



26 February 2013

Mr Barry Broe
The Coordinator-General
PO Box 15517
City East QLD 4002

Dear Mr Broe,

**RE: Caval Ridge Mine Change Request 6, Miscellaneous Condition Improvements
(particularly relating to conditions 1c, 2a, 5 to 10, 15 and 17)**

In accordance with Part 4, Division 3A of the *State Development and Public Works Organisation Act 1971* (SDPWOA), BM Alliance Coal Operations Pty Ltd (BMA) submits this Change Request (Change Request Number 6), to amend various conditions of approval associated with the Caval Ridge Mine (the Project).

A number of conditions imposed on the Caval Ridge project are prescriptive in nature, resulting in increased costs, reduced flexibility and reduced potential for operational innovation. BMA is seeking changes to a number of these conditions so as to alleviate these impacts, reduce overall associated administrative burdens and to provide greater flexibility for BMA to achieve specified outcomes.

The reasons for this request are set out in more detail below.

BMA requests that the Coordinator-General accept this letter to be a written application by BMA that is in accordance with the requirements of sections 35C and 35 E of the SDPWOA. Section 35E requires that the application must be written and describe the proposed change and its effects on the project. Section 35E also requires the application to state reasons for the proposed change and to include enough information about the proposed change to allow the Coordinator-General to make the evaluation.

DESCRIPTION OF THE PROPOSED CHANGES AND THEIR EFFECTS ON THE PROJECT (Section 35E(A) of the SDPWOA)

BMA is seeking the following changes to the conditions in Appendix 1, Schedule 1 to the Report.

Condition 1

General Conditions

Delete condition 1(c) - see Appendix A for the full wording of this existing condition.

BMA submits that this change is warranted on the basis that all the necessary management arrangements are contained within the SIMP approved by the Coordinator-General in December 2012. BMA is also proposing relevant amendments to conditions 10 and 11 to remove redundant elements and re-focus requirements on to those within the SIMP approved by the Coordinator-General. Other than reducing administrative burdens, the change will not materially affect the Project.

Condition 2

Mine Water Management - Water Supply

Replace condition 2(a) (See Appendix A for the full wording of this existing condition) with the following

The proponent must develop and implement a water management plan for CRM operations in consultation with the Department administering the Environment Protection Act 1994. This condition will remain active until the Coordinator-General is notified in writing that a water management plan for CRM operations has been established and implementation of the plan has commenced in accordance with the Environmental Authority for the CRM, under the Environment Protection Act 1994.

BMA submits that this change is warranted on the basis that the requirements of condition 2(a) as currently worded are unclear and the requirements of the condition should be clarified via suitable replacement words. A Water Management Plan must be prepared in accordance with the requirements set out in the Environmental Authority (MIN101827410) for the project. The Water Management Plan must be reviewed annually, prior to the wet season (i.e. by 1 November) in accordance with the requirements of the Environmental Authority.

The Water Management Plan will recognise that water to be used for project operations will be sourced via an off-take from the existing Eungella-Bingegang water pipeline. This water is sourced from the Eungella Dam and will be used to top up the project's on-site mining process dam as well as for potable water needs at the mine site. The project has an internal BMA allocation to draw a maximum of 5000 ML per annum of water as part of a larger BMA water allocation that is held by BMA in accordance with the Burdekin Water Resource Plan and the *Water Act 2000*. The GoldSim Water Balance Model used as part of the EIS process and maintained for the project predicts an average of 3,200 ML of raw water will be required each year. Pipeline water consumption will be recorded on a monthly basis in a database maintained at the project site.

Condition 6

Moranbah Community Network (Moranbah BCN)

Replace conditions 6 (a), 6 (b), 6 (c), 6 (d), 6 (e) and 6 (f) (see Appendix A for the full wording of these existing conditions) with the following new condition 6 (a):

The proponent must establish a consultative group which will act as the key mechanism for updating the community and seeking community feedback during the construction and initial operational phase of the project (i.e. a period of up to 2 years following the commencement of operations). The

membership and charter (including changes over time) and decommissioning of the special-purpose group relating specifically to the project will be determined by the proponent after consultation with the Coordinator-General.

BMA submits that this change is warranted given that the SIMP has been finalised and the Daunia and Caval Ridge mines will become operational during 2013 and 2014.

BMA has formed the BMA Community Network (BCN) to engage with stakeholders from business, community and government concerning the Bowen Basin Coal Growth (BBCG) Projects. The BCN operates in compliance with Condition 6 of the Coordinator-General's evaluation report for the Caval Ridge Mine's Environmental Impact Statement (EIS). The group is in addition to another BCN which forms part of BMA's ongoing community liaison and assists BMA to proactively identify potential project impacts and management strategies across all of BMA's mining operations. The broader BCN is the primary mechanism for enabling community engagement under BMA's corporate policies.

The proposed revised condition will enable the BCN associated with the BBCG Projects to be efficiently integrated into the existing BMA community consultation arrangements associated with BMA's existing operating mines. This change will reduce administrative burden for the Project and will not impact BMA's ongoing extensive engagement activities with the community.

Conditions 5, 7 and 9

Communication Obligations; Community Communication Strategy; and Consultation, Review, Complaints and Non-Conformance

Replace conditions 5 (a), 5 (b), 5 (c), 5 (d), 7 (a), 7 (b), 9 (a), 9 (b), 9 (c) and 9 (d) (see Appendix A for the full wording of these existing conditions) with a new condition 5 as follows:

The proponent must develop and implement an effective stakeholder engagement and complaints management program (including the use of newspaper advertisements, an internet site and direct communication) which ensures that:

- I. the Community is informed of proposed activities during the construction phase of the project and during the first 2 years of mining operations;*
- II. complaints and complaint responses are recorded and addressed within a reasonable timeframe; and*
- III. the Coordinator-General may instigate investigations into any complaints that remain unresolved for a significant period of time and determine, in consultation with the proponent and the complainant, relevant remedial actions to be implemented by the proponent where necessary.*

BMA submits that the existing prescriptive, complex and wide-ranging conditions are not reasonable and relevant to the circumstances of the Project. The existing conditions are not warranted because:

- the area immediately adjacent to the project is sparsely populated;
- there have been minimal enquiries and complaints in relation to the Project;
- BMA has long-standing relationships with landholders who are adjacent to its mining operations;
- BMA has purchased "buffer" land between its mining operations and other adjacent land used for non-mining purposes. (Note: buffer land tends to be used by neighboring graziers for livestock grazing purposes in accordance with mutually beneficial land use agreements between BMA and the relevant grazier); and

- BMA has an established and proven complaints recording and response procedure which is implemented as a matter of standard operating practice at BMA. The BMA complaints recording and response procedure is established in accordance with the requirements of the Environmental Authority granted for the Project under the *Environmental Protection Act 1994*. The requested condition change will enable BMA to align the Coordinator-General required complaints management arrangements with the complaints management requirements imposed on the Project and other BMA mining operations in accordance with Environmental Authorities granted under *Environment Protection Act 1994*.

This change will reduce administrative burden for the Project and will not impact BMA's ongoing extensive engagement activities with the community.

