

32 SUBMISSIONS ON DRAFT EIS COMMITMENTS

32.1 INTRODUCTION

Chapter 27 of the Draft EIS collated the 30 key commitments that BHP Billiton could make at that stage in the development of the Draft EIS for the Olympic Dam expansion project. It also noted that an additional 200 management measures were included in the Draft EIS. As these measures may be refined or amended as a result of improved practices or technological advances, they were linked to the ongoing management of the operation via the Environmental Management Programs discussed in Chapter 24 and provided as drafts in Appendix U of the Draft EIS.

Some of the submissions received in response to the publication of the Draft EIS commented on commitments made in the document, and some submissions requested that additional commitments be made. This chapter addresses these comments.

Chapter 2 of the Supplementary EIS provides a consolidated list of all commitments from the original Draft EIS together with any new commitments made during the development of the Supplementary EIS.

32.2 RESPONSES TO COMMITMENT COMMENTS

32.2.1 ARID RECOVERY

Issue:

BHP Billiton was asked to clarify its support for Arid Recovery and commit to increased assistance.

Submissions: 63, 71 and 301

Response:

Arid Recovery is now an incorporated body and it is a matter for the Board of Arid Recovery to secure ongoing funding in the appropriate manner. BHP Billiton, as the major financial supporter of Arid Recovery, will maintain an active supporting role.

BHP Billiton commits, in principle, to supporting relevant research including establishing a regional hub for natural resources and environmental management and research. The cost of this commitment is estimated to be approximately \$1.2 million over three years.

32.2.2 DESALINATION PLANT

Issue:

BHP Billiton was asked to commit to a more detailed program of cuttlefish monitoring.

Submissions: 1, 67 and 124

Response:

As part of the broader marine monitoring program, BHP Billiton has commenced detailed cuttlefish monitoring. BHP Billiton would continue this program and work collaboratively with appropriate scientific institutions.

BHP Billiton commits to liaising with appropriate stakeholders in developing a detailed cuttlefish monitoring program and to report the results of this monitoring publicly. The results for the latest monitoring period are discussed in Chapter 17 and included in Appendix H9.3 of the Supplementary EIS.

Issue:

BHP Billiton was asked to commit to shutting down, and/or dismantling and relocating the desalination plant if the saline discharge had a negative impact on the cuttlefish.

Submissions: 59, 79, 109, 120, 143, 290 and 325

Response:

The scientific assessments presented in Chapter 16 of the Draft EIS, and confirmed in Chapter 17 of the Supplementary EIS, show the impact on marine fauna would be negligible, particularly on the Australian Giant Cuttlefish.

Commensurate with other Australian desalination plants, BHP Billiton expects the government would specify a performance criterion for the dilution of return water discharge as a condition of operation. The specific performance criterion is yet to be discussed and determined. If the return water discharge did not meet the government dilution criterion, the desalination plant would cease discharging return water into Upper Spencer Gulf until the issue was resolved.

Issue:

BHP Billiton was asked to commit to shutting down the desalination plant for three days a fortnight during dodge tides or during adverse weather.

Submissions: 36, 41 and 124

Response:

The scientific assessments presented in Section 16.4.3 of the Draft EIS and confirmed in Sections 17.5.4 and 17.7.2 of the Supplementary EIS demonstrate that there would be negligible impact on marine fauna, even during a dodge tide. In the Draft EIS BHP Billiton committed to verifying the actual return water dilution compared with the predicted dilution, including during dodge tides.

As noted in the response above, BHP Billiton expects a performance criterion would be specified for the dilution of return water discharge and would cease discharging return water into Upper Spencer Gulf if this criterion was breached.

Issue:

BHP Billiton was asked to commit to establishing a marine biological facility at Point Lowly.

Submission: 85

Response:

BHP Billiton commits to working with appropriate stakeholders to develop a capability to conduct marine biological work in the Point Lowly region. However, the location of such a facility may not necessarily be in that region.

Issue:

BHP Billiton was asked to undertake further monitoring to better define the breeding period of the Australian Giant Cuttlefish (in order to minimise impacts during construction).

