

AGENDA

Port Lincoln Hotel
10.00am – 3.00pm

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1.0 MEETING OPENING:

CHAIR [5 mins]

1.1 Welcome/Apologies

Apologies received to date from:

- › Stephen Smith, Director Policy, LGA of SA
- › Trevor Smith, CEO, District Council of Tumby Bay
- › Dan van Holst Pellekaan, MP, Member for Stuart
- › Melissa Muller, Principal Policy Advisor, Department of Premier and Cabinet
- › Daniel Woodyatt, Director, Resource Policy and Engagement-Mineral Resources Division, Department of Premier and Cabinet

2.0 DISCLOSURE OF CONFLICTS OF INTEREST:

ALL MEMBERS [5 mins]

3.0 CONFIRMATION OF MINUTES:

ALL MEMBERS [5 mins]

3.1 Confidential draft minutes: 9th Meeting: 29 August 2017

Venue: Port Lincoln Hotel
Commencement Time 10.04am

Present:

Rob Kerin	Chair
Geoff Dodd	Coordinator
Tony Irvine	EO, Eyre Peninsula Local Government Association
Rebecca Knol	CEO, South Australian Chamber of Mines and Energy
Trevor Smith	CEO, District Council of Tumby Bay
Eleanor Scholz	Mayor, Wudinna District Council
Jeanine Carruthers	Deputy CEO, RESA
Karen Hollamby	Regions SA, PIRSA [proxy for Minister Brock]
Bryan Trigg	Chair, RDAWEP
Dion Dorward	CEO, RDAWEP
Alexandra Blood	Executive Director, Mineral Resources, DPC
Diana Laube	Presiding Member, EPNRM Board

Invited Guests:

Brad Flaherty	BNJ Consulting
Daniel Woodyatt	Director, Resource Land Access Strategy, DSD
Geoff Rayson	Regions SA, PIRSA
David Christensen	Managing Director, Renascor Resources
Geoff McConachy	Executive Director, Renascor Resources
Evelyn Poole	Consultant, Renascor Resources
Jacques-Etienne Michel	Country Manager, Statoil
Terry Visser	MultiClient Manager, PGS Pty Ltd
Geoff Rogers	Technical Director, Enlighten Power Systems
Peter Scott	Economic Development Manager, RDAWEP
Aina Danis	Executive Assistant, RDAWEP [minute taker]
Melinda Maher	Rail Operations Manager Bowmans Intermodal Pty Ltd
Jonathan Clark	Regional Director, EPNRM Board

Apologies: Bob Ramsay, Stephen Smith, Dan van Holst Pellekaan, Phil de Courcey, Peter Treloar, Don Hogben

1.0 MEETING OPENING:

1.1 Welcome/Apologies

Chair Rob Kerin welcomed members and guests to the meeting and explained the procedure for the day's business.

2.0 DISCLOSURE OF CONFLICTS OF INTEREST:

None tabled.

3.0 CONFIRMATION OF MINUTES:

3.1 Eighth meeting: 7 March 2017

Change Mayor Scholz's Council to Wudinna not Elliston.

RECOMMENDATION:

Moved: E Scholz **Seconded:** T Smith

That the amended minutes pertaining to the meeting of the EP Mineral & Energy Resources Community Development Taskforce held on 7 March 2017 be accepted as a true and correct record of that meeting. **CARRIED**

4.0 PRESENTATIONS

4.1 Jeanine Carruthers, Stakeholder Engagement Manager, RESA: Resources Ready Online Program

- Number of positions have increased over the years and changed from exploration to operations and management.
- Industry Activity 2016-17.
- Current Status.
- Structured series of workshops and mentoring.
- Track record of facilitation by RESA over 2 programs.
- Heavily subsidised through METS Ignited.
- Phase 1 workshops will be streamed to 2 nodes:
  - Upper Spencer Gulf; and
  - Gladstone and Central Queensland.

- 6 x themed full day sessions.
- Mentoring and coaching between sessions.
- Access to resources and online networks.
- Outcomes:
  - develop or refine their resources strategy;
  - strengthened resources industry knowledge;
  - create industry networks; and
  - access mentoring/coaching and consultancy resources.
- RR USG begins 18 October.
- Places for 16 companies.
- Industry contribution of \$3,200 [+GST] per company.
- Registrations are open now. <http://www.resa.org.au/capability-programs/resources-ready-online/>
- National exposure for participating companies.

Phase 2 [if enough interest is shown during Phase 1] encompasses a greater area, such as Port Hedland, Darwin, northern Queensland, Hunter Valley and Newcastle.