Condition 8

Environmental Management Representative

Replace condition 8 (a) (See Appendix A for full wording of this existing condition) with the following new condition 8 (a):

- (a) At least two months prior to commencement of construction, the proponent shall nominate a suitably qualified and experienced Environmental Management Representative(s) with the authority within the proponent management structure to require reasonable steps be taken to avoid or minimise unintended or adverse environmental impacts. The proponent shall employ the environmental management representative(s) for the duration of construction and commissioning phase of the CRM. The representative(s) shall (a) be the principal point of advice for the proponent in relation to all questions and complaints concerning the environmental performance of the CRM*

This change is warranted on the basis that the requirements for an Environmental Management Representative for the indicated purposes will be redundant after the commissioning phase is completed, and the normal environmental management requirements for mines in Queensland apply (ie. regulation under the Environmental Protection Act 1994 and the Caval Ridge Mine Environmental Authority) . Moreover, an Environmental Management Plan covering the operations phase will be approved and implemented in accordance with the *Environmental Protection Act 1994*. The arrangements detailed in the current version of the Plan have been operating for approximately 9 months during the implementation of construction activities without any difficulties arising. Other than reducing administrative burdens, the change will not materially affect the Project.

Condition 10

Social Impact Management Plan

Replace conditions 10 (a), 10 (b), 10 (c), 10 (d), 10 (e), 10 (f), 10 (g), 10 (h), 10 (i), 10 (j), 10 (k) and 10 (l) (see Appendix A for the full wording of these existing conditions) with the following new condition 10:

The proponent must implement the Social Impact Management Plan approved by the Coordinator-General in December 2012.

BMA submits that this change is warranted on the basis that all the necessary management arrangements are contained within the SIMP approved by the Coordinator-General in December 2012. This change will reduce administrative burden for the Project and will enable BMA to focus compliance efforts on the requirements of the SIMP rather than the above-mentioned requirements set out in redundant conditions.

Condition 15

Traffic Management

Replace condition 15 (b) (See Appendix A for full wording of this existing condition) with the following new condition 15 (b):

The proponent must implement the RMP approved by TMR during the construction and commissioning phase of the project.

This change is warranted to make the wording for the RMP to be consistent with the approach taken in relation to the TMP as set out in condition 15 (i). Both sets of requirements will be redundant following the commissioning of the project. In addition, the RMP and TMP have now both been finalised and are being implemented in accordance with the terms of the RMP and TMP agreed with the administering department. The arrangements detailed in the RMP and TMP have been operating for approximately 9 months during the implementation of construction activities. Other than reducing administrative burdens, the proposed change will not materially affect the Project.

Conditions 17

Cumulative Impacts Study

Delete 17 - see Appendix A for the full wording of these existing conditions.

BMA submits that this change is warranted on the basis that these requirements are redundant as the third party intending to undertake the cumulative impacts study did not proceed with the study. The change will not materially affect the Project.

Clarification of Glossary of the Coordinator-General's Change Report on Rail Alignment Changes

On page 36 of the Coordinator-General's Change Report on rail alignment changes (Change Report 5), the Coordinator-General indicated that the term "*Commencement of Operations*" had been used in Change Report 5 and that this term had a particular meaning.

"Commencement of Operations" was indicated to mean "*any works require to be undertaken in relation to the Caval Ridge Project.*"

This meaning could be misinterpreted and, as a result, BMA requests that the Coordinator-General clarifies the meaning of the "*Commencement of Operations*". BMA understands that the intent of references to "*Operations*" within the Coordinator-General's evaluation report for the Caval Ridge Mine's EIS was for the references to relate to coal production activities as opposed to construction works. On page 150 of the Coordinator-General's evaluation report for the Caval Ridge Mine's EIS, the Coordinator-General refers to the "*Operation stage*" of the Project being that stage "*which applies to the project from the time the CRM coal handling and preparation plant (CHPP) exceeds the 250,000 tonne of coal output point*".

BMA requests that the Coordinator-General confirms that "*Commencement of Operations*" means "*the time the CRM coal handling and preparation plant (CHPP) exceeds the 250,000 tonne of coal output point*".

REASONS FOR THE CHANGE (Section 35E(B) of the SDPWOA)

The proposed changes to the various conditions are designed to improve clarity to assist BMA with relevant project implementation activities and to reduce administrative burden on the Caval Ridge project whilst not materially affecting any part of the implementation of the project or various plans (e.g. SIMP, environmental management plan) that have been approved since the original conditions were imposed.

Attachment B sets out the reasons for the various changes. These reasons are also identified in the preceding section of this letter. Appendix C contains some further explanatory information relating to change requests for conditions 5, 6, 7 and 9.

BMA looks forward to receiving the Coordinator General's change and welcomes the opportunity to consult with the Coordinator-General on any proposed changes.

If you require further information on this matter, please do not hesitate to contact myself (Ph: 3167 5708 or Lauren Barnaby (Area Manager Approvals – Ph: 07 3182 2721).

Yours sincerely,



Tony Willmott

Project Director (Caval Ridge)

Attachments:

A: Coordinator-General's Conditions Relevant to Change Request 6

B: Requested Changes to Conditions

C: Explanation of Relevant Stakeholder Engagement Activities

D: Figure Summarising Complaints Resolution Process

Appendix A – Coordinator- General’s Conditions Relevant to Change Request 6

Aspect	Coordinator-General's Report reference	Condition text
General Conditions	Condition 1(c)	Within three months of advertising the draft Environmental Authority (EA) for CRM, the proponent must provide a copy of the final commitments register for the CRM to the Coordinator-General including all Social Impact Mitigation Plan (SIMP) commitments (refer to Conditions 10 and 11).
Mine Water Management - Water Supply	Condition 2 (a)	The proponent must develop, implement and maintain a water supply strategy and emergency plan which demonstrates water supply to the CRM for at least the next 12 months of operation and report annually to the Department of Environment and Resource Management (DERM) on performance against that plan and any new measures required to ensure future supply of water to the CRM.
General Communication Obligations	Condition 5 (a)	Prior to the commencement of CRM construction works, and then at six-monthly intervals until the completion of construction, the proponent shall advertise in relevant local newspapers, the nature of construction works impacting on public areas proposed for the forthcoming six months, the areas in which these works are proposed to occur, the hours of operation and a contact telephone number.
	Condition 5 (b)	The proponent shall undertake early and on-going engagement with owners and occupants of sensitive places adjacent to or predicted to be impacted by the proposed construction and operational works, and works associated with impact mitigation measures. The consultation shall include the provision of clear information about the scale, timing, duration, location, intensity and potential effects of construction and operational works and, where required by Schedule 1 or Schedule 3 conditions, the mitigation measures available to the owner or occupant.
	Condition 5 (c)	The proponent shall ensure that the local community and businesses are kept informed (by appropriate means such as: local newsletters, leaflets, newspaper advertisements, community notice boards and an internet page, to be established in accordance with (d)), of the progress of the CRM, including any traffic disruptions and controls, and construction of temporary detours, not less than 48 hours prior to such works being undertaken.

