



BMA Caval Ridge Mine Project

Change Request Accommodation Location and Capacity

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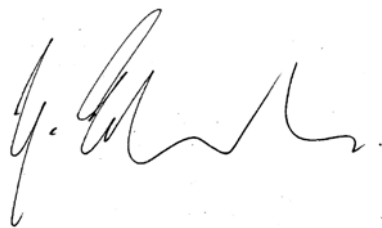
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Abbreviations

BMA	BM Alliance Coal Operations Pty Limited
BPS	Belyando Planning Scheme 2008
CRM	Caval Ridge Mine
DA	Development Application
DA	Development Application
DERM	Department of Environment and Resource Management
DEWHA	Department of the Environment, Water, Heritage and the Arts
DIP	Department of Infrastructure and Planning
DP	Development Permit
DTMR	Department of Transport and Main Roads
EA	Environmental Authority
EIS	Environmental Impact Statement
EMP	Environmental Management Plan
EPA	<i>Environmental Protection Act 1994 (Qld)</i>
EPBCA	<i>Environment Protection and Biodiversity Conservation Act 1999 (Comm)</i>
EPR	<i>Environmental Protection Regulation 2008 (Qld)</i>
ERA	Environmentally Relevant Activity
GQAL	Good Quality Agricultural Land
IDAS	Integrated Development Assessment System
IRC	Isaac Regional Council
MCU	Material Change of Use
MIA	Caval Ridge Mine Industrial Area
ML	Mining Lease
MLA	Mining Lease Application
NCA	<i>Nature Conservation Act 1992 (Qld)</i>
OW	Operational Works
PA	Preliminary Approval
PMAV	Property Map of Assessable Vegetation
RAL	Reconfiguring a Lot
RE	Regional Ecosystem
RPS	RPS Australia East Pty Ltd
SBSWMP	Site Based Stormwater Management Plan
SDPWOA	<i>State Development and Public Works Organisation Act 1971 (Qld)</i>
SPA	<i>Sustainable Planning Act 2009 (Qld)</i>
SPR	<i>Sustainable Planning Regulation 2009 (Qld)</i>
VMA	<i>Vegetation Management Act 1999 (Qld)</i>
WA	<i>Water Act 2000 (Qld)</i>

Executive Summary

This report sets out proposed changes to the Caval Ridge Mine Project, procedural requirements for assessment of these changes and an analysis of the effects of the changes.

Caval Ridge Mine Description

BMA proposes to develop the Caval Ridge Mine (CRM) which, travelling by road, is approximately 17km south of Moranbah and approximately 160 km from Mackay. The CRM includes a new coal mine, coal handling and processing infrastructure and associated accommodation and services for the CRM workforce.

The CRM Project is one part of BMA's broader Bowen Basin Coal Growth Project (BBCGP). The BBCGP has been designated by the Queensland Government as a significant project under the *State Development and Public Works Organisation Act 1971* (SDPWOA).

Previous Assessment Process

Terms of Reference (ToR) issued for the BBCGP in November 2008 allow for the completion of phased Environmental Impact Statements (EISs) addressing different components of the Project.

An EIS has been prepared and advertised for the CRM Project. A Supplementary EIS (SEIS) was also prepared by BMA in response to issues raised during the public notification of the EIS. The Coordinator-General has completed assessment of the CRM Project under Part 4 of the SDPWOA, with the Coordinator-General's Report released on 9 August 2010.

Process for Evaluation of Change

The SDPWOA provides the process for the Coordinator-General to evaluate changes to a declared significant project that has been assessed and finalised by the Coordinator-General.

The Coordinator-General's Report on the EIS/SEIS, and the Coordinator-General's Change Report both have effect for the CRM Project. However, the Change Report prevails to the extent of any inconsistency.