Submission: 1

Response:

The mass breeding aggregation of the Australian Giant Cuttlefish at Point Lowly has attracted divers and scientific researchers for many years. The winter breeding period (May to October) is well known and BHP Billiton committed in the Draft EIS to monitoring surveys of the cuttlefish to confirm the appropriateness of this breeding period prior to construction activities. BHP Billiton also committed in the Draft EIS to installing the intake and outfall pipelines within the rocky reef areas (i.e. the breeding habitat for cuttlefish) between 1 November and 1 May to minimise impacts on cuttlefish breeding.

Since the publication of the Draft EIS, and in response to submissions received, BHP Billiton has committed to tunnelling rather than trenching and backfilling the outfall pipeline. This commitment avoids disturbance to the rocky reef habitat and would significantly reduce the potential turbidity effects associated with trenching the pipeline, as assessed in the Draft EIS.

32.2.3 ENERGY

Issue:

It was suggested that BHP Billiton did not make sufficient green energy commitments.

Submissions: 138 and 224

Response:

Chapter 27 of the Draft EIS outlined the commitments made by BHP Billiton, including powering the desalination plant with renewable energy (35 MW). Further commitments to reduce electricity demand and utilise renewable energies were also provided in the Draft EIS, including:

- constructing an on-site cogeneration power station utilising waste heat from the burning of elemental sulphur to provide up to 250 MW of electricity for the expanded operation
- installing solar hot water and solar photovoltaic systems in the new airport, the expanded Roxby Downs and Hiltaba Village.

These commitments would reduce the estimated electricity demand from approximately 4,400 GWh of electricity to approximately 2,600 GWh, saving an equivalent of about 2,100,000 tonnes of carbon dioxide equivalents (CO₂-e) per annum.

Since the Draft EIS was published, a further commitment has been made to source renewable electricity (22 MW) from the national electricity market for the pumping stations between the coastal desalination plant and Olympic Dam. This would reduce the electricity demand of the expanded operation by a further 154 GWh per annum, saving about 130,000 tonnes of CO₂-e.

These energy reduction and renewable electricity use initiatives are leading industry practice.

As discussed in Section 13.2 of the Supplementary EIS, BHP Billiton would also support the Australian Government in formulating an international sectoral agreement on greenhouse gas and the use of renewable energy, and would welcome the opportunity to provide advice and comments to government in cooperation with national and international industry associations.

Issue:

BHP Billiton was asked to commit to five-to-10-year greenhouse gas targets and to outline plans for renewable energy use in Roxby Downs and Hiltaba Village.

Submissions: 2, 71, 224 and 326

Response:

As detailed in the Draft EIS, a goal of 60% reduction of 1990 levels has been set for the proposed expansion, in line with the South Australian Government target. The greenhouse gas (GHG) evaluation work and commitments outlined in the Draft EIS and discussed further in Chapter 13 of the Supplementary EIS are considered industry best practice. Given the short-term uncertainties in the Carbon Pollution Reduction Scheme and GHG management, short-term targets are inappropriate for the proposed Olympic Dam expansion at this stage.

Issue:

BHP Billiton was asked to commit to ensuring that power use by the expanded operation would not affect other users.

Submission: 2

Response:

Power demand is constantly growing in South Australia and additional generation capacity is added periodically. BHP Billiton would construct its power supply needs in a manner that does not significantly impact other users. This may require BHP Billiton to construct new connections to the ElectraNet transmission network or modify existing connections as a result of the project. BHP Billiton would ensure that those connections are designed to ensure it would comply, in relation to its operations, with the requirements of the National Electricity Rules which may be applicable to it in relation to network stability and will work with the Technical Regulator and the Australian Energy Market Operator to achieve this. It is assumed the national electricity market would expand to meet the increased demand from South Australia and Olympic Dam, depending on the electricity supply option chosen for the proposed expansion (refer Section 4.11 and 5.8 of the Draft EIS for discussion of the options for which government approval is sought).

Issue:

BHP Billiton was asked to commit to renewable energy or offsets for the desalination plant.