Aspect	Coordinator-General's Report reference	Condition text
	Condition 5 (d)	<p>The proponent shall establish a CRM internet site at least three months prior to the commencement of construction works and maintain an internet page until at least 24 months after commencement of operation of the CRM or as long as required for updating operational air quality results. The internet page shall, as a minimum, contain quarterly work progress and consultation activities updates, including but not limited to: (i) a list of environmental management reports that are publicly available and the executive summaries of those reports (ii) minutes from BMA's Moranbah Community Network meetings (refer Condition 6) (iii) quarterly newsletters consistent with (c) (iv) 24 hour per day toll-free complaints contact telephone number, established in accordance with Condition 7(a)(iii) (v) a means of asking questions or providing feedback.</p>
Moranbah BCN	Condition 6 (a)	<p>The proponent shall establish an appropriate representative Moranbah BMA Community Network (Moranbah BCN) to the satisfaction of the Coordinator-General and in accordance with the community communication strategy required under Condition 7, which would have the following functions:</p> <p>(i) Community liaison on the Daunia Mine, CRM and future BBCG project expansion components, specifically to:</p> <p>A) assist the proponent to understand community views; B) work with the proponent to determine potential impacts and mitigation strategies associated with its mining activities, including consideration of the CRM air quality monitoring program required under section 5.5 of this report; C) assist BMA to monitor and measure the effectiveness and appropriateness of its community communications strategy and priority projects for its local communities; D) provide advice to the Sustainable Resource Communities (SRC) Partnership Group and the SRC Bowen Basin Leadership Group when requested; E) at the proponent's discretion, undertake liaison on matters relevant to other BMA mines outside of the scope of the BBCG project.</p> <p>(ii) With respect to the social impact management plan (SIMP) stakeholder engagement strategy requirements (refer to Condition 10:</p> <p>A provide advice about and input to issues relating to the implementation of social impact mitigation and management strategies that have been identified in the EIS process and documented in the SIMP; B receive and consider progress reports on the implementation of the SIMP; C play a key role in the design for collection of qualitative and quantitative data pertinent to monitoring SIMP mitigation and management strategies.</p>

Aspect	Coordinator-General's Report reference	Condition text
	Condition 6 (b)	<p>With respect to its functions under (a)(i), the Moranbah BCN must include local membership representation from the following:</p> <ul style="list-style-type: none"> (i) a Moranbah business owner - 1 representative (ii) an employee of an education institution or childcare centre - 1 representative (iii) Moranbah and District Support Services - 1 representative (iv) a youth member of the community or youth worker - 1 representative (v) an employee of the health or medical sector - 1 representative (vi) Isaac Regional Council - 2 representatives (vii) a partner of a BMA employee working on the Daunia or Caval Ridge Mines – 1 representative (viii) representation as agreed through the proponent's indigenous stakeholder engagement strategy (ix) a workforce representative from each of the Daunia and Caval Ridge Mines – 2 representatives (x) the lead construction contractor from each of the Daunia and Caval Ridge Mines (if the lead construction entity is not the proponent) - 2 representatives (xi) representative from a General Manager (or equivalent) from either of the Daunia Mine or CRM for the duration of the construction phase of each mine, with membership rotating between BMA's Moranbah site General Managers during the operations phase - 1 representative (xii) the proponent's Environmental Management Representative (refer to Condition 8) or equivalent from each of the Daunia and Caval Ridge Mines - 2 representatives (xiii) the proponent's Manager (Communities) - 1 representative (xiv) a State Government agencies representative approved by the Coordinator-General in consultation with the Mackay Regional Managers Coordination Network – 1 representative

Aspect	Coordinator-General's Report reference	Condition text
	Condition 6 (c)	<p>With respect to its SIMP functions under (a)(ii):</p> <p>(i) membership of the Moranbah BCN should not include representation from groups listed in (b)(iv), (b)(vii) and (b)(x) or the Daunia Mine representatives in (b)(ix), (b)(xi) and (b)(xii).</p> <p>(ii) representatives from other relevant state agencies will be invited to participate, but not with any voting or decision making authority.</p>
	Condition 6 (d)	The membership of the Moranbah BCN under (b) or (c) may be varied if approved by the Coordinator-General.
	Condition 6 (e)	<p>The proponent shall:</p> <p>(i) appoint an independent Chair of the Moranbah BCN approved by the Coordinator- General</p> <p>(ii) ensure that the Moranbah BCN has a clear Terms of Reference developed in consultation with stakeholders and approved by the Coordinator-General, which as a minimum includes a description of how decisions are made by the BCN (e.g. by majority vote), and a meeting frequency:</p> <p>A for Community Liaison ((a)(i)) functions of at least every three months after its first meeting during the construction phase of the CRM and then at least every six months during the operation phase of the CRM; B for SIMP ((a)(ii)) functions of at least monthly during the development of the draft SIMP, then at least every second month during the first year implementation period of the first approved SIMP, and thereafter integrated into the regular Moranbah BCN meeting schedule defined in A.</p>

Aspect	Coordinator-General's Report reference	Condition text
	Condition 6 (e) (continued)	<p>(iii) provide adequate resources for the establishment and work of the BCN, including: A costs of time and travel of the Chair involved with the BCN B meeting facilities C secretariat support.</p> <p>(iv) ensure that the first meeting of the Moranbah BCN is held within three months of the date of advertising of the EA for the CRM and that this first meeting consider the interrelationship of the Moranbah BCN with any existing community liaison or consultative groups of adjoining or interrelated developments</p> <p>(v) provide to the Moranbah BCN regular information on the progress of work on the Daunia and Caval Ridge Mines and monitoring results</p> <p>(vi) promptly provide to the Moranbah BCN such other information as the Chair may reasonably request concerning the environmental performance of the CRM</p> <p>(vii) allow the Moranbah BCN to make comment/s about the: A construction progress and implementation; B EM plan and SIMP; C compliance with the conditions of this Coordinator-General's report, and D other matters relevant to the construction and operation of the Daunia and Caval Ridge Mine.</p> <p>(viii) ensure that the Moranbah BCN has access to reasonable and sufficient information to fulfil its purpose</p> <p>(ix) invite representatives from relevant government agencies or other individuals to attend meetings as reasonably required by the Chair</p> <p>(x) provide access for Daunia and Caval Ridge Mine site inspections by the Moranbah BCN at times that are mutually acceptable to the proponent and the Moranbah BCN members</p> <p>(xi) consider the recommendations and comments of the Moranbah BCN and provide a response to the Moranbah BCN</p> <p>(xii) take minutes for each meeting and seek the agreement of the Moranbah BCN members to those minutes within 14 days of that meeting</p> <p>(xiii) for Community Liaison ((a)(i) functions of the Moranbah BCN, make BCN minutes available for public inspection on the CRM web page within 14 days of their endorsement by the Chair (xiv) for the SIMP ((a)(ii) functions of the Moranbah BCN, make quarterly update reports available for public inspection on the CRM web page within 30 days of their endorsement by the Chair</p> <p>(xv) at least six months prior to the commencement of operation of the CRM, expand the Moranbah BCN to include a representative of the CRM operator (if that operator is not the proponent)</p> <p>(xvi) six months after the commencement of operation of the CRM, remove the representative of the CRM lead construction contractor from the Moranbah BCN (xvii) decommission the Moranbah BCN when the CRM ceases operation.</p>

Aspect	Coordinator-General's Report reference	Condition text
	Condition 6 (f)	In the circumstance of any unresolved disagreement between Moranbah BCN members about the operation of a Moranbah BCN or the responsibilities of its members, including the proponent, the Coordinator-General shall adjudicate and make the final decision.
Community Communication Strategy	Condition 7 (a)	<p>Notwithstanding the requirements of Condition 5, the proponent must prepare a community communication strategy for the construction period, to be initiated prior to the commencement of construction. The strategy must set out the community consultation procedures for the CRM, which shall comply with the obligations under these conditions, other approvals, licences and permits. It will also include:</p> <ul style="list-style-type: none"> (i) identification of stakeholders likely to be affected by the CRM, including identification of sensitive places, businesses and other sensitive land uses (ii) establishment of procedures and mechanisms through which the community stakeholders can discuss or provide feedback to the proponent or environmental management representative (refer to Condition 8) in relation to the environmental management and construction and operation of the CRM (iii) procedures and mechanisms through which the proponent can respond to any enquiries or feedback from the community stakeholders in relation to the environmental management construction and operation of the CRM (iv) procedures and mechanisms to be implemented to respond to any matters not resolved by the proponent response under Condition 7(a)(iii) on the matters relating to environmental management and the CRM construction and operation (v) a complaints process as specified in Condition 9(c) (vi) where required, special procedures to respond to complaints, issues or incidents, such as face-to-face meetings and on-going communications with affected parties and a documented process for issues resolution (vii) procedures for informing affected road network users of planned traffic arrangements including temporary traffic arrangement changes during construction or operation of the CRM (viii) the provision of relevant training for all employees and sub-contractors on the requirements of the community communication strategy.

