

Environmental Protection Act 1986

Section 43A

**NOTICE OF DECISION TO CONSENT TO CHANGE TO PROPOSAL DURING
ASSESSMENT**

PERSON TO WHOM THIS NOTICE IS GIVEN

BHP Billiton Iron Ore Pty Ltd (ACN: 4600870098)
125 St Georges Terrace
PERTH WA 6000

PROPOSAL TO WHICH THIS NOTICE RELATES:

Proposal Title – Mining Area C – Southern Flank
Assessment No. 2085

Pursuant to section 43A of the *Environmental Protection Act 1986* (EP Act), the Environmental Protection Authority consents to the proponent making the following changes to the proposal during assessment without a revised proposal being referred;

- a reduction in clearing of 3,414 hectares (ha) from 19,671 ha to 16,257 ha.

EFFECT OF THIS NOTICE:

1. The proponent may change the proposal as provided for in this notice.

RIGHTS OF APPEAL:

There are no rights of appeal under the EP Act in respect of this decision.



Dr Tom Hatton
Delegate of the Environmental Protection Authority
CHAIRMAN

6 November 2017

Environmental Protection Act 1986

Section 43A

STATEMENT OF REASONS

CONSENT TO CHANGE PROPOSAL DURING ASSESSMENT

Proposal: Mining Area C – Southern Flank

Proponent: BHP Billiton Iron Ore Pty Ltd

Decision

For the reasons outlined below, the Environmental Protection Authority (EPA) has determined to consent to the Proponent changing the Proposal outlined in Schedule 1 attached to this Statement of Reasons.

Background

On 24 May 2016, the Proponent, BHP Billiton Iron Ore Pty Ltd referred the Proposal to the EPA under section 38 of the *Environmental Protection Act 1986* (EP Act). The Proposal included additional areas of disturbance within the existing approved Mining Area C operations under Ministerial Statement 491 and the development of a new satellite ore body at Southern Flank.

The EPA determined to assess the Proposal at the level of Public Environmental Review (PER) on 29 June 2016.

In advance of the EPA preparing a report on the outcome of its assessment of the Proposal, the Proponent has sought the EPA's consent for a change to the Proposal.

Relevant Statutory and Administrative Provisions

Section 3.8 of the Environmental Impact Assessment (Part IV Divisions 1 and 2) Procedures Manual 2016 guides what information the EPA requires from a person wanting to change its proposal during assessment.

In considering the request for consent, the EPA considered the:

- details of the proposed change,
- statement of the significance of the change, and
- rationale for the change.

Materials considered in making this decision

In determining whether to consent to the Proponent changing the Proposal the EPA has considered the following:

1. the proponent's application change to the proposal during assessment (October 2017),
2. the public environmental review for the proposal May 2017,
3. consultation, with the Department of Water and Environmental Regulation - EPA Services,
4. public submissions and the proponent's draft response to submissions (October 2017). The response to submissions is currently in the process of being finalised.

Consideration

1. Nature of the proposed change

The change being sought is a decrease in the total disturbance area required due to updated changes of the mine plan. The PER document discusses that the mine design and planning in an iterative process that is informed by many variables including ongoing exploration and market conditions.

There are now some proposed changes to the Modified Additional Impact Assessment Area as a result of changes in the mine design and planning iterations.

The change does not include any change in the nature of the activities required for the proposal to proceed. The decrease in the Modified Additional Impact Assessment Area is 3,414 hectares (ha), which is a decrease of approximately 17.35% of the total Modified Additional Impact Assessment Area required for the proposal.

The key driver for the revision was to further mitigate potential impacts to Ghost Bats, short-rang endemic species, and subterranean fauna.

2. Stage of the assessment process

The PER was released for four weeks from Monday 8 May 2017, to Tuesday 6 June 2017. The Response to Submissions has not been finalised.

The proponent has indicated that it has undertaken ongoing design work to reduce the Modified Additional Impact Assessment Area project footprint and wishes to amend the proposal under s43A of the EP Act to ensure the quantification of the significant residual impact reflects this ongoing work.

3. Currency, relevance and reliability of the information, including submissions

The EPA considers the currency, relevance, and reliability of the information provided in support of the application to change the proposal to be satisfactory. The PER document was released in May 2017. The response to submissions document has not been finalised but it is expected to be finalised in November 2017.

