

ANGLESEA POWER STATION COMMUNITY CONSULTATION NETWORK

JULY 2015 MEETING SNAPSHOT

Meeting purpose: To provide an opportunity for CCN attendees to discuss Alcoa's progress on the technical shut down of the Anglesea power station and mine, and an update on the process and timeline for the site's future decommissioning and rehabilitation.



Introduction

The meeting was independently facilitated by Jen Lilburn. 50 people attended, including representatives from Alcoa, community, local and state government.

Land Tenure

Warren Sharp (Anglesea Power Station Manager) gave a brief outline of the land tenure arrangements at the Anglesea site. Within a lease area of approximately 7300ha is a 'specified area' within which mining activity is permitted. In addition, there is a freehold area of approximately 143ha. This includes an asbestos landfill of approximately 100m x 200m. This site is fenced off, controlled and regularly audited.

Alcoa will work closely with EPA Victoria in regard to the power station and with Department of Economic Development, Jobs, Transport and Resources (DEDJTR) Earth Resources Regulation for works associated with the mine. The greater Anglesea Heath area comes under the jurisdiction of (and will ultimately be returned to) the Department of Environment, Land, Water and Planning (DELWP).

No decision has been made by Alcoa about the future of the freehold land.

Shutdown Planning

Warren outlined the draft timeline for the technical shutdown of the plant. Alcoa has set an approximate date of 25 August to cease power generation to allow time to ensure the site is safe prior to the official shutdown date of 31 August. The site will then be handed over to the Alcoa Asset Planning and Management group for closure, decommissioning and rehabilitation.

Alcoa commenced the process of covering 41 hectares of coal with overburden to the depth of 1 metre on 28 May. By covering the coal with overburden with the right clay content, the already low fire risk is reduced further through the removal of exposure to oxygen. Warren stressed that Alcoa will remain accountable for the site post 31 August. Alcoa will retain an excavator, dozer and 60,000 litre water cart onsite as a precaution in the unexpected event of fire. Alcoa has engaged with the Country Fire Authority (CFA) to review existing fire plans and onsite water sources.

Shutdown Planning Key (draft) Milestones

Key Activity	Target Date
Closure Announcement	May 12, 2015
Commence covering coal with overburden	May 28
Commence people counselling, career transition, training, etc	May 12
Complete people counselling, career transition, training, etc	July 31
Complete station emergency coal stockpile removal	July 31
Establish onsite 24/7 ongoing security	August 17
Complete covering coal with overburden	August 20
Cease coal mining and delivery activities	August 23
Cease generation	August 25 (estimate)
Complete SO2 station decommissioning and recovery	August 28
Complete shutdown of auxiliary plant no longer required	August 28
Complete making station safe for handover	August 31
Handover to the Alcoa Asset Planning & Management group	August 31

The west wall area (approximately 800m long x 5-15m high) will remain uncovered in the short term in part due to the existence of a Heritage Management Plan running right along its boundary and the associated logistical issues that exists in accessing this site. This is a temporary measure and Alcoa anticipates that the west wall will be covered in 18 months - 2 years. The area will be closely monitored during this period. These works will be undertaken in the context of the planning processes being developed for future use of the site.

Anglesea River

Warren alerted meeting attendees to a Ministerial Press Release of 13 July issued by Ministers Lisa Neville and Lily D'Ambrosio (www.premier.vic.gov.au) in which the commitment was made to maintain the water flows from the Alcoa site into the Anglesea River for the coming summer. The commitment will allow sufficient time for the government and the community to understand and work through the issues associated with the River's long term future.