Aspect	Coordinator- General's Report reference	Condition text
	Condition 7 (b)	The proponent must prepare and implement a community notification strategy to provide information to road users, including motorists, on the timing of the implementation of CRM elements impacting upon road use or road condition
Environmental Management Representative	Condition 8 (a)	At least two months prior to commencement of construction, the proponent shall nominate a suitably qualified and experienced Environmental Management Representative(s) with the authority within the proponent management structure to require reasonable steps be taken to avoid or minimise unintended or adverse environmental impacts. The proponent shall employ the environmental management representative(s) for the duration of construction and operation of the CRM. The representative(s) shall (a) be the principal point of advice for the proponent in relation to all questions and complaints concerning the environmental performance of the CRM
	Condition 8 (b)	The representative(s) shall contribute information about all of its operations in the Isaac region
	Condition 8 (c)	The representative(s) shall manage the implementation of all EM plan, and monitoring programs and advise the proponent with respect to the achievement of all CRM environmental outcomes
	Condition 8 (d)	The representative(s) shall review and approve the CRM induction and training program related to environmental matters for all persons involved in construction and operation activities and monitor implementation
	Condition 8 (e)	The representative(s) shall periodically monitor the proponent's environmental activities to evaluate the implementation, effectiveness and level of compliance of construction and operation conditions, including carrying out site inspections at least monthly at all active CRM sites
	Condition 8 (f)	The representative(s) shall have responsibility for considering and advising the proponent on matters specified in these conditions and all other licences and approval related to the environmental performance and impacts of the CRM

Aspect	Coordinator- General's Report reference	Condition text
	Condition 8 (g)	The representative(s) shall, notwithstanding the requirement that the proponent implement the actions outlined in the EM plan to prevent environmental impacts, be given the authority and independence to advise reasonable steps be taken to avoid or minimise unintended or adverse environmental impacts, and in the event of non-compliance with any condition of Schedule 1, to advise the proponent and DERM that relevant actions be taken or ceased to achieve compliance with the condition
	Condition 8 (h))	The representative(s) shall be available for contact 8.00am – 4.00pm Monday to Friday if CRM construction or operation activities are being undertaken.
Consultation, Review, Complaints and Non- Conformance	Condition 9 (a)	Consultation procedures must include the stakeholder engagement measures described in Conditions 5-8 as a minimum, and meet the following requirements: (i) consultation with owners and occupants of properties around the CRM as well as the wider community, must be conducted for the duration of the construction and operation of the CRM (ii) consultation must commence well in advance of the commencement of construction and operation works (iii) consultation with owners and occupants of affected properties must be conducted with confidentiality where requested by the owners or occupiers of premises and at a level of detail sufficient to address specific construction impacts and mitigation requirements.
	Condition 9 (b)	A review process must provide for further or alternative mitigation measures to be implemented as soon as practicable in response to monitoring results where non-compliance is identified and in accordance with the agreed outcomes of community consultation.
	Condition 9 (c)	Complaints — as an extension of the consultation process, there must be a formal process for receiving and dealing quickly and effectively with complaints about CRM construction and operation issues. This process must be established before the commencement of construction works and should adopt a consultative and negotiated basis rather than an adversarial basis. The complaints procedure must be easy to use, with information about its implementation provided on the CRM webpage and through the visitors' information service.

Aspect	Coordinator- General's Report reference	Condition text
	Condition 9 (c) (continued)	<p>As a minimum, the complaints process must include the following elements:</p> <p>(i) established in accordance with the ICMM good practice guideline (Handling and Resolving Local Level Concerns and Grievances, October, 2009) and the MCA Enduring Value Guidance for Implementation (July, 2005)</p> <p>(ii) a protocol establishing the responsibility for receiving and addressing complaints, and the means of notifying the community of this protocol (e.g. publication of a complaints telephone service, webpage advice, and address for notices and other correspondence) prior to commencement of construction</p> <p>(iii) establishment of a toll-free telephone line with a live operator (not a message service) that is open 7.00am-7.00pm 7 days a week during the construction phase of the CRM and 8.00am - 4.00pm Monday to Friday during the operation phase of the CRM. The aim of the hotline is to enable any member of the general public to reach a person who can arrange appropriate response/corrective action to complaints within 48 business hours (iv) identification of the complainant, the identity of the person who received the complaint, the manner in which the complaint was made, the time and date on which the complaint was made, and the matter to which the complaint relates</p> <p>(v) a process wherein, upon receipt of a complaint, an investigation commences forthwith into the cause of the complaint and where necessary mitigation is required, take any actions reasonably required to address the complaint. At least a verbal response on the action(s) to be taken is provided to the complainant within 48 business hours (unless the complainant agrees otherwise) and a detailed written response within ten business days of the receipt of the complaint. Information on all complaints received and response times shall be made available to the environmental management representative weekly</p> <p>(vi) a database for tracking complaints, issues, the subject of complaints, responses and corrective actions taken</p> <p>(vii) a means of reporting each complaint, such as a complaints register, must include identification of the entity responsible for addressing the complaint, the time and date on which the complaint was addressed and closed out, a brief summary of any action taken to address the complaint, and a notation as to the satisfaction or dissatisfaction of the complainant with the outcome</p> <p>(viii) quarterly reporting of a summary of complaints as part of an overall performance and compliance report posted on the CRM webpage.</p>

Aspect	Coordinator-General's Report reference	Condition text
	Condition 9 (d)	Non-conformance — A process for dealing with circumstances where Schedule 1 requirements are not met during CRM construction or operation activities must be established prior to the commencement of construction works. This process must establish a mechanism for reporting, taking corrective action where required, and indicating responsibilities and timing for such action.
Social Impact Management Plan	Condition 10 (a)	Within three months of submitting the BBCG Project Housing Impact Plan, the proponent must submit a draft social impact management plan (SIMP) consistent with the Social Impact Assessment (SIA) Unit's Guideline to preparing a social impact management plan (2010), for review by the Coordinator-General prior to release. The SIMP must include: (i) a monitoring programme for mitigation strategies designed to address social impacts; (ii) a Stakeholder Engagement Strategy (refer to Condition 6(a)(ii) which contains a list of key stakeholders and describes their interest in the project, actions, outcomes and mechanisms, to support a regular review of the effectiveness of the stakeholder engagement strategy; (iii) a dispute resolution mechanism established in accordance with the ICMM good practice guideline (Handling and Resolving Local Level Concerns and Grievances, October, 2009) and the MCA Enduring Value Guidance for Implementation (July, 2005).