Submissions: 2, 10, 28, 288 and 326

Response:

Table 27.1 of the Draft EIS stated BHP Billiton's commitment to sourcing renewable energy for the proposed desalination plant (35 MW capacity) via the national electricity market (NEM).

Since the Draft EIS was published, BHP Billiton has expanded this commitment to include the use of renewable energy sourced from the NEM to power the pump stations that move the water to Olympic Dam. This equates to an additional 22 MW of renewable energy.

Issue:

BHP Billiton was asked to commit to a self-generating energy supply for the desalination plant.

Submissions: 2 and 15

Response:

It is not BHP Billiton's core business to generate electricity, except where network supplies are unavailable or power generation is linked to operating assets (such as the proposed on-site cogeneration plant where the reuse of waste heat produced from burning sulphur is proposed). Therefore, the renewable electricity for the proposed desalination plant would be sourced from the NEM.

Issue:

BHP Billiton was asked to commit to specific energy-efficient systems in new housing in Roxby Downs.

Submissions: 2, 62, 63 and 71

Response:

The Roxby Downs Draft Master Plan provided as Appendix F4 of the Draft EIS has a foundation of sustainability and tenders for BHP Billiton housing, and building supply would be chosen with sustainability principles as a major focus. Contemporary standards set by government would be used, with the Roxby Downs Council and the State Government having ultimate control.

The energy-efficiency measures discussed in Section 5.10.2 of the Draft EIS, which are relevant to the accommodation facilities for Roxby Downs and the proposed Hiltaba Village, include:

- mandatory installation of water saving appliances and fittings in all new households

- investigating renewable energy sources for the town in conjunction with state and local government, focusing on domestic photovoltaic cells and/or purchasing renewable energy from electricity generators connected to the national electricity market
- solar water heating would be required for all new residential buildings and it would be mandatory for all new buildings to comply with the energy limits to be imposed by the Building Code of Australia 2008
- the Department of Planning and Local Government's energy conservation measures would be incorporated into land and building layouts
- an understanding of shading and solar orientation would be incorporated into building design to minimise energy use, including the provision of wide eaves to new buildings.

Issue:

BHP Billiton was asked to commit to installing solar hot water and solar panels on the airport and other buildings, as illustrated in BHP Billiton's promotional DVD which accompanied the draft EIS.

Submission: 2

Response:

BHP Billiton committed to installing solar panels at the airport in Section 5.8.8 of the Draft EIS. As noted in the response above, the Roxby Downs Draft Master Plan included the following energy-efficiency measures:

- investigating renewable energy sources for the town in conjunction with state and local government, focusing on domestic photovoltaic cells and/or purchasing renewable energy from electricity generators connected to the national electricity market
- solar water heating would be required for all new residential buildings and it would be mandatory for all new buildings to comply with the energy limits to be imposed by the Building Code of Australia 2008.
- BHP Billiton continues to support these initiatives.

Issue:

BHP Billiton was asked to commit to using waste heat recovery.

Submission: 224

Response:

Table 27.1 and Section 13.2.5 of the Draft EIS stated BHP Billiton's commitment to constructing an on-site cogeneration power plant for recovering waste heat produced from the burning of sulphur. When the metallurgical processing plant was at full operating capacity, the cogeneration plant would have a maximum capacity of around 250 MW.

Issue:

BHP Billiton was asked to support the development of renewable energy technology.

Submission: 2

Response:

BHP Billiton supports the development of renewable energy technology as part of a broader support program for appropriate research and development. Specific commitments in the Draft EIS and/or Supplementary EIS are not appropriate as each project is judged on its merits and the potential benefits at the appropriate time. Section 4.11.2 of the Draft EIS and Section 4.4 of the Supplementary EIS indicate BHP Billiton is receptive in principle to wind, solar and geothermal energy supply, as well as other renewable energy sources, and will continue to monitor their progress and suitability for the Olympic Dam operation.

32.2.4 ENVIRONMENTAL IMPACTS

Issue:

BHP Billiton was asked to liaise with the Port Augusta Council and the SA Arid Lands Natural Resource Management Board on potential environmental impacts.