Closure, Decommissioning and Rehabilitation

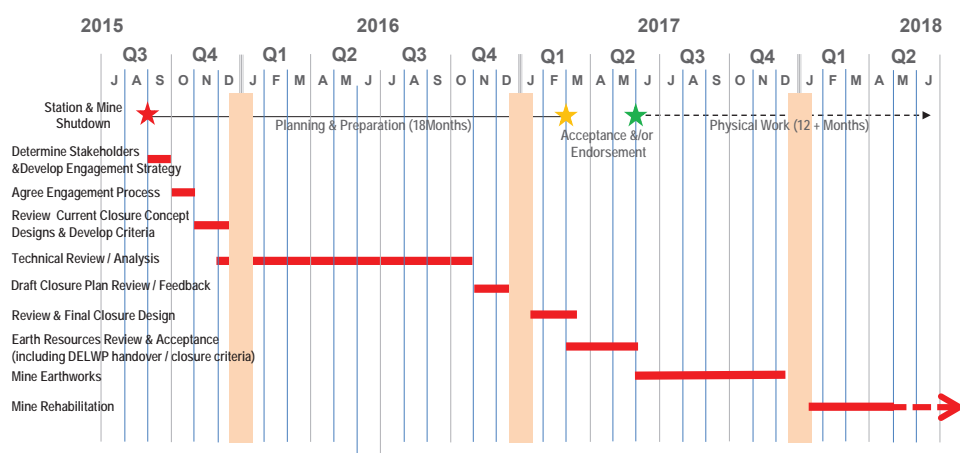
Warren explained that shutting down the power station is a relatively simple process compared to the mine as it is an activity that Alcoa undertakes regularly. Alcoa doesn't anticipate any environmental, safety or health risks associated with the power station shutdown activities.

The most recently endorsed Work Plan of 2011 (available from www.alcoa.com.au/anglesea) provides a basis for mine closure and rehabilitation. Whilst the Plan refers to intended closure in 2061, the key principles are relevant. One of the key aims of the Plan is the commitment to engage with the community as part of the decision making process for future use of the site. Environmental values are also specifically referenced. The Mine Closure Concept contained within the Plan outlines a concept that was anticipated for 2061 and represents a starting point for the development of the final closure plan.

The Work Plan is a requirement of operation of the mine, not the power station. The Site Closure Plan, which is contained in the Work Plan, refers to aspects of the power station in terms of treatment of the asbestos landfill, physical decommissioning of the facilities and appropriate site remediation. The process of closing the power station will be overseen by the EPA.

Warren ran through the draft timeline for the mine closure and rehabilitation over the next couple of years. Warren highlighted the 'Determine Stakeholders & Develop Engagement Strategy' and 'Agree Engagement Process' steps as key stages for the coming few months. Warren stressed that the Engagement Process will continue through 2016 and beyond. He also highlighted that physical works are not expected to start until sometime in 2017.

Mine Closure Activities: DRAFT timeline



Community Conversation Series

Helen Vaughan, Regional Director DELWP explained that the Victorian government is committed to working with local government and Alcoa to manage the transition process. A 'Community Conversations Series' will explore the options for the future and are planned to commence in August, although dates have not been confirmed. DELWP is working with Surf Coast Shire in scoping this exercise. There will be a number of sessions to enable interested parties to attend and consideration will be given to scheduling sessions on weekends and/or over the holiday periods to enable non-residents to also attend. Helen stated that there would be sufficient notice provided to the community to enable as many interested parties to attend as possible.

What Concerns and Excites CCN Participants?

Meeting attendees identified key issues of concern over the next 6-12 months including changes to the river, values of the heathland, wide ranging broad based engagement process, economic opportunities to enable the Anglesea community to thrive, desire to recognise the historical land uses at the site and maintenance of already rehabilitated areas prior to additional works taking place.

In identifying areas that were cause for excitement over the next 6-12 months, attendees listed the DELWP 'Community Conversations Series', potential new businesses/opportunities arising from new uses of the site, Alcoa's commitment to remain in the community, the opportunity to leave a legacy for future generations, opportunities for Surf Coast Shire to be demonstrate environmental leadership and the chance to create a model engagement process for mine closures elsewhere.

Next meeting: Monday 10 August 2015, 6pm

The purpose of this document is to give community and other stakeholders a summary of what took place at the CCN meeting on Monday 13 July. For a full account of discussions at the meeting, email angleseaps@alcoa.com.au requesting a copy of the minutes.

The CCN, established in 2001, provides advice and feedback on issues relevant to Alcoa, to assist it becoming more responsive to the needs and concerns of the community. For further information about Alcoa visit www.alcoa.com.au/anglesea