Aspect	Coordinator-General's Report reference	Condition text
	Condition 10 (b)	<p>With respect to the draft SIMP, the proponent must:</p> <ul style="list-style-type: none"> (i) prepare a consultation plan and consultation schedule to provide opportunities for input from key stakeholders to discuss actions to partner in delivery of the SIMP (ii) provide opportunities for input to the draft SIMP from those who are most affected by the Caval Ridge Mine (CRM) Coordinator-General's Report – Caval Ridge Mine (iii) take into consideration any increased demands and cumulative effects placed on stakeholders and the community to participate in consultative processes in the region (iv) consult directly with State and local governments, in particular the Department of Communities and other relevant State government agencies identified in the draft SIMP; and all local governments affected by the CRM (v) the abovementioned government entities shall be considered key stakeholders (vi) record stakeholder feedback and provide a consultation report on outcomes of the release of the draft SIMP (vii) discuss and seek agreement on the content of the draft SIMP including the key responsibilities, timeframes and resource implications for the local governments affected by the CRM.
	Condition 10 (c)	<p>After consultation with the Coordinator-General on the draft SIMP and not more than 6 months after commencement of construction of the CRM, the proponent must submit the final draft SIMP for the Coordinator-General's assessment and final approval.</p>
	Condition 10 (d)	<p>The proponent must not commence operation of the CRM unless a final SIMP has been approved by the Coordinator-General.</p>
	Condition 10 (e)	<p>The final SIMP must be implemented in conjunction with other social impact conditions specified in Schedule 1, Appendix 1 of the Coordinator-General's Report.</p>

Aspect	Coordinator-General's Report reference	Condition text
	Condition 10 (f)	<p>The proponent must develop a SIMP monitoring plan which includes the following components:</p> <ul style="list-style-type: none"> (i) list of impacts and issues to be monitored (ii) targets and outcomes sought (iii) a monitoring strategy, including how management of the impact will be monitored (iv) responsibilities for implementation of each monitoring strategy (v) timing and frequency of how often monitoring of the impact should take place (vi) key performance indicators that are informative, relevant, measurable, useful, widely recognised, simple to report, and easily understood.
	Condition 10 (g)	<p>With respect to the SIMP, the proponent must:</p> <ul style="list-style-type: none"> (i) submit an annual progress report, on a date to be mutually agreed by the proponent and the SIA Unit of DIP (ii) undertake an external audit: A at the completion of the construction stage of the CRM; B periodically every three years after the commencement of the operational stage; C during the decommissioning phase of the CRM. (iii) prepare and submit a report on each audit's findings to the Coordinator-General (iv) all annual, periodical, and audit reports are to be submitted to the Coordinator-General within 60 days of completion of the relevant period.
	Condition 10 (h)	<p>The proponent may also elect to conduct additional internal reviews of the SIMP.</p>

Aspect	Coordinator-General's Report reference	Condition text
	Condition 10 (i)	A SIMP may be altered, re-structured, re-scoped or terminated through agreement by both government and the proponent, following consultation with key stakeholders. Any proposal to terminate the SIMP must be formally agreed with the Coordinator General.
	Condition 10 (j)	A process to facilitate any amendments must be identified and agreed by the proponent and the SIA unit of DIP. If necessary, the stakeholder engagement strategy undertaken by the Moranbah BCN (refer to Condition 6) should be updated to describe how stakeholders will be engaged in any change process at the time.
	Condition 10 (k)	Should the proponent wish to amend or update the SIMP, it must advise the Coordinator- General which of the following circumstances apply: (i) strategies and actions no longer meet the desired outcomes (ii) need to improve effectiveness of strategies and actions (iii) changes in government policy (iv) significant changes to company operations or mine plan (v) significant changes to national or international best-practice management approaches or frameworks.

Aspect	Coordinator-General's Report reference	Condition text
Traffic Management	Condition 15 (b)	The proponent must implement the RMP approved by TMR.
	Condition 15 (i)	The proponent must implement each TMP during construction and commissioning of the CRM.
Cumulative Impacts Study	17 (a)	The proponent must participate in the study of cumulative social impacts of mining in the Isaac Region local government area described in Recommendation 8, Schedule 5, Appendix 1 of this report
	17 (b)	The proponent must contribute information about all of its operations in the Isaac region
	17 (c)	The proponent must contribute \$150 000 to the cost of the study
	17 (d)	The proponent must collaborate with the state and local government agencies and other resource industry stakeholders in the study and in the development of cumulative social impact mitigation and management strategies in line with the findings of the study and the outcomes of the Whitsunday Hinterland and Mackay (WHAM) statutory plan
	17 (e)	The proponent must ensure that the CRM SIMP includes BMA's commitment to participate in the study.

Appendix B – Requested changes to conditions

Environmental Aspect	Coordinator-General's Report Reference	Comment / Request	Reasons for Change
General Conditions	Condition 1(c)	Delete	<p>This change is warranted on the basis that all the necessary management arrangements are contained within the SIMP approved by the Coordinator-General in December 2012. BMA is also proposing relevant amendments to conditions 10 and 11 to remove redundant elements and re-focus requirements on to those within the SIMP approved by the Coordinator-General. Other than reducing administrative burdens, the change will not materially affect the Project.</p>
Mine Water Management - Water Supply	Condition 2 (a)	Replace	<p>With a new condition 2 (a):</p> <p><i>The proponent must develop and implement a water management plan for CRM operations in consultation with the Department administering the Environment Protection Act 1994. This condition will remain active until the Coordinator-General is notified in writing that a water management plan for CRM operations has been established and implementation of the plan has commenced in accordance with the Environmental Authority for the CRM, under the Environment Protection Act 1994.</i></p> <p>BMA submits that this change is warranted on the basis that the requirements of condition 2(a) as currently worded are unclear and the requirements of the condition should be clarified via suitable replacement words. A Water Management Plan must be prepared in accordance with the requirements set out in the Environmental Authority (MIN101827410) for the project. The Water Management Plan must be reviewed annually, prior to the wet season (i.e. by 1 November) in accordance with the requirements of the Environmental Authority.</p> <p>The Water Management Plan will recognise that water to be used for project operations will be sourced via an off-take from the existing Eungella-Bingegang water pipeline. This water is sourced from the Eungella Dam and will be used to top up the project's on-site mining process dam as well as for potable water needs at the mine site. The project has an internal BMA allocation to draw a maximum of 5000 ML per annum of water as part of a larger BMA water allocation that is held by BMA in accordance with the Burdekin Water Resource Plan and the <i>Water Act 2000</i>. The GoldSim Water Balance Model used as part of the EIS process and maintained for the project predicts an average of 3,200 ML of raw water will be required each year. Pipeline water consumption will be recorded on a monthly basis in a database maintained at the project site.</p>

Environmental Aspect	Coordinator-General's Report Reference	Comment / Request	Replacement Wording and Reasons for Change
General Communication Obligations	Condition 5 (a)	Replace	<p>With a new condition 5:</p> <p><i>The proponent must develop and implement an effective stakeholder engagement and complaints management program (including the use of newspaper advertisements, an internet site and direct communication) which ensures that:</i></p> <ol style="list-style-type: none"> <i>I. the Community is informed of proposed activities during the construction phase of the project and for the first 2 years of mining operations;</i> <i>II. complaints and complaint responses are recorded and addressed within a reasonable timeframe; and</i> <i>III. the Coordinator-General may instigate investigations into any complaints that remain unresolved for a significant period of time and determine, in consultation with the proponent and the complainant, relevant remedial actions to be implemented by the proponent where necessary.</i> <p>BMA submits that the existing prescriptive, complex and wide-ranging conditions are not reasonable and relevant to the circumstances of the project. The existing conditions may be warranted in a project situation involving many adjacent and potentially impacted landholders. However, in this case the existing conditions are not warranted because:</p> <ul style="list-style-type: none"> • the area immediately adjacent to the project is sparsely populated; • there have been minimal enquiries and complaints in relation to the Project; • BMA has long-standing relationships with landholders who are adjacent to its mining operations; • BMA has purchased “buffer” land between its mining operations and other adjacent land used for non-mining purposes. (Note: buffer land tends to be used by neighboring graziers for livestock grazing purposes in accordance with mutually beneficial land use agreements between BMA and the relevant grazer); and
	Condition 5 (b)	Replace	
	Condition 5 (c)	Replace	
	Condition 5 (d)	Replace	
Community Communication Strategy	Condition 7 (a)	Replace	
	Condition 7 (b)	Replace	
Consultation, Review, Complaints and Non-Conformance	Condition 9 (a)	Replace	
	Condition 9 (b)	Replace	
	Condition 9 (c)	Replace	
	Condition 9 (d)	Replace	