4. Community engagement

There have been a number of different steps undertaken to seek community input into the assessment of the Mining Area C – Southern Flank Project. The community had input into the process through the PER process. The PER outlines consultation undertaken with stakeholders, including government agencies, the Banjima people and Environment Subcommittee, the Nyiyaparli Environment Subcommittee, and the Newman Community Consultative Group.

5. Level of public concern

The EPA received six submissions during the public review period. Of these submissions, all were from government agencies. No submissions from the public were received.

Consideration of Whether the Change is Unlikely to Significantly Increase Any Impact that the Proposal May Have on the Environment

The following were considered:

a) Values, sensitivity and the quality of the environment which is likely to be impacted

The EPA Chairman's determination identified the preliminary environmental factors for the original proposal as:

- Flora and Vegetation;
- Subterranean Fauna;
- Terrestrial Fauna;
- Hydrological Processes;
- Inland Waters Environmental Quality;
- Heritage (now considered under Social Surroundings);
- Rehabilitation and Decommissioning (now considered under Flora and Vegetation and Terrestrial Fauna); and
- Offsets (now considered under Flora and Vegetation and Terrestrial Fauna).

The change gives no cause for additional environmental factors to be considered key environmental factors for the purposes of the assessment.

The region is known to contain threatened fauna species, in particular the Ghost bat, short-range endemic species, and subterranean fauna. The changed proposal is unlikely to have a significant impact to, or different from, the original proposal, as the impact on flora and vegetation and fauna habitat is reduced due to lowering disturbance required for the changed proposal.

b) Extent (intensity, duration, magnitude and geographic footprint) of the likely impacts

The magnitude and geographic footprint of the likely impacts have reduced as a result of the change to proposal. The intensity and duration will remain unchanged over the projects 30-year life.

c) Consequence of the likely impacts (or change)

The change represents a 17.35% reduction in the total clearing required for the proposal. The reduction in impacts of clearing for infrastructure will reduce the fragmentation of habitat in the local area as well as reduce the overall impact of the proposal.

d) Resilience of the environment to cope with the impacts or change

The EPA considers the resilience of the environment to cope with the changed proposal remains the same as that of the original proposal, should it be implemented.

e) Cumulative impacts with other projects

Cumulative impacts were considered in the EPA's assessment of the proposal. The change represents a decrease in total clearing required for the Mining Area C – Southern Flank proposal which means that it would decrease the potential for cumulative development pressures from the proposal.

f) Connections and interactions between parts of the environment to inform holistic view of impacts of the whole environment

The impacts of the proposal will be considered in the assessment report by EPA Members. The change to the proposal will be part of this consideration. It does not change the impacts at a regional scale.

g) Public interest about the likely effect of the proposal, if implemented, on the environment, and public information that informs the EPA's assessment

As noted, there were no public submissions received on the PER document, indicating insignificant public interest in the proposal. The level of public interest is not expected to change given the nature of the proposed changes to the proposal.

**Schedule 1
Change to Proposal**

Summary of the Proposal			
Proposal Title	Mining Area C – Southern Flank		
Proponent Name	BHP Iron Ore Pty Ltd		
Short Description	<p>The proposal is located approximately 100 kilometres (km) northwest of Newman in the Pilbara of Western Australia. The proposal is to develop and operate a new satellite iron ore deposit, located South of the Mining Area C operation, at Southern Flank, which will become part of the Mining Area C hub. The existing ore processing facilities located at the Mining Area C hub, would be utilised for ore processing.</p> <ul style="list-style-type: none"> • Proposed Mining Area C Development Envelope: This is the proposed development envelope for the full Mining Area C hub. It consists of the Mining Area C (Northern Flank) Development Envelope and the Additional Development Envelope (Southern Flank) and will constitute the boundary of the new MS if approved. • The New Modified Indicative Additional Impact Assessment Area: The indicative spatial area for the development of the Southern Flank ore body, based on the mine plan and design at the time of submission and is used as an assessment tool. 		
Physical Aspects			
Aspect	Location	Proposed Extent Authorised*	
Mine Site Development Envelope			
		Current Wording	Changed Wording
Native vegetation clearing	Figure 1	The proposal represents 19,671.2 ha of additional clearing.	The proposal represents 16,257 ha of additional clearing.