Description of the Changed Project

This report describes proposed alterations to the CRM Project as assessed by the Coordinator-General in relation to locating and accommodating the CRM workforce. This change request is made to the Coordinator-General pursuant to Section 35C of the SDPWOA. The proposed changes also take into account a number of matters that arise through the Coordinator-General's Report on the Caval Ridge EIS/SEIS that are associated with the accommodation provision.

The proposed changes to the CRM Project that comprise the first change request to the Coordinator-General pursuant to Part 4 Division 3A SDPWOA are:

- (1) Establishing a permanent Accommodation Village at Buffel Park, comprising two (2) separate villages, being a permanent Construction Village for the CRM construction workforce and ongoing periodic maintenance personnel, and a second, co-located Operations Village for the operational workforce associated with the CRM.

The permanent construction and Operations Villages will operate on a FIFO basis. Both villages will also accommodate staff that run and manage the facilities.

The establishment of Buffel Village will be in addition to the existing option of establishing a temporary Construction Village accommodation at Denham Village. Denham Village is referred to in the Coordinator-General's report of 9 August 2010. That is, as a consequence of this change request, the Construction Village will be established at either Denham Village or Buffel Park, with it being temporary or permanent respectively, depending on its location.

This change request does not seek to change the existing approval for a Construction Accommodation Village at Denham Village. The assessment of Denham Village by the Coordinator-General in the Coordinator-General's report related to impact mitigation of visual, traffic and intersection impacts, as the proponent has existing approvals under ML1775 to locate an accommodation camp at the Denham Village site. Coordinator-General imposed conditions under Schedule 1 of the report dated August 2010 for Denham Village continue despite this change request, and are relevant if Denham Village is chosen for any aspect of the Construction Village.

Notwithstanding, there is the possibility that a temporary village (referred to as a fly camp) accommodating the workforce responsible for the construction of Buffel Village and early site works may need to be established at Denham Village. If this eventuates, the proponent would be prepared to negotiate with the Coordinator-General on the setting of appropriate conditions.

For clarity, this change application does not seek to substitute the existing approval for Denham Village with approval for Buffel Village, but retain the ability to accommodate the construction workforce at Denham Village if required due to any approval timing delays for Buffel Village.

In support of this change request are two (2) Development Applications for the temporary fly-camp and permanent Construction Village and for an Operations Village which together comprise Buffel Village. Should the Coordinator-General favourably consider the change request then these documents would be lodged with Isaac Regional Council as two (2) separate, but contemporaneous SPA development applications pursuant to Part 4 Division 4 of the SDPWOA.

With each village being a separate application, conditions relating specifically to each application can be imposed. This approach provides the flexibility that the proponent is seeking for the Construction Village, and establishes the application and approval framework that takes into consideration the existing Denham Village approval. The proponent would be prepared to negotiate with the Isaac Regional Council on the setting of appropriate conditions.

(2) Accommodating periodic maintenance personnel at the proposed Construction Village at Buffel Park.

The Coordinator-General recommended that visiting maintenance and overhaul personnel be accommodated at operational villages. It is submitted that this recommendation was imposed because Denham Village is required to be decommissioned within 12 months of commencement of the CRM.

With the availability of Buffel Park, proposed as a permanent Accommodation Village for construction and operations personnel, capacity planning for periodic maintenance personnel is intended within this Construction Village should Denham Village not proceed. This arrangement is proposed because periodic maintenance personnel only commence once the CRM becomes operational, and their involvement continues periodically for the life of the CRM. Due to the scale of the proposed Construction Village at Buffel Park, sufficient capacity planning exists for these future shut down crews.

(3) Adjustment to workforce numbers.

With the introduction of Buffel Village at Buffel Park the permanent Construction Village is proposed at 2000 rooms and the permanent Operations Village at 500 rooms.

The EIS and SEIS described the workforce for the CRM in terms of personnel. The proponent in preparing this change request has reflected on this approach, and considers a more meaningful description of scale of villages is in terms of rooms. By describing the village sizes in terms of rooms gives flexibility in terms of workforce numbers and functionality of the villages. The

proponent confirms as part of this change request that the peak operating capacity of the villages will not exceed the number of rooms.