			<ul style="list-style-type: none"> • BMA has an established and proven complaints recording and response procedure which is implemented as a matter of standard operating practice at BMA. The BMA complaints recording and response procedure is established in accordance with the requirements of the Environmental Authority granted for the Project under the <i>Environmental Protection Act 1994</i>. The requested condition change will enable BMA to align the Coordinator-General required complaints management arrangements with the complaints management requirements imposed on the Project and other BMA mining operations in accordance with Environmental Authorities granted under <i>Environment Protection Act 1994</i>. <p>Other than reducing administrative burdens, the change will not materially affect the Project or BMA's ongoing extensive engagement activities with the community.</p> <p>See Appendix C for further explanation of relevant BMA stakeholder engagement activities.</p>
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Environmental Aspect	Coordinator-General's Report Reference	Comment / Request	Replacement Wording and Reasons for Change
Moranbah BCN	Condition 6 (a)	Replace	<p>With a new condition 6:</p> <p><i>(a) The proponent must establish a consultative group which will act as the key mechanism for updating the community and seeking community feedback during the construction and initial operational phase of the project (i.e. a period of up to 2 years following the commencement of operations). The membership and charter (including changes over time) and decommissioning of the special-purpose-group relating specifically to the project will be determined by the proponent after consultation with the Coordinator-General.</i></p> <p>BMA submits that this change is warranted given that the SIMP has been finalised and the Daunia and Caval Ridge mines will become operational during 2013 and 2014.</p>
	Condition 6 (b)	Replace	
	Condition 6 (c)	Replace	
	Condition 6 (d)	Replace	
	Condition 6 (e)	Replace	
	Condition 6 (f)	Replace	
	Condition 6 (g)	Replace	

Environmental Aspect	Coordinator-General's Report Reference	Comment / Request	Reasons for Change
Environmental Management Representative	Condition 8 (a)	Replace	<p>With a new condition 8:</p> <p><i>(a) At least two months prior to commencement of construction, the proponent shall nominate a suitably qualified and experienced Environmental Management Representative(s) with the authority within the proponent management structure to require reasonable steps be taken to avoid or minimise unintended or adverse environmental impacts. The proponent shall employ the environmental management representative(s) for the duration of construction and commissioning phase of the CRM. The representative(s) shall (a) be the principal point of advice for the proponent in relation to all questions and complaints concerning the environmental performance of the CRM</i></p> <p>This change is warranted on the basis that the requirements for an Environmental Management Representative for the indicated purposes will be redundant after the initial operations phase is completed. Moreover, an Environmental Management Plan covering the operations phase will be approved and implemented in accordance with the <i>Environmental Protection Act 1994</i>. The arrangements detailed in the current version of the Plan have been operating for approximately 9 months during the implementation of construction activities without any difficulties arising. Other than reducing administrative burdens, the change will not materially affect the Project.</p>

Environmental Aspect	Coordinator-General's Report Reference	Comment / Request	Replacement Wording and Reasons for Change
Social Impact Management Plan	Condition 10 (a)	Replace 10 (a) to 10 (l)	<p>With new Condition 10:</p> <p style="text-align: center;"><i>The proponent must implement the Social Impact Management Plan approved by the Coordinator-General in December 2012.</i></p> <p>BMA submits that this change is warranted on the basis that all the necessary management arrangements are contained within the SIMP approved by the Coordinator-General in December 2012. Other than reducing administrative burdens, the change will not materially affect the Project. The change will enable BMA to focus compliance efforts on the requirements of the SIMP rather than the above-mentioned requirements set out in redundant conditions.</p>
	Condition 10 (b)		
	Condition 10 (c)		
	Condition 10 (d)		
	Condition 10 (e)		
	Condition 10 (f)		
	Condition 10 (g)		
	Condition 10 (h)		
	Condition 10 (i)		
	Condition 10 (k)		
	Condition 10 (l)		

Environmental Aspect	Coordinator-General's Report reference	Comment / Request	Reasons for Change
Traffic Management	Condition 15 (b)	Replace	<p>With new Condition 15 (b):</p> <p><i>The proponent must implement the RMP approved by TMR during the construction and commissioning phase of the project.</i></p> <p>This change is warranted to make the wording for the RMP to be consistent with the approach taken in relation to the TMP as set out in condition 15 (i). Both sets of requirements will be redundant following the commissioning of the project. In addition, the RMP and TMP have now both been finalised and are being implemented in accordance with the terms of the RMP and TMP agreed with the administering department. The arrangements detailed in the RMP and TMP have been operating for approximately 9 months during the implementation of construction activities. Other than reducing administrative burdens, the proposed change will not materially affect the Project.</p>
Cumulative Impacts Study	17 (a)	Delete	<p>This change is warranted on the basis that these requirements are redundant as the third party intending to undertake the cumulative impacts study did not proceed with the study. The change will not materially affect the Project.</p>
	17 (b)	Delete	
	17 (c)	Delete	
	17 (d)	Delete	
	17 (e)	Delete	

Environmental Aspect	Coordinator-General's Report reference	Comment / Request	Replacement Wording and Reasons for Change
Glossary, acronyms and abbreviations	Appendix 1, Schedule 6	Insert new term	<p>On page 36 of the Coordinator-General's Change Report on rail alignment changes (Change Report 5), the Coordinator-General indicated that the term "<i>Commencement of Operations</i>" had been used in Change Report 5 and that this term had a particular meaning. "<i>Commencement of Operations</i>" was indicated to mean "<i>any works require to be undertaken in relation to the Caval Ridge Project.</i>" This meaning could be misinterpreted and, as a result, BMA requests that the Coordinator-General clarifies the meaning of the "<i>Commencement of Operations</i>". BMA understands that the intent of references to "<i>Operations</i>" within the Coordinator-General's evaluation report for the Caval Ridge Mine's EIS was for the references to relate to coal production activities as opposed to construction works. On page 150 of the Coordinator-General's evaluation report for the Caval Ridge Mine's EIS, the Coordinator-General refers to the "<i>Operation stage</i>" of the Project being that stage "<i>which applies to the project from the time the CRM coal handling and preparation plant (CHPP) exceeds the 250,000 tonne of coal output point.</i>"</p> <p>BMA requests that the Coordinator-General confirms that "<i>Commencement of Operations</i>" means "<i>the time the CRM coal handling and preparation plant (CHPP) exceeds the 250,000 tonne of coal output point.</i>"</p>

Should the Coordinator-General have diverging views in terms of the changes required to the above conditions, BMA welcomes the opportunity to consult with the Coordinator-General on any proposed changes.

Appendix C – Explanation of Relevant Stakeholder Engagement Activities

Introduction

This appendix has been included in Change Request Number 6 to provide the Coordinator-General with an expanded explanation of relevant BMA stakeholder engagement and complaints management activities. The relevant approaches are those that BMA utilises as part of its standard operating practices relating to existing operations and/or that it is implementing as part of the relevant Social Impact Management Plan (SIMP) approved by the Coordinator-General. This further explanation is particularly relevant to the requested changes to conditions 5, 6, 7 and 9 and is set out under 4 headings as follows:

- Social Impact Management Plan (SIMP);
- Stakeholder Engagement Strategy;
- Complaints Management; and
- BMA Community Networks.