Submission: 67

Response:

BHP Billiton has liaised with all relevant local bodies, including the Port Augusta Council and the SA Arid Lands Natural Resources Management Board, and will continue to do so. This was outlined in Chapter 7 of the Draft EIS, Stakeholder Consultation and Engagement.

32.2.5 GENERAL COMMITMENTS

Issue:

BHP Billiton was asked to commit to South Australian Environment Protection Agency (SA EPA) bunding guidelines.

Submission: 2

Response:

This commitment was made in Section 22.6.8 and Appendix U of the Draft EIS and remains valid.

Issue:

BHP Billiton was asked to commit to vegetation offsets.

Submission: 18

Response:

As detailed in Section 15.5.1 and stated in Table 27.1 and Appendix N9.5 of the Draft EIS, BHP Billiton commits to a significant environmental benefit (SEB) of 126,650 ha of land in the South Australian Arid Lands Natural Resource Management region to offset the proposed clearance of about 17,000 ha (or an alternative arrangement as agreed with the South Australian Government).

With regard to the proposed clearance of 165 ha and 100 ha in the Northern and Yorke, and Eyre Peninsula NRM regions respectively, BHP Billiton also proposes retaining the services of a third party to facilitate the required set-asides and achieve the SEB in compliance with the Native Vegetation Act. The location of these set-aside areas is likely to be in the Northern and Yorke, and Eyre Peninsula NRM regions, or an equivalent area with comparable environmental values, as agreed with the Native Vegetation Council and relevant stakeholders.

Issue:

BHP Billiton was asked to fund an investigation into a new town governance arrangement for Roxby Downs.

Submission: 71

Response:

This is a matter for the South Australian Government.

Issue:

BHP Billiton was asked to guarantee that concentrate would not be exported from the proposed port facilities in Upper Spencer Gulf (including the new facility proposed for Point Lowly).

Submission: 26

Response:

As discussed in Section 4.6 of the Draft EIS, the port currently selected for the export of concentrate from an expanded Olympic Dam is the East Arm wharf at the Port of Darwin.

Section 4.6 of the Draft EIS also stated that investigations by BHP Billiton into the use of other existing or proposed ports in South Australia established that these ports have a range of land and maritime constraints which make them less attractive than the selected East Arm wharf.

BHP Billiton is mindful that the land and maritime constraints may be addressed in the future and other existing public, private or planned port developments in South Australia could be assessed as more viable options than those presented in the Draft EIS.

BHP Billiton does not intend to construct any other infrastructure at Point Lowly apart from that which is detailed in Chapter 5 of the Draft EIS.

If BHP Billiton wishes to use an alternate port(s) to that for which approval is sought in the Draft EIS for the export of concentrate, it would need to obtain the relevant environmental and other consents from both the Australian and South Australian governments.

32.2.6 LOCAL COMMUNITIES

Issue:

BHP Billiton was asked to commit to the equitable treatment of coastal home owners in relation to noise impacts.

Submission: 67

Response:

BHP Billiton's standard policy requires all stakeholders to be treated equitably, and BHP Billiton would continue to liaise with affected coastal home owners and treat them equitably.

Issue:

BHP Billiton was asked to commit to assisting with accommodation for visiting health care specialists.

Submission: 63

Response:

BHP Billiton recognises the importance of visiting specialists to the Roxby Downs community, and may, in specific circumstances and on a case-by-case basis, consider providing accommodation (or other forms of assistance) to support these visits, as it has for private medical services.

Issue:

BHP Billiton was asked to commit to having a percentage of its permanent staff living in Roxby Downs as noted in the Indenture Agreement.

Submission: 123

Response:

There is no reference in the Indenture Agreement to a percentage of permanent staff living in Roxby Downs. BHP Billiton has committed in the Draft EIS to providing infrastructure and accommodation to support an expanding Roxby Downs. Olympic Dam staff and contractors currently live throughout Australia. In South Australia they live predominantly in Roxby Downs, Andamooka, Woomera, Adelaide and around Upper Spencer Gulf.

Issue:

BHP Billiton was asked to commit to managing the supply and affordability of housing in Roxby Downs.