4.2 David Christensen, Managing Director/Evelyn Poole, Renascor Resources: Siviour Graphite Deposit Project

Siviour: a Tier-1 Graphite Deposit in South Australia

- Ability to produce a graphite concentrate of high quality and be one of the most competitive mines in the world.
- What makes this deposit unique in the world.
- Project economics.
- High quality graphite product.
- Size: long-life, low-cost.
- Australia: low sovereign risk – Siviour offer graphite supply chain globally competitive graphite within stable political environment.
- Graphite market – high tech growth areas are adding to historical industrial uses:
  - Lithium ion batteries;
  - Fuel cells;
  - Graphene;
  - Expandable graphite;
  - Super capacitors; and
  - Pebble bed reactors.
- China dominates current supply, but market is restricted and unstable:
  - increased domestic demand;
  - supply limitations; and
  - environmental and export restrictions.
- Renascor offers secure supply from Australia:
  - low sovereign risk jurisdiction;
  - established infrastructure; and
  - supportive government.
- Located centrally.
- Optimal location for development and production:
  - favourable jurisdiction;
  - port, road, power; and
  - established workforce.
- Globally competitive project economics – scoping study results:
  - high NPV;
  - low cost of production;
  - fast payback;
  - Siviour's flat laying orientation underpins a low cost of production;
  - OPEX;
  - Siviour has rapidly transitioned from discovery to development;
  - largest graphite deposit in Australia;
  - offers ample scope to expand;
  - initial metallurgical testing has established Siviour as unique in Australia;
  - offering potential to produce concentrates competitive with largest graphite deposits in the world; and
  - with conventional [non-chemical] processing.
- Siviour downstream processing potential:
  - well-positioned to produce premium priced valued added graphite products;
  - ultra high purity;
  - located proximate to modern industrial zones; and
  - downstream testing underway.
- Renascor market information.
- Forward plan and news flow.

4.3 Jacques-Etienne Michel, Country Manager, Statoil: Great Australian Bight Exploratory Drilling Program

- Introduction – Statoil always safe; high value; low carbon.
- Key figures.
- Statoil's exploration goals and portfolio strategy.

- Focus areas.
- Exploring the Asia-Pacific region.
- Large investments in oil and gas are needed:
  - supply and demand factors;
  - gas demand and supply from existing fields; and
  - oil demand and supply from existing fields.
- Opportunities in the energy transition.
- Statoil's planned global exploration programme 2017/2018.
- Statoil in Australia and in the Great Australian Bight.
- 40 years of experience from the harsh and cold North Sea:
  - 6,000 wells;
  - 40 fields; and
  - 60 deep-water wells.
- Building on the history of activity in the GAB.
- Preparing to drill the Stromlo-1 well – a best-case timeline for a success case.
- Progress to date:
  - met with broad range of stakeholders – fisheries, aquaculture, tourism, conservation, Local and State Governments, MPs, Aboriginal groups;
  - over 40 stakeholders met by senior Statoil management;
  - key messages heard, such as
    - ✓ need for transparency;
    - ✓ all risk, no benefit [although some saw potential local benefits];
    - ✓ seismic noise effects;
    - ✓ compensation mechanism [local business continuity during any incident]; and
    - ✓ emergency response plan [relief rig, response time, location of equipment, eg capping stack].
  - most not anti oil and gas exploration.

Terry Visser added that the Department of Industry, Innovation and Science is undertaking a roadshow in early 2018, incorporating information on the pre-release phase, more input from stakeholders, fishing and aquaculture sectors and possible release of more pre-award information and particular sensitivities for these industries.

4.4 Geoff Rogers, Technical Director, Enlighten Power Systems: Alternative Energy Generation Plan - Karpowership

- Introduction/background
- The new dinner party conversation – power supply – monthly average spot energy prices 1/1/16 – 25/6/17.
- Recent history WEP:
  - stranded windfarms developed;
  - Arrium sale;
  - IRD progressing, but short of FID;
  - tourism and retirement development;
  - decentralisation to attractive, self-sufficient regional cities of scale;
  - September 2016; and
  - uncertain status of Port Lincoln power station.
- ElectraNet power supply options – Project Assessment Report.
- Port Lincoln – Eyre Peninsula Power Reliability RIT/T – Karpowership technology:
  - 40-80 MW combined cycle powership;
  - rapid deployment in 120+/- days;
  - LNG gas-fuelled, combined cycle efficiency;
  - minimal cash outlay ahead of generation commencing;
  - negotiable offtake arrangements; and
  - proven solution.
- South Australia-based Key Resources – network map.
- Current SA Power initiatives:
  - SA Government forward power purchase;
  - EOI 250 MW gas fired electricity generating equipment;
  - SAPN 200 MW Temporary Power [gensets];
  - Market player/Ancillary Services; and
  - SACOME consortium forward power purchase.
- South Australian/Victorian power requirements:
  - 250/470 MW = 1 powership; and
  - 1000 MW = 2 powerships.
- Eyre Peninsula power requirements:
  - Whyalla/Arrium – 30 MW;
  - Port Lincoln – 35 MW;
  - other – 2 MW;
  - Iron Road – 500 MW;
  - Oz Mineral – 30 MW; and
  - Statoil/Chevron – 10-100 MW.
- RIT/T Offer.

- How can we help each other [alliance-ing]:
  - increase profile of EP power needs;
  - promote independence of region;
  - take control of energy future;
  - engage with governments, public planners, major investors;
  - support education and technical training with opportunities for local and remote employment; and
  - aggregated purchasing.
- Map of placement of Karpowership.