SIMP

On 19 December 2012, the Coordinator General approved the SIMP for the Bowen Basin Growth Coal Growth Project: Caval Ridge Mine. The new condition 10 being proposed as part of Change Request 6 would focus BMA's obligations on implementing the SIMP that was approved in December 2013. BMA is requesting that the Coordinator-General impose the following condition 10.

“The proponent must implement the Social Impact Management Plan approved by the Coordinator-General in December 2012.”

Section 6 of the SIMP contains a detailed Stakeholder Engagement Strategy. The Stakeholder Engagement Strategy contains (at section 6.7) a detailed complaints resolution process.

It is important to note that matters relating to the Daunia mine project have been incorporated in the SIMP even though the Coordinator-General's condition relating to that project did not have SIMP requirements.

The key parts of section 6 (Stakeholder Engagement Strategy) of the SIMP are replicated below.

Stakeholder Engagement Strategy

As set out in section 6.1 of the SIMP, BMA aims to build strong relationships within our communities by developing positive relationships and practising values based stakeholder engagement. For Caval Ridge, the key objectives for engagement are to:

- ensure local residents, businesses and authorities have sufficient information about the project, its activities, workforce and schedule to participate in impact management, monitoring and local development initiatives;
- build relationships which support communication, information sharing and feedback to assist decision making with regard to the impacts of construction and operations of CRM; and
- ensure stakeholder issues and grievances are identified, evaluated, addressed and recorded

A Stakeholder Register has been established, to ensure stakeholders, their interests and contact details are known to the CRM team, and that feedback and complaints are recorded and actioned.

The key stakeholders are specifically identified in the SIMP (section 6.1).

Pre-dating the initiation of the Caval Ridge project and the imposition of conditions of project approval, BMA has been having regular meetings with partners involved in implementation of its local initiatives and local and regional partnerships, as described in Section 5.1 of the SIMP. In addition, BMA works with local and regional stakeholders at individual and group level, to address social infrastructure

needs affecting its workers and families (e.g. working with the IRC and childcare centre proponent to find a solution to the centre's threatened closure).

The CRM team will establish regular consultation with Council and Government stakeholders involved in SIMP initiatives, including:

- meetings with key stakeholders who accept accountability for recommended actions to address cumulative impacts;
- Moranbah BMA Community Network meetings;
- meetings with Isaac Regional Council, including project-specific IRC Steering Committee and Advisory Group meetings;
- meetings of the Moranbah Cumulative Impact Group;
- meetings with Indigenous stakeholders; and
- participation in industry community meetings and interagency meetings.

BMA will maintain its regular briefings and consultation meetings with the Isaac Regional Council, to provide updates on CRM and DM construction;

- provide updates on SIMP delivery, and get feedback from Council on the effectiveness of mitigation strategies; and
- identify ongoing opportunities for Council and BMA to work together to address cumulative impacts.

The schedule for consultation with IRC will be reviewed at the completion of construction, and set as part of the revised SIMP for the operational period. BMA will also continue to meet with Mackay Regional Council on an as-needs basis.

BMA will meet annually with the Department of Communities, Child Safety and Disability Services, Queensland Police, Department of Community Safety, DSDIP Regional Development Unit, and DSDIP SIA Unit during construction. This will be to review SIMP progress, regional development priorities and Government agencies' initiatives to address cumulative impacts. More regular meetings will also be required with local officers of the Police, Community Safety and DSDIP, and these will be agreed with the officers concerned.

BMA has also established general communication mechanisms for CRM including:

- a free call number, answered 24 hours / seven days per week;
- an email address for BMA growth projects to ensure community members have access to the CRM team;
- a reply paid address for written correspondence from the community; and
- promotion of phone, email and reply paid address details on all project correspondence and communication materials.
- A CRM section has been established on the BHP Billiton website and will be maintained until at least
- 24 months after commencement of operation of the CRM. The internet page will provide quarterly
- progress and consultation activities updates, including:
- environmental management reports that are publicly available and the executive summaries of those reports;
- minutes from BMA's Moranbah Community Network meetings;
- quarterly construction bulletin/newsletter; and
- BMA's Feedback and Complaints Procedure, including a 24 hour toll-free complaints contact telephone number.

BMA's local Communications and Community Relations Advisers will provide information, participate in local projects, manage complaints at the local level, and ensure effective lines of communication between the CRM management team and the local community.

The CRM workforce and BMA Community Relations Advisors are trained in regard to information, consultation and complaints procedures and protocols. Section 6.5 of the SIMP details the other communication activities during the CRM construction period.

Section 6.6 of the SIMP identifies that the CRM General Manager will review the communication and engagement strategy three months before operations are expected to commence. A revised Stakeholder Engagement Strategy (SEP) for operations will be provided when the CRM SIMP is reviewed in 2014. Consultation during CRM operations is likely to include:

- ongoing partnership and co-operation with parties responsible for BMA's Community Development and mitigation initiatives;
- BCN meetings, as agreed with the Chair and members (see further discussion below);
- maintenance of communication channels between CRM, IRC, QPS and Emergency Services;
- provision of CRM information on the BHP Billiton website;
- maintenance of the free call number;
- bi-monthly meetings of the BMA Moranbah / Isaac Regional Council;
- maintenance of the complaints and feedback mechanisms; and
- monitoring and reporting of consultation and complaints resolution.

Complaints Management

Section 6.7 of the SIMP details the complaints resolution process associated with the project. The process is the same process used by BMA for its operating mines. This is reflected by the fact that responsibility for receiving complaints rests with the BMA Community Relations team. However, responsibility for addressing and resolving complaints rests with the CRM Approvals and Communications Manager during construction, and with the CRM General Manager during operations. This reflects the practice at BMA's existing operating mines.

Section 6.7.1 of the SIMP, confirms that all personnel including contractors will be made aware of the existence and importance of the complaints mechanism in their on-boarding program, and how to direct a complaint.

The following avenues will be promoted to community members and registered stakeholders for their feedback, input and complaints:

- email, phone and reply paid addresses described in Section 6.2 and included on BHP Billiton's website;
- in person to a community relations advisor, or during a meeting with BMA employees; and
- to a third party such as a government department (e.g. Department of Environment and Resource Management), with links between BMA and departments to ensure that feedback is provided in a timely manner.

Upon receipt of a complaint, the responsible Manager will commence investigation into the cause of the complaint and where mitigation is required, take any reasonable actions required to address the complaint.

Wherever possible, BMA will seek resolution to concerns through dialogue and joint problem solving with affected stakeholders. The way in which complaints are resolved will vary according to the issue, and may range from a reasonable rejection of the complaint (with a full explanation provided to the complainant) to mitigation or change in practices. Depending on the complaint, one-on-one consultation with CRM representatives and/or independent mediation at BMA's expense will be offered.

A verbal response on the facts identified and progress with the investigation will be provided to the complainant within 48 business hours (unless the complainant agrees otherwise), and a detailed written response will be provided within ten business days of the receipt of the complaint.

Upon closing out a complaint, the stakeholder will be contacted by the relevant BMA representative to determine if they are satisfied with the resolution. If dissatisfied, the stakeholder can appeal to BMA for further consultation and investigation. In the event that a complainant rejects a proposed resolution, they will be invited to resubmit the complaint with an explanation or reconsideration and a response.