Submission: 62

Response:

BHP Billiton is responsible for the release and development of land and housing, which it does in collaboration with builders and developers. Table 27.1 of the Draft EIS stated BHP Billiton's commitment to 'working collaboratively with the South Australian Government to develop and implement a strategy to provide an appropriate diversity of accommodation to meet the socio-economic requirements of the demographic mix in the Roxby Downs community as it expands'.

Section 19.5.3 of the Draft EIS also stated BHP Billiton's intent to work collaboratively with the Roxby Downs Council, the State Government, developers and community organisations for the timely and orderly release of serviced land to meet housing demand and to seek the achievement of a 5% vacancy rate in housing to encourage a stable housing market.

Issue:

BHP Billiton was asked to commit to migrant services in Roxby Downs.

Submission: 71

Response:

This is a matter for the Australian and South Australian governments.

Issue:

BHP Billiton was asked to commit to a state-of-the-art recycling and waste management program for Roxby Downs and Hiltaba Village.

Submissions: 63 and 71

Response:

Section 5.10 of the Draft EIS described the facilities to be installed in an expanded Roxby Downs, including a waste and recycling transfer station. The aim of the facility is to maximise recycling opportunities, which is considered to be good practice for regional towns.

BHP Billiton would work with local council and the South Australian Government to identify waste and recycling improvement programs during the development of this facility.

Issue:

BHP Billiton was asked to commit to the costs of expanded social services.

Submission: 92

Response:

Chapter 27 of the Draft EIS outlined a series of commitments regarding the broader community, in particular, a commitment to facilitate the implementation of the Roxby Downs Master Plan (the Draft Plan was provided as Appendix F4 of the Draft EIS).

BHP Billiton also provides funding and in-kind support to local communities through the Olympic Dam Community Development Program (see Chapter 21 of the Supplementary EIS).

A further commitment was provided to establish a Social Management Plan through which issues such as social services can be collaboratively addressed (refer Section 19.5.7 of the Draft EIS and Section 21.2.1 of the Supplementary EIS for details of this proposed plan). It is noted, however, that the provision of social services is primarily a matter for government.

Issue:

BHP Billiton was asked to commit to working with the Outback Communities Authority (OCA), the Port Augusta Council and Regional Development Australia Far North to manage the impacts of population growth.

Submissions: 62 and 67

Response:

BHP Billiton would continue its current endeavours to work in partnership with communities that are affected by its operations. BHP Billiton's policy is to work closely with key community stakeholders, including organisations such as the OCA, the Port Augusta Council and Regional Development Australia Far North. Chapter 27 of the Draft EIS provided BHP Billiton's commitment to establishing a Social Management Plan in consultation with the government and local communities. Such a mechanism would provide the means of working with the community on issues arising from population growth.

Issue:

BHP Billiton was asked to commit to working with Whyalla on water issues and to supplying water to Whyalla and the Eyre Peninsula.

Submission: 79

Response:

BHP Billiton has provided the opportunity to the South Australian Government to source 80 ML/d of desalinated water from the proposed Point Lowly desalination plant. BHP Billiton would continue to provide this opportunity to the current and future South Australian governments.

Issue:

BHP Billiton was asked to establish a business case for a bus service to and from Andamooka.

Submission: 6

Response:

Recognising that the provision of public transport is primarily a matter for government, BHP Billiton would, however, assist interested parties in a study aimed at determining the feasibility of a bus service between Andamooka and Olympic Dam.

Issue:

BHP Billiton was asked to guarantee that additional satellite infrastructure would not be installed at Point Lowly.

Submission: 26

Response:

BHP Billiton does not intend to construct any other infrastructure at Point Lowly apart from that which is detailed in Chapter 5 of the Draft EIS.

Issue:

BHP Billiton was asked to guarantee that it would not 'cut and run' if things go wrong and blame it on another company.

Submission: 79

Response:

BHP Billiton is proposing to expand the Olympic Dam operation with the best of intentions.

BHP Billiton is committed to the project and the ongoing legal obligations it entails.

Issue:

BHP Billiton was asked to investigate the feasibility of a public transport system for Roxby Downs.

