic proposal was assessed?	<i>Proposal does not satisfy ground for refusal</i>	

5.3 Implementation of Conditions

Key content for Section 5.3: BHP Billiton Iron Ore will include consideration of implementation conditions (as per the Minister’s Statement on the Strategic Proposal) in this document and come to a view on whether or not they require change. Where the EPA decides to declare a proposal a Derived Proposal, it must then decide whether the implementation conditions should be changed. If so, the section 46 condition amendment process is triggered, which requires the EPA to conduct an inquiry and report to the Minister on the conditions to apply to the proposal.

6 REFERENCES