4.5 Dan Woodyatt, Director Resource Land Access Strategy, DSD: Mining Act Review Status Update

Leading Practice Mining Acts Review:

- Major amendments of mining acts since 1836 through to 2016
- History from 1850s through to 2017.
- Mining lease applications:
  - 1971 Mining lease application 20-100 pages; and
  - 2017 Mining lease application 2500+ pages, expert reports
- Current stage of the Mining Act Review
  - Discuss – November 2016-January 2017;
  - Engage – March 2017;
  - Decide – June 2017; and
  - Draft approval to draft August 2017.
- Regional public meetings.
- 130+ written submissions of 1,000+ pages [high representation from land owners] – all accessible on the SACOME website.
- Key issues raised in submissions.
- Support for Review – quotes from key public submissions.
- Release of update and “policy directions”.
- Compliance in the regions update.
- Policy Directions – topics x 20.
- Next round of publications due on 4 September 2017. – benefits for all.
- Further ongoing engagement.
- Legislative timelines:
  - changes to be balanced and fair; and
  - reduce any potential adverse risks to community, industry and the environment.
- A new Mining Act: Benefits for All:
  - transparency;
  - faster approval times;
  - better protection of the environment;
  - landowner assistance;
  - protections for farmer;
  - ‘use it or lose it’ – market handover of mineral tenements if not worked;
  - digital by default systems, approval tracking; and
  - repeal of obsolete legislation.
- Benefits for industry:
  - reducing overly prescriptive application requirements;
  - removing a whole tier of tenement needed;
  - making more land available;
  - more flexible Bank Guarantees so bond can reduce as you rehab;
  - better recognition of operators/JV/farm-in partners and their rights;
  - more flexible ‘change to operations’ process;
  - it will be cheaper, safer and easier to do business in South Australia; and
  - better environmental protections.
- Benefits for community/landowners:
  - community members will have better/clearer rights.
- Leading Practice Mining Acts Review:
  - Minerals Minister remains committed to the review;
  - Government has committed to drafting phase;
  - Most comprehensive community consultation on minerals legislation ever undertaken in SA [COAG]; and
  - A unique opportunity in history for SA miners, farmers and the community.

Iron Road Limited chose to submit their application through the Development Act and therefore DSD has an interaction role with the Department of Transport. DSD does not have full control of the associated process, but works effectively with the Department of Transport on the Iron Road’s application.

Aboriginal Heritage Act is a vital component of the Act however it is very complex. Engagement with associated Aboriginal groups and a larger conversation is required. Large forum including the traditional groups, etc, will be undertaken.

Meeting adjourned for lunch at 12.37pm and reconvened at 1.26pm.

5.0 REPORTS

5.1 Chairman

No report tabled.

Chair Rob Kerin spoke on the following issues:

- › It would be dismaying if mining companies such as Iron Road Limited sourced their required workforce/support services outside the region and this area needs to be worked on to ensure the community achieves maximum benefits within the area of employment.
- › Power grid – pre-planning required by the government on the issue of future economic development. This issue has been raised with the Premier through the Economic Development Board. Disappointment by the government in the lack of foresight in this area.
- › Attendance as a representative of the oyster industry at a briefing with Chevron in Perth, which was a useful exercise, spending a day on Barrow Island. Statoil were highly spoken of by Chevron during the session. Chevron have a substantial amount of production people on board, covering areas such as safety, relationship building, environmental, etc. It is impressive what Chevron have achieved in the operation. Chevron will need to continue with consultation and address the issues within the fishing industry, particularly the matter of capping stack.
- › Facilitated a meeting between EPLGA, NRM and RDAWEP regarding the Joint Planning Board pilot.

5.2 Members

No reports tabled.

Diana Laube spoke on the effective consultation process undertaken by Chevron.

Eleanor Scholz reported on the consultation session conducted by Iron Road to address any community issues, adding that the consultation phase finishes in September 2017. It was suggested that Iron Road be approached to provide a presentation at the next meeting of the taskforce.

Eleanor Scholz also provided an update stating that Iron Road has included plans for the development of a village adjacent to Wudinna to provide long term accommodation to encourage the workforce to stay in the town.

Jeanine Carruthers encouraged members and the mining companies to support students that undertake the Mining and Civil Engineering skills training program. Members and mining companies to contact Jeanine for further information at any time. Access to qualified training providers is also a problem.

Dion Dorward stated that training courses are an ongoing problem and have been raised with the Training and Skills Commission. Funding is a major concern and a constant bone of contention with government and associated agencies – example given.

5.3 Taskforce Coordinator

Geoff Dodd thanked presenters for taking the time to travel and present at the meeting.

Geoff Dodd briefly expanded on the following items.