Reasons for the Proposed Changes

The proposed changes to the CRM Project compared to those set out in the EIS/SEIS arise in response to opportunities to establish an improved provision of accommodation for the CRM Project workforce which is considered to have a better relationship with Moranbah, the mine site and infrastructure requirements.

The reasons for these proposed changes reflect:

- The Coordinator-General's Imposed Condition 14(e) that requires BMA to provide sufficient construction camp accommodation capacity at each stage of the CRM development;
- A response to the Coordinator-General's Recommendation that capacity planning for operational worker villages for the BBCGP project allow for the periodic accommodation needs of visiting maintenance personnel (such as the large dragline overhaul crews) by the inclusion of this capacity within a permanent Construction Village;
- BMA's acquisition of Buffel Park and analysis of the opportunities presented by the property;
- Adjustment of the scale of the housing requirements in respect of the revised workforce projections, FIFO strategy and availability of urban land in Moranbah;
- Resolution of traffic impacts associated with construction traffic movements on Moranbah Access Road;
- The avoidance of Denham Village's visual impacts as raised by the Coordinator-General;
- The opportunity to mitigate noise and dust impacts on the Construction Village arising from construction of the CRM; and
- The opportunity to co-locate the Construction Village and Operations Village to share principal pieces of infrastructure, thereby achieving a cost effective construction and management solution.

The proposal for the Construction Village is driven by the need to accommodate the following:

- A contingency workforce to maintain project delivery schedule;
- Village management and support staff;
- Village construction workforce (initially in the fly camp then relocated into the Construction Village);
- Workforce constructing miscellaneous CRM off-lease infrastructure;
- An allowance for visiting periodic maintenance personnel.

The Operations Village allocation considered in the EIS/SEIS addressed only the mining operations workforce, and did not fully address the requirement to house other associated personnel, such as

- Direct mining contractors;
- Village management; and
- Visiting BMA/BHP Billiton personnel and associated contractors/visitors.

Accommodation for each of these elements of the CRM workforce is provided through the Buffel Village Operations Village proposal.

Effect of Proposed Changes

This report assesses as necessary the issues raised in the ToR for the BBCGP, the EIS, SEIS and the Coordinator-General's Report in response to the implications of the proposed changes.

The effects of the proposed changes include:

- Use of Buffel Village to accommodate the workforce;
- Use of land currently zoned Rural;
- Changed traffic conditions from those identified in the EIS and SEIS;

- Removal of vegetation on the site of the Accommodation Villages;
- Management of air quality impacts from the CRM on future occupiers;
- Management of noise impacts from the operation of the Accommodation Villages;
- Treatment, disposal and reuse of wastewater from the Accommodation Villages; and
- Management of the visual impact of the proposals within the rural landscape.

These impacts, which relate to this requested change, and a summary of mitigation measures are outlined in Section 6 of this report. BMA will provide a separate Change Request to the Coordinator-General to provide a 100% FIFO operational workforce.

It is submitted that the use of the Buffel Village site is consistent with the land use planning intents for the Buffel Village site, given its spatial relationship with the Caval Ridge mine site and the Belyando Planning Scheme's support for accommodating workers in the Rural Zone where related to mining and natural resource activities. The construction and operational effects of the Accommodation Villages are able to be addressed through detailed Management Plans to be prepared and implemented under Development Permits to be issued pursuant to the *Sustainable Planning Act 2009* following assessment of the proposed changes under the SDPWOA.

Conclusions and Recommendations

It is submitted that this report provides the necessary detail on the proposed changes to the CRM Project to allow the Coordinator-General to evaluate and support the proposed changes.

This conclusion has been reached as the proposed changes provide for improved accommodation arrangements for the construction and operational workforces, address a number of elements raised in the Coordinator-General's Report regarding accommodation requirements, and provide a better solution to amenity, traffic and visual impacts than the accommodation options put forward under the EIS/SEIS.