

**METROPOLITAN COAL
COMMUNITY CONSULTATIVE COMMITTEE - MEETING MINUTES**

Date: 15/07/2015

Time: Commenced – 5.06pm

Location: Metropolitan Coal Mine Meeting Room, Upper Administration, Helensburgh

Attendees:

- Lisa Andrews (LA) - Independent Chairperson
- Ryan Pascoe (RP) - Peabody Metropolitan Coal
- Stephen Love (SL) - Peabody Metropolitan Coal
- Andrew Clough (AC) - Peabody Metropolitan Coal
- Suzanne Cryle (SC) - Peabody Energy Australia
- Peter Turner (PT) - CCC Member
- Kerrie Belter (KB) - CCC Member
- Robert Scullion (RS) - CCC Member
- Lorraine Rodden (LR) - CCC Member
- Patricia Gauci (PG) - CCC Member
- Michelle Durant Chambers (MDC) - CCC Member
- Anthony Barnes (AB) - Wollongong City Council

Apologies:

- Brad Staggs (BS) - Wollondilly Shire Council
- John Collins (JC) - Peabody Metropolitan Coal / CFMEU
- Melody Innes (MI) - CCC Member
- Amanda Reilly (AR) - CCC Member
- Allan House (AH) - CCC Member

Welcome and Introductions:

LA: Welcomed everyone to the meeting. Andrew Clough was introduced to the CCC as the new Metropolitan General Manager.

Declarations of Interest:

LA: Declared position as Independent Chair for the CCC; engaged by Peabody Energy.

PT: Declared position as Environmental Group Representative for National Parks Association.

Confirmation of Draft February 2015 Minutes:

- Confirmed by KB, Seconded by LR.

Action items from previous meeting:

- **Action:** KB requested her name be removed from the online Metropolitan Coal newsletter. SC confirmed that this had been done. However, KB had checked and her name was still visible. SC to follow up with Peabody Energy IT and KB.
- **Action:** RS requested exact numbers for the Metropolitan Coal backfill plant. RP outlined that approximately 100,000 tonnes of Coal Wash Reject (CWR) have now been stowed underground, equating to ~6000 trucks in and out of site. In addition Peabody Energy has just approved \$12 million to upgrade the backfill plant capacity.
- **Action:** Any further updates regarding the intersection upgrade at the mine entrance was requested. RP confirmed that no further updates have occurred since last meeting. Metropolitan Coal has requested direction from the NSW Department of Planning & Environment as to what alternative avenues for the upgrade to proceed may be available.

Correspondence Tabled:

27/02/15 – Email from Peter Turner asking for an update on the progress of the longwall

12/03/15 – Email to CCC with the draft minutes from the February 25th meeting.

04/03/15 – Email to the CCC forwarding the longwall progress map

04/05/15 – Email from Peter Turner requesting a copy of a SCT assessment report containing data from the bore over Longwall 10, which formed part of Heritage Computing's 2008 hydrogeology report. This request was forwarded on to Peabody.

06/05/15 – Email to CCC with proposal to undertake a tour of the Port Kembla Coal Terminal.

31/05/15 – Email to Peter advising that Peabody would not make available the SCT report.

19/05/15 – Email from Suzanne Cryle advising that Kerrie's last name has been removed from her profile so she was no longer searchable.

19/05/15 – Email to the CCC postponing the 20 May meeting and tour of the Port Kembla Coal Terminal and rescheduling the CCC meeting to 13/7/15.

01/07/15 – Final draft Motion received from Bob Scullion for tabling at this meeting.

05/07/15 – Email to CCC with Meeting Notice and Agenda for this meeting.

13/07/15 – Email from Amanda Reilly with an apology for this meeting and providing support for the proposed motion.

Notice of Motion: Robert Scullion

RS tabled a motion for consideration of the CCC. Explained that he is satisfied with the way the Metropolitan Coal CCC is run, and the conduct of RP and SL in providing timely information to the CCC. PT questioned if it was appropriate for individuals to be identified in motion. RS explained that he cannot speak regarding other Metropolitan personnel as he does not interact with them. The motion was passed. PT cast a dissenting vote as he disagreed with the 1st and 3rd points of the motion.

Metropolitan Coal Operations Update - Andrew Clough, General Manager

- AC outlined most recent developments in the coal markets – price continues to drop and as a result Metropolitan Coal will reduce production by approximately 600,000 tonnes. Unfortunately this also requires the redundancy of 20-25% of the workforce.
- KB asked how new production profile may affect weekend operations. AC explained that as extraction reduces to a five day weekly schedule Peabody is still assessing whether the CHPP will need to operate five or six days a week.
- RS asked what factors are currently affecting the coal price. AC explained that the slow down in China, coupled with the large increase in capacity from existing mines has resulted in a supply glut which is driving down price. Peabody believe that as production is reduced across industry, price will recover.
- SC asked when voluntary redundancies will commence. AC outlined that expressions of interest will be processed by the end of the week, with redundancies to occur in the following two weeks.
- MDC asked what implications reduced production profile might have for gas drainage. AC outlined that two rigs will operate during the week, with the third running on the weekend. Ultimately gas drainage dictates when coal can be extracted, so drainage in proportion to quantities mined will remain unchanged.
- KB asked how stockpiling on site might change without weekend production. AC explained that overall the reduced production will result in a commensurate reduction in CWR trucking. RP explained that Metropolitan is continuing to work with the washery operator (SADA) to spread out trucking and minimise 'convoys' into and out of site.

Metropolitan Coal Environmental Performance Update - Ryan Pascoe, Manager – Safety & Environmental Services

- RP outlined Metropolitan Coal's environmental performance under the Metropolitan Coal Annual Environmental Management Report and the 2015 Metropolitan Coal Independent Environmental Audit. No performance measures have been exceeded and Metropolitan Coal environmental management is generally at best practice level.
- PG asked if Independent Audit team was same as in 2011 and what the commercial arrangements were for their payment. RP confirmed that audit team was the same, and acknowledged public perceptions around mining companies paying auditors. RP explained that there is not an alternative mechanism to pay for these audits. RP explained that it should also be remembered that the auditors need to maintain their reputation as this dictates whether as Independent Auditors they would be approved by DP&E. Any questionable conduct would likely result in serious repercussions for involved parties.
- LR asked how the criteria of the audit is developed. RP explained that Project Approval outlines the structure of the audit.

Metropolitan Coal Community Support - Stephen Love & Suzanne Cryle

- SL and SC outlined community spend to date and current approach considering current economics. Metropolitan is not currently taking on any new sponsorships, but we continue existing relationships where organisations depend on Peabody funding.
- PG asked about sponsoring upgrade of Helensburgh netball courts. RP confirmed this should be looked at in the future and that some assistance has previously been provided.

General Business:

- KB asked if Metropolitan would continue to lease store on Walker Street. RP confirmed the effectiveness of the centre in allowing community members to liaise with mine and gain answers to any questions. Would be very reluctant to lose store.

Meeting closed:

6:05pm

Next meeting:

14 October 2015, 15:30, (Metropolitan Coal Meeting Room, Upper Admin Building, Helensburgh)