- 5.3.1 Statoil
- 5.3.2 Mining Act Review – gratuities discussed. Who does it affect – DC Tumby, Cleve, Wudinna and Kimba.
- 5.3.3 ESCOSA Inquiry – Reliability and Quality of Electricity Supply on the Eyre Peninsula
- 5.3.4 ElectraNet Consultation Report and Workshop
- 5.3.5 SA Power Networks' Strategic Planning Workshop
- 5.3.6 Taskforce Work Plan
- 5.3.7 Taskforce Work Plan [detailed]
- 5.3.8 Taskforce Member Contact Details
- 5.3.9 Taskforce Activities Report 2017
- 5.3.10 Taskforce Questionnaire to Councils

Points of interest:

- › There will be a push with the State Government to assist Councils with their preparedness for future developments in the region.
- › Number of meetings per year for the taskforce will be 3.
- › Liaison with mining companies, the EPLGA and RDAWEP will be ongoing.
- › Members invited to provide input regarding structure of meetings, possible guest speakers, etc.

5.4 LGA of SA

No report tabled.

5.5 Department of State Development [Daniel Woodyatt]

- › Changes within the department and portfolio and the focus on energy supply within South Australia.

5.6 South Australian Chamber of Mines and Energy [Rebecca Knol]

- › Group electricity buying
- › Update on activities within the mining industry
  - Arrium;
  - Oz Minerals;
  - Olympic Dam;
  - Iron Road; and
  - Iluka Resources.
- › Committee structure within SAMCOME.
- › Conference towards the end of the year.

Presentation on SACOME's Electricity Buying Group:

- › July 2016 Wholesale NEM RRP graph.
- › Energy in South Australia.
- › 22 companies – 267 MW = 16% of the State's power supply.
- › Background on the establishment and activities of the Electricity Buying Group.
- › Media coverage on the activities of the group.
- › Benefits.
- › Impacts on companies across all sectors re the recent energy price rise.
- › 14 possible tenderers, which has been shortlisted.

Peter Scott provided a presentation on energy based on the findings by ESCOSA.

As presented and attached with the minutes.

6.0 CORRESPONDENCE

None tabled.

7.0 GENERAL BUSINESS

Dion Dorward provided an update on Port Thevenard, which should be operational again early October 2017. Highlighted the importance of provision of infrastructure and investment into the region to be able to introduce new players into the region.

8.0 NEXT MEETING/CLOSE OF MEETING

Meeting closed at 2.45pm.

4.0 PRESENTATIONS**CHAIR [1hr 15 mins]**

- 4.1 Peter Scott, Economic Development Manager: Hydrogen Energy
- 4.2 Larry Ingle, General Manager/Tim Scholz, Principle Advisory Stakeholder Engagement, Iron Road Limited: Central Eyre Iron Project/Deep Sea Port
- 4.3 Terry Burgess, Chair, Central Eyre Iron Project Taskforce Steering Group
- 4.4 Future Presentations:
  - 4.4.1 Larry Ingle, General Manager/Tim Scholz, Principle Advisory Stakeholder Engagement, Iron Road Limited
  - 4.4.2 Investigator Resources Limited – Paris Silver Deposit, Gawler Craton
  - 4.4.3 Dwayne Povey, Chief Geologist, Lincoln Minerals – Kookaburra Gully Mine
  - 4.4.4 Archer Exploration – Cleve Graphite Project.
  - 4.4.5 Dan van Holst Pellekaan, MP, Member for Stuart – Opposition Mining and Energy Policy
  - 4.4.6 Chevron – Great Australian Bight Oil Exploration
  - 4.4.7 Renascor Resources – Siviour Graphite Project
  - 4.4.8 Associate Professor Michael O’Neil, SA Centre for Economic Studies – Eyre Peninsula Economic Development

5.0 REPORTS

CHAIR [30 mins]

5.1 Chairman

5.2 Members

5.3 Local Government Association of SA

5.4 Department of State Development

5.5 South Australian Chamber of Mines and Energy

6.0 GENERAL BUSINESS

[30 mins]

6.1 Report on LG Questionnaire

Executive Summary:

With several mining ventures and exploration activities on Eyre Peninsula continuing to move closer to establishing on-ground activities, the opportunity has been taken to assess Eyre Peninsula Local Governments' [EPLGA] preparedness to ensure benefits to their communities are identified and any negative impacts are addressed.

The status of planning and preparedness undertaken by the Councils varies greatly from significant to minimal, influenced principally by the proximity of mining activities to townships, Councils' not over committing resources until final approvals and investment decisions have been received and the level of interaction between the mining and exploration companies and the Council.

The level of interaction between Councils and mining and exploration companies seems proportional to the scale of the mining proposal. Overall liaison between Councils, communities and mining companies is good, but the communication and consultation process appears to be led by the mining companies more so than Local Government.

Potential economic opportunities driven by the mining activities have been discussed by Councils and identified in their strategic planning processes, similarly with the EPLGA and Regional Development Australia Whyalla and Eyre Peninsula [RDAWEP]. Yet it does appear that most EP Councils have not been prepared to fully action such strategies and commit additional resources to identify and support economic development opportunities within their townships and districts.

As mentioned, there is an understandable reluctance to commit financially prior to final investment decisions being made, even if such investigations show economic gains to existing industry and commerce without regional mining enterprises being established.