For unresolved complaints, BMA will also provide access to an alternative dispute resolution mechanism available at no cost to the individual or community. Alternatively, suggest assistance be sought from an independent third party, such as an NGO, community leader, or a locally experienced academic. Figure 2 (from the SIMP and replicated below in Appendix D) summarises the complaints management and response process.

BHP Billiton's Global Ethics Panel also provides oversight of concerns related to business conduct.

The panel is comprised of eight corporate representatives from relevant functional areas and two external advisors. It provides a high-level point of contact for employees. The panel meets quarterly to review all business conduct cases that have been raised through the complaints processes. It also assesses emerging policy issues and recommends to the chief executive appropriate changes to BHP Billiton's 'Code of Business Conduct'.

The Caval Ridge Mine Complaints Resolution Process (illustrated in the figure contained in Appendix D) is the same as the Complaints resolution process for existing BMA mining operations. The BMA process is publicly available at:

<http://www.bhpbilliton.com/home/aboutus/regulatory/Documents/Daunia%20Coal/BMA%20Feedback%20and%20Complaints.pdf>

Section 6.7.2 of the SIMP outlines the process for dealing with non-conformances. Section 6.7.3 sets out the details of the complaints register and related reporting.

The complaints register details:

- name of complainant, date of complaint and how it was made;
- nature of the complaint, issues arising and date of initial response;
- name and department of BMA employee in charge of investigations;
- summary of investigations and actions taken;
- date of written response sent to complainant; and
- complainants' responses to investigations.

BMA Community Networks

BMA is seeking to revise condition 6 to enable the BCN associated with the BBCG Project to be efficiently integrated into the existing BMA community consultation arrangements associated with BMA's existing operating mines.

The BBCG BMA Community Network (BCN) group is in addition to other BCNs which are collectively an important element in BMA's ongoing community liaison and assists BMA to proactively identify potential impacts and management strategies across all of BMA's mining operations. The broader BCNs are collectively the primary mechanism for enabling community engagement under BMA's corporate policies.

The BCNs are organised around key community centres. BCNs are established in Blackwater, Emerald/Capella, Dysart, Moranbah and the Mackay Region (Mackay, Hay Point and Sarina). This

enables BMA to capture community views and sentiments by centre and then collectively across BMA's wider Central Queensland footprint.

BMA proposes to finalise a transition plan for the BBCG BCN to be integrated into the relevant non-BBCG BCN (i.e. relating to Moranbah) over the course of 2013 and the first half of 2014. The transition would include specific project related agenda items on the Moranbah BCN meeting agenda and one or more special purpose workshops involving BBCG BCN members to develop recommendations about:

- future agenda items;
- the potential need for enhancements to the Moranbah BCN terms of reference or operating procedures, ongoing membership arrangements relating to the project; and
- tasks that would need to be implemented to enable SIMP implementation measures to be managed on an ongoing basis.

The documented aims of established non-BBCG project BCNs are to:

- assist BMA to understand community views;
- work with BMA to determine potential impacts and mitigation strategies associated with its mining activities; and
- assist BMA to monitor and measure the effectiveness and appropriateness of its Communities Strategy and priority projects for its local communities.

The terms of reference for the non-BBCG project BCNs are to:

- meet at least every six months to provide an exchange of information;
- consider and comment on a range of information that will be presented;
- advise the Communities Team of current and emerging issues relating to the Community Centre and BMA from the community's perspective; and
- identify, communicate, represent and consider the broad range of needs and interests of the local and regional community and other stakeholders affected by BMA's activities.

The terms of reference for the BCNs identify that, in order for the BCN to operate effectively, membership of each group will attempt to reflect the full breadth of the community. The BCN will also include BMA staff from the relevant Community Centre. Membership from the community will comprise representation from the following areas:

- Business/industry;
- Education;
- Community development and associated support services;
- Youth;
- Health and medical;
- Regional Council/Government;
- Partner(s) of BMA employees;
- Culture e.g. Indigenous or a representative from a cultural minority group; and
- Workforce representatives (2) □ with a diversity emphasis and/or contractor group.

Membership from BMA includes:

- Chair – General Manager of BMA operations (generally rotated);
- Manager Communities; and
- Community Advisor.

The terms of reference identifies that invited members shall represent the local community as a whole, as well as the interests of any particular group or organisation to which they belong.

The selection of members is made by BMA Operations with the support of the BMA Communities Team.

BMA commits to other members are that BMA members will:

- work within the framework of the BCN Terms of Reference;
- allow all members of the BCN to present their views;
- pass on the advice and issues raised by the BCN to relevant BMA personnel;
- provide feedback on how the advice provided by the BCN has been actioned;
- respond within agreed timeframes to requests for information and actions;
- ensure that BCN members are provided with adequate information; and
- support to assist them to contribute to BCN discussions.

Members of the BCN are requested to:

- work within the framework of the BCN Terms of Reference;
- recognise the wide range of issues that must be considered in their deliberations (e.g. technical, social, environmental, Government policy);
- consider and respect the views of other BCN members and those they represent;
- provide timely comments and recommendations to BMA that accurately;
- represent current community opinion;
- canvass and report a broad range of community views and issues;
- provide feedback from BCN meetings to the local community, interested groups and businesses;
- work cooperatively to achieve the best possible project and community outcomes; and
- maintain confidentiality, where requested, to protect the progress of the discussions and to minimise the impact on individual community members.

The BCN meetings are Chaired by the relevant BMA General Manager or Senior Management personnel (note: chair may be rotated in some instances) and are managed as informally as possible to encourage open discussion and information exchange. BMA's Communities Team coordinates and facilitates the meetings.

Members must commit to attending, and participating in, all BCN meetings. If a member does not attend two meetings without prior notice, they will be asked if they intend to continue their involvement. If a member decides, or is in a position, to not continue their involvement, they will not be replaced unless their group's withdrawal would impact on the ability of the group to represent all of the key community issues/groups/community sectors/geographic localities.

BCN members should receive at least two weeks' notice before each meeting. The agenda, and any supporting material that members should consider in preparation for the meeting, will be distributed at least one week before each meeting.

A BMA Communities Team member is responsible for compiling agendas for BCN meetings. However, BCN members may nominate issues for discussion at any BCN meeting and every effort is made to include these on the agenda for the following BCN meeting.

Notes from BCN meetings and any actions and responsibilities arising from discussions are documented and distributed to BCN members within two weeks of each meeting.

The BCNs meet at least every six months and more regularly as required as recommended by BMA or the BCN members. Out of session feedback and input is sought from members via email or through special meetings if deemed necessary.

Appendix D – Figure Summarising Complaints Resolution Process

Complaints resolution process

Complaint received by BMA regarding an issue or concern (construction/operation).

Email | Letter | Telephone/hotline | Meeting | Community display | Other

Complaint recorded in the complaints register and forwarded to the relevant BMA department for investigation.

Verbal response provided to the complainant by BMA within 48 hours, informing complainant of actions being undertaken to investigate the matter.

Internal investigation into the complaint and factors influencing the issue.

If the issue is within BMA's control and can be resolved, implement mitigation or management controls.

If the complaint cannot be resolved or is outside BMA's control, develop a detailed report into potential reasons and influencing factors.

Investigation report including mitigation measures and actions undertaken is recorded in the complaints register.

Verbal response is provided to the complainant within seven business days of receipt of original complaint.

Detailed written response is provided to the complainant within 10 business days of receipt of the original complaint.

If the complainant is happy with the response, the complaint is closed out and result recorded in the register.

If the complainant is unhappy with the response, a manager will review the investigations and make a determination. Response to be recorded in the complaints register.

If the complainant requests independent arbitration, BMA to convene review/appeal panel.