* Note there is no change to any of the operational elements in the key characteristics table so operational elements have not been included in this version of the table

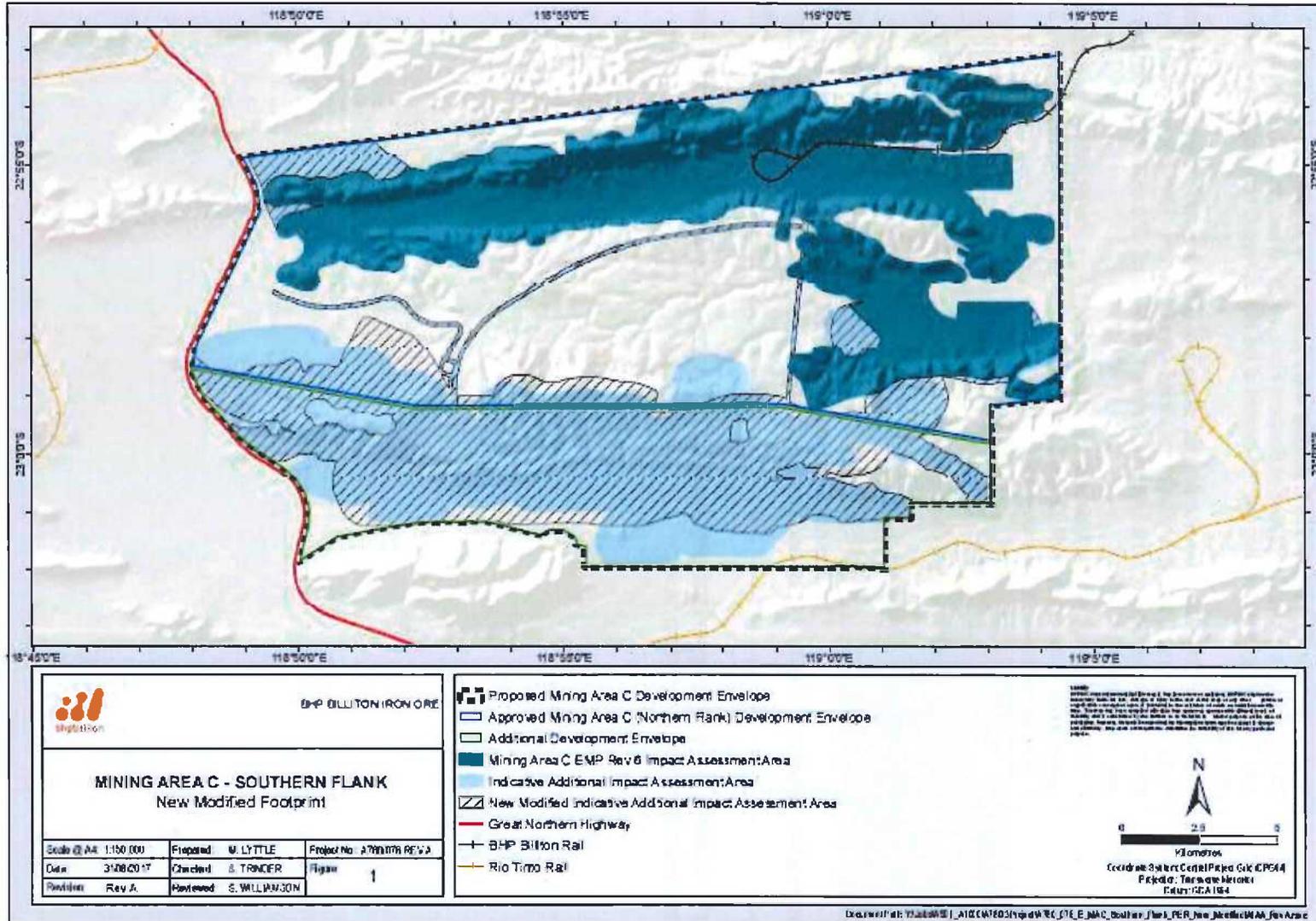


Figure 1 – Proposed changes under Section 43A of the *Environmental Protection Act 1986*