Additional investment to capitalize on new mineral developments on Eyre Peninsula, together with support for the development of existing and new industries needs to be made by all levels of government to grow regional economic productivity in South Australia.

It appears that there has been minimal liaison between the State Government Agencies and Local Government beyond statutory requirements in regard to exploring economic opportunities that could present from mining investment in the region.

Opportunity abounds on Eyre Peninsula, from the development of a deep water port on the east coast of the region, upgraded power transmission to the Eyre Peninsula, new investment in the Whyalla steelworks and export and mining operations, identified renewable energy sources together with significant new mining activities on Eyre Peninsula all support additional investment.

The questionnaire has identified many issues in regard to who takes the lead on regional investment opportunity and much is left to the limited resources of the RDAWEP. The fragmentation of Local Government jurisdiction on regional economic development does not help.

Perhaps a more regional perspective and approach is required. To further encourage investment on Eyre Peninsula the following recommendation is made:

Recommendation:

That the Eyre Peninsula Local Government Association, with the endorsement of the South Australian State Government, support an approach to the Federal Government to investigate, design and develop a Special Economic Zone encompassing the Eyre Peninsula region, inclusive of the City of Whyalla, to incentivise and support investment in new and existing industries, the development of additional export infrastructure inclusive of road, rail, shipping and airports, and to encourage regional population growth.

Furthermore that the State Government, through the Department of Premier and Cabinet and Office for Regional Development, allocate resources to investigate and support the economic growth opportunities presented through the establishment of mining operations and the power transmission infrastructure upgrade on Eyre Peninsula.

Background:

A questionnaire was developed and circulated to the Eyre Peninsula Councils in August 2017 seeking information on Council's assessment of potential impacts from mining activities on their communities and businesses and the status of their planning to deal with such impacts.

Mining and energy will be prominent issues to be addressed on the Eyre Peninsula and many of the region's 11 Councils will need to be involved in developing and addressing the economic opportunities and impacts of such activities.

7 of 11 Councils responded to the questionnaire.

Strategic Reference:

The questionnaire was developed and circulated to EP Councils in line with the Taskforce objectives as adopted by the EPLGA, being to:

- provide a single and strengthened strategic forum for information sharing as to the development of mine sites, infrastructure and community impacts;
- assist Local Government in preparatory strategic planning for housing and support services;
- provide a focus to all State agencies activity (e.g., education, health, police) as a result of mining proceeding and thereby provide support to the EPLGA and RDAWEP as they address local strategic issues;
- ensure strategic actions are being undertaken to address the recommendations and issues raised at the Taskforce table;
- propose strategic ways to build on stakeholder and community engagement with a view to meeting regional long term needs;
- determine clear strategic roles and responsibilities of stakeholders in relation to a developing regional mining industry;
- develop strategic recommendations where required – to be considered by the mining industry, RDAWEP, EPLGA, State and Local Governments to encourage sustainable regional economical growth; and
- assist in the regional coordination of State and Local Governments and agencies to avoid duplication and unnecessary “red tape” to optimise a quality return for the region.

Compiled responses to questionnaire from Eyre Peninsula Local Government Chief Executive Officers:

1. ***Has your Council assessed the social and financial impact of mining development on your community?***
  - a. Council is aware of the issues however have yet to address them in a meaningful manner. Some of the social impact will be addressed through the current Development Plan Amendment in a special manner, e.g. land requirements, but not the actual provision of any social services. The financial impact for the last few years has been entirely negative in addressing mining and exploration issues without any recompense through the ability to rate exploration or mining tenements. Companies are not required to compensate local government for any work undertaken leading up to the commencement of a mine. Agreements required through the PEPR for matters such as road upgrades and maintenance are able to cover financial aspects with full cost recovery and Council is currently addressing this with at least one mining company.
  - b. Not specifically. The issues and opportunities are recognised and addressed in the Strategic Direction Plan adopted early 2016, but there is not a lot of detail beyond that.

Economic Growth and Vitality, this Objective-

Natural resource industries (mining, oil and gas) are facilitated and supported

Strategic Actions-

- Partner with RDA (WEP) and other economic facilitators to advocate and support initiatives in the region to attract diverse industries, grow the low carbon economy, increase local investment and increase employment.
- Develop and action and Economic Strategy in partnership with industry, businesses and RDA (WEP) which promotes Port Lincoln's competitive advantage based on its clean, green, sustainable credentials and regional and worldwide accessibility.
- Investigate and implement land use planning policies to facilitate and enable a diversity of economic investment activities.

Question 1 cont'd:

- Plan for infrastructure that is responsive to the growth of the City, delivered through the Infrastructure and Asset Management Plan.
- Nothing formal. Our Works officers are working on possible changes to use of our road network plus 13 new rail crossings from the Iron Road proposal.
- No
- Not that I am aware of.
- Yes and we have 40 families directly involved in mining currently
- Partially- Work has commenced on a Structural Plan for the community in conjunction with Iron Road to consider these matters. Will recommence shortly pending company funding for the project.