Submission: 9

Response:

A public transport system depends on the users of the system. The population of Roxby Downs may be sufficient for a public transport system.

BHP Billiton commits to assisting in a feasibility study into a public transport system for Roxby Downs as part of the next phase of the project, while recognising that providing public transport is primarily a matter for government.

Issue:

BHP Billiton was asked to negotiate with the Outback Communities Authority (OCA) on access to BHP Billiton infrastructure (such as water and power supply, broadband and waste disposal).

Submission: 62

Response:

The supply of essential services is the role of government. Currently BHP Billiton provides assistance to Andamooka by supplying desalinated water and would consider other proposals based on their merits and consistency with BHP Billiton policies.

Issue:

BHP Billiton was asked to recognise that Andamooka is a 'satellite' town of Roxby Downs.

Submission: 62

Response:

BHP Billiton recognises that Andamooka is an important neighbouring community of Roxby Downs. In line with BHP Billiton policy, the impacts and benefits of the proposed Olympic Dam expansion on neighbouring communities were considered and outlined in the Draft EIS.

The governance structures in Andamooka are essentially different to those at Roxby Downs, which makes BHP Billiton's involvement more difficult, and therefore it is inappropriate for Andamooka to be classed as a 'satellite' to Roxby Downs.

Issue:

BHP Billiton was asked to support a ban on unauthorised off-road driving.

Submission: 15

Response:

BHP Billiton supports controls for off-road driving and has strict rules and procedures for work-related activities. The responsibility for controlling these activities in the community rests with the SA Police. BHP Billiton does not have a policing role in Roxby Downs, but would work with the relevant agencies as required.

A range of management measures were identified to address the potential issues associated with recreational and off-road activities and the impact on the natural environment (see Section 21.11.3 of the Supplementary EIS for further details).

Issue:

BHP Billiton was asked to use its employer status to control unacceptable behaviour by employees in Andamooka.

Submissions: 62 and 224

Response:

Inappropriate behaviour by employees would be controlled through a number of avenues, as was detailed in Section 19.5.2 of the Draft EIS and Section 21.5 of the Supplementary EIS. The Draft EIS provided BHP Billiton's commitments to a range of initiatives to manage anti-social behaviour in the community, including:

- constructing the fully self-contained Hiltaba Village for construction workers
- minimising the number of personal vehicles
- implementing a strict fit-for-work program, and working with and supporting the actions and programs of the law enforcement agencies
- implementing a code of conduct that would apply to the behaviour of employees and contractors in Andamooka and elsewhere (both on-and off-site).

BHP Billiton has also committed to establishing a Social Management Plan through which issues such as the inappropriate behaviour of employees may be further addressed.

Issue:

BHP Billiton was asked to provide clarity on continued provision of water to Andamooka.

Submission: 6

Response:

The supply of essential services to communities is the role of government. Currently BHP Billiton provides assistance to Andamooka and would continue to do so as appropriate.

BHP Billiton commits to continuing to supply water to Andamooka where the critical operation of Olympic Dam is not affected.

Issue:

BHP Billiton was asked to provide clarity on the provision of power to Andamooka.

Submission: 6

Response:

The supply of essential services to communities is the role of government. BHP Billiton is willing to participate in discussions with the South Australian Government on this issue.

32.2.7 NUCLEAR

Issue:

BHP Billiton was asked to contribute to an international fund to support the International Atomic Energy Agency (IAEA).

Submission: 326

Response:

Responsibility for funding the regular budget of the IAEA is the exclusive responsibility of member state governments in accordance with the IAEA's Statute. BHP Billiton pays taxes, including the uranium producers' charge that is used *inter alia* to fund the IAEA.

Through Australia's delegation at IAEA, BHP Billiton contributes extensive and ongoing technical knowledge and continues to provide support to the agency where appropriate so that it can pursue its tasks fully and competently.

32.2.8 RADIATION

Issue:

BHP Billiton was asked to commit to establishing an international fund for compensation for radiation-related illnesses.

Submission: 326

Response:

Existing legal processes are available to deal with claims for compensation for radiation related illnesses.