2. Is your Council working closely with mining and exploration companies?

- a. Council works as closely with the mining companies as the companies allow or see fit.
- b. No. We receive the occasional briefing initiated by the companies, usually around key announcements or engagement activity. These briefings usually inform the Mayor and CEO, plus relevant Senior Management Team as required (not the Elected Council). The main, and abnormal, example is Iron Road, whose engagement with us has been active and valuable. Council did resolve to support the Iron Road project in the regional context, while acknowledging that others are more directly affected.
- c. Yes. Have been in constant contact with Iron Road, Archer Exploration (Campoon Graphite) and Renascor (Sivour Graphite).
  - No
  - DC Elliston just gets an update from Iron Road from time to time, also from oil exploration companies.
  - We currently share some synergies in utilising skills/learning
  - Yes - As above

3. Does council have a clear timeframe and understanding of mining activities occurring in their region?

- a. Council has no clearer understanding of the timing of mining proposals than what anyone can read in the papers. These are business decisions that can be pulled right up until the project commencement.
- b. Not in a consolidated form and not proactively updated.
- c. Yes, as above, Council is well informed on the progress of all 3 proposals. At this stage Iron Road appear the most likely to proceed in the short term with the Company hoping for a formal announcement by Dec 2018. This will require significant infrastructure works in our area with major disruption for the directly affected land owners and road users.
  - No development is imminent
  - Council received a recent briefing from Iron Road at its meeting say 3 months ago
  - We believe we are well briefed on this matter.
  - Yes - relatively clearly but not definitively

4. Has Council entered into a formal arrangement with any mining or exploration companies such as a MOU, EOI or other contractual arrangement for services?

- a. Council has an MOU with one mining company. Unless the MOU is quite specific it is not necessarily a useful document aside from a photo opportunity. MOUs are not legally binding. Council is working towards a binding "financial agreement" with a mining company regarding road upgrades and maintenance and other matters.
- b. No. We would have less need to do this, relative to other LG areas.
- c. Council entered into the same MOU with Iron Road as DCW, NRM, EPLGA etc. Archer currently have an option to purchase an unopened road reserve which runs through their Sugarloaf property.

Question 4 cont'd:

- Agreements have been in place with Lincoln Minerals re road upgrades. From time to time agreements have been in place with BHP re their use of Merintha Creek Road to cart sand from Coffin Bay.
- No
- Have entered into MOU's with other service providers but not the mining companies direct. Note we are little away from mainstream
- Yes - We presently have an MOU with Iron Road. It is a top-level agreement not a detailed agreement

5. *Is your Council working with or had contact with the Department of State Development or PIRSA regarding mining activities affecting your community?*

- a. Council has periodic/haphazard contact from DSD and DPTI regarding mining activities and proposals.
- b. Very little contact (and it would be in the context of regional briefings or sessions) and no active work with the agencies.
- c. Not so much recently. Senior Officers met with Departmental managers in Adelaide some time ago regarding the Iron Road proposal. There have also been several consultation & information sessions held (for the public & Council). Council is currently seeking DPTI support to require a grade separation crossing for the Birdseye Highway/Iron Road Infrastructure corridor intersection.
  - No
  - No
  - No not required
  - Yes - Only indirectly and at a preliminary level

6. *Has your Council committed resources specifically to investigating the impact of mining on your community and to develop business strategies for council and the community?*

- a. Council has an annual budget for employee time and resources spent on mining proposals. It is not extra money. It's really just gives an indication of the cost to Council that we currently can't get any assistance with.
- b. No resources committed at this time. Based on the SD Plan Objective and Actions noted above, our Sustainable Projects Delivery Plan will have some nominal allocation of capital and operational project funding, but actual commitment in a budget would be prompted by perceived 'need to act soon/now'.
- c. No. There has been some reluctance amongst Council to commit resources over & above what the officers are doing at this stage. Whilst it is expected that there will be spin offs for our district there is not expected to be major social disruption.
  - No
  - No
  - Previously did this with Iron Clad which came to naught.
  - Yes - Have engaged a planning consultant to assist with preliminary needs concerning DPA amendments for Wudinna Township and advisory services associated with redesign of the Wudinna Aerodrome

7. *Has Council undertaken long term planning relative to mining impacts on council and the community?*

- a. The current DPA references mining and associated activities in providing for future expansion of industrial and residential land. A newly devised transport strategy within the township is in part driven by the anticipated additional heavy vehicle movements to the industrial areas.
- b. Some strategic responses under way –
  - i. Residential DPA ready for approval by Minister, allows for significant growth to accommodate rapid increase in housing demand that could flow from major mining activity
  - ii. London Street Bridge replacement – an asset management measure, but this ensures access for large freight etc vehicles via DPTI roads to the industrial/commercial precinct immediately east of the rail line

Question 7 cont'd:

- Acquisition, refurbishment and expansion of the Aquatic Facility and Leisure Centre, as a commitment to further developing as a liveable regional centre that can attract and retain a skilled workforce on EP.
- In the context of the 'liveable regional centre' outcome, our Sustainable Projects Delivery Plan has significant funding allocated in future years for 'projects' like CBD/foreshore upgrade, Parnkalla Tail extension, 'regional hub facility/s', Nautilus Arts Centre enhancement, and open space improvements.
- No. Council has made no changes to its Long Term Financial Planning as a result of the existing mining proposals
  - No
  - No
  - Yes
  - Partially - As above; in conjunction with the company as we have become aware of their plans and how they will impact on Council/community

8. Does your current strategic planning incorporate impacts relative to mining activities and associated development in the region?

- a. Council's Strategic Planning has strategies and actions to maximise benefits and minimise negative impacts from mining but only on a very high level.
- b. Yes, insofar as the SD Plan identifies the Action items noted above. This is in response to broad project understandings (including oil and gas resource exploration) but not based on significant detailed analysis and forecasting.
- c. The Strategic Plan supports opportunities for economic growth presented by the expansion of the mining industry.
  - Strategic Plan 2016-25 Reference E 4
Advocate for initiatives that preserve and enhance the transport infrastructure of the region, including:
    1. Rail retained and upgraded to be the principal mover of grain and mining produce across the region;
    2. Highways upgraded to improve safety of road users; and
    3. Reduce conflict between social and freight movements.

Reference: State Strategic Plan T56 Strategic Infrastructure
Reference: RDAWEP Regional Plan 1.3.2 Support utility and transport infrastructure development
  - Strategic Plan 2016-25 Reference E 9
Consider the social and environmental impacts on the community of mining proposals while seeking to maximise economic benefits.
Reference: State Government Economic Priority 1. Unlocking the full potential of SA's resources, energy and renewable assets

Reference: RDAWEP Regional Plan 1.3.8 Support the EP Mineral and Energy Resources Community Development Taskforce

Reference: State Strategic Plan T56 Strategic Infrastructure
Reference: RDAWEP Regional Plan 1.3.2 Support utility and transport infrastructure development
  - Yes – to explore any benefits associated with people living within the townships such as Lock, Venus Bay & Elliston
  - Yes
  - No - We have focused primarily on impacts within our District Council area

9. *Has Council considered the impact on current Council services should significant mining activities commence?*

- a. Considered but only addressed in a limited manner.
- b. Not specifically. Our IAMP Improvement Plan identifies the need to understand how certain scenarios of growth would impact on asset/service demand – one of which is a ‘high growth’ scenario – but this work has not yet been done, and not in the 17/18 ABP/Budget.
- c. Our LTFP drivers link any growth in ‘assessments’ (but not simply property value) to (increased) revenue and also to (increased) staff resources. So we should have the capacity to ‘grow’ services as the city grows (but in principle, not before!).
- d. Investigations ongoing in relation to our road network
  - o No
  - o Not that I am aware of
  - o Yes, recent DPA provided for significant growth in and around Cowell
  - o Yes - Primarily with the company during their planning process (Bankable Business Planning etc)

10. *Has Council developed a financial business model post mining activities being established?*

- a. The LTFP addresses normal growth patterns and would need to be adjusted if mining proposals became a reality. The LTFP has to be a realistic document and can’t be a “what if” document.
- b. No, but the pending actions noted above would inform such an exercise and our LTFP would be able to model financial impacts, all for Council’s consideration of a sustainable set of actions and responses.
- c. No
  - o No
  - o No
  - o Long term financial plans current and relevant.
  - o No

11. *Has Council established what State and Federal Government assistance will be required for its community should significant mining activities occur?*

- a. Council is are aware of the services that would need to be expanded but have no numbers of actual service levels. Some work has been commenced on a request for government assistance for road upgrades, especially with regard to heavy vehicles, but no modelling on costs is yet available.
- b. Not at this time.
- c. No
  - o No
  - o No
  - o Yes....however responses on matter such as Electricity, Water and Roads are prefaced by ....”no funds” available
  - o No - We have been primarily focused on company assistance at this stage with an intent to move to State and Federal Assistance once the project is formally announced At that time, we hope to be clear about what the company will assist us with and where the gaps are for which we require assistance

12. *Is Council hesitant to commit financial resources to investigate and forward plan for mining impacts until certainty of mining approval or mining development commences?*

- a. Yes. Council receives no financial compensation for examining mining proposals and has no additional resources to commit to a high level of forward planning.

Question 12 cont'd:

- b. I wouldn't say 'hesitant'. More like 'not sufficiently clear on timing and nature of activities and impacts to warrant short-term resource allocation and see good value from it, relative to all the other demands on our limited resources'.
If the imperative was clear, the impacts reasonably likely and the scope defined, I think the Council would not be 'hesitant' – rightly or wrongly, the current situation has not prompted a view that further investigation and planning is needed 'now'.
My own view is that we should look at the commercial/industrial land use planning issues in the next 12 months, for which we have some recurrent budget capacity (so it can be done if we decide it is timely).

- Yes, as per 6 above.
- This has not been specifically discussed with Council.
A range of things are happening eg Health & Ageing review, advocacy for rail but not directly associated with mining.
- Yes
- Absolutely
- Yes - Yes to any significant extent anyway

13. Are development issues being left to mining companies to address or is council involved in developing solutions in partnership?

- a. The State processes require that mining companies work with local governments, especially at the PEPR stage. However, even with Iron Road being as advanced as they are the interaction is still ad-hoc and limited.
- b. At this stage, it would be led by the mining companies, but we are not aware of any major activity in Port Lincoln. See above re land use planning – we would be more pro-active and engaged if/when this work happens.
- c. Council is being proactive where possible, at this stage mining is only expected to have a substantial impact on our road network.
- Not relevant at present
  - Are not aware of any that affect Council at this stage?
  - Not applicable in our case
  - No - There is an understanding between council and company that partnership solutions will be developed following formal announcement. These are identified within the EIS and further within the PEPR process once complete

14. Would Council support a regional approach to addressing mining related issues, possibly through resource sharing with neighbouring councils for a dedicated position?

- a. Council supported the creation of the Mining Taskforce as a conduit to influencing State Government budgeting and decision making. Unfortunately the Taskforce is not currently reaching its potential. Local Government already assists with funding the RDAWEP and perhaps should be directing more of its activities to service local governments' needs.
- b. Regional approach – yes. Dedicated position on shared resource basis – possibly; would depend on the business case and certainty/urgency of need. I would prefer the RDA-lead model, as below.
- c. We are currently working with other councils in relation to the Iron Road proposal but not sure that a dedicated position is warranted – those other Councils would probably disagree.
- Not discussed with Council, but possibly.
  - Yes – if applicable to DC Elliston?
  - You should ask the Councils directly affected.
  - Has not been discussed by council. I think the needs of respective councils will differ and I think Council will probably want to seek specific solutions for its concerns if/when appropriate. There may certainly be issues that are generic to all councils but I am not sure it will warrant a dedicated position?

15. Should RDAWEP appoint a business/planning facilitator to work with affected Councils, businesses and community?

- a. See above.
- b. Yes – but again, the business case and focus of the role would need to be really clear so that outcomes vs inputs can be seen. Probably a better model than smaller groups of councils running ‘shared resource’ projects/officers which might end up competing with each other rather than optimising regional outcomes.
- c. As above
  - I would see that this work fits within the scope of RDAWEP. Whether a full time position is required would be better known by impacted Councils and RDAWEP.
  - Sounds like a plan
  - Of no benefit to our Council due to current proximity
  - Yes - I think there may be merit in this approach to represent all councils but I think it needs discussion and clarification around role and function

16. Would Council be prepared to contribute financially to such a position with RDAWEP?

- a. See above.
- b. I would recommend yes to the Council, subject to my comments above, and if based on a reasonable proportional funding contribution model that links contribution amounts to the relative impacts, risks and potential economic and other benefits for each LG area.
- c. Probably unable to at present. Council has already adopted a deficit 2017/18 budget to commit additional resources to our road network maintenance (the flip side of a number of good seasons) and may not be seen as a priority at this time for this Council. And if in the near future rate capping is introduced, well . . . . . ?
  - Unknown
  - Only if there are any tangible benefits for DC Elliston.
  - No
  - Has not been discussed by council. Depending on the outcome of Q. 5 this council may be supportive

17. Under the current provisions of the Mining Act, councils are limited in their capacity to raise rate revenue against mining and exploration related activities, do you consider that this is appropriate?

- a. Local Government should be able to rate exploration and mining tenements as occurs in West Australia and NSW. This would assist in a limited manner with our ability to forward plan for the impacts of mining activities.
- b. My own view is neutral and the Council does not have a formal position on this. More revenue-raising capacity would always be nice, but another ‘tax take’ on mining/exploration viability may not be helpful.
- c. This has been considered at Council level a couple of times. If the Iron Road proposal goes ahead our Council area has a significant amount of valuable farming land transformed into the infrastructure corridor. Why should a mining company be exempt from paying rates on privately owned land that has had Council rates paid on it for the last 100 years?
  - I am not familiar with the Mining Act, but agree that where large scale infrastructure is required there should be the opportunity to require the developer to make substantial contributions, or fully fund.
  - No – A study should be done to explore rate raising capacity of affected Councils
  - No
  - No - Unless appropriate alternate agreements are specifically reached with the company to compensate councils for (additional/extraordinary) costs incurred because of their operations.

18. Do you have any other comments or suggestions regarding the impact of mining on your council and community?

- We recognise that even though major mining activity is unlikely to occur in or very close to Port Lincoln, there are likely to be secondary impacts. My view is that some reasonable level of mining activity is quite likely in the foreseeable future (but who knows exactly when?) and so we should be ready to plan and facilitate responses to the impacts in more detail when the 'trigger points' are reached.

For now, our main strategic responses have been:

- to have the SD Plan Actions in place, to be activated as required
- to upgrade the London St Bridge heavy transport link to commercial land east of the rail line
- to undertake (and plan and fund more) major community infrastructure investment with the high-level goal of improving our regional centre 'liveability', which in turn will support the attraction/retention of the skilled workforce needed for mining (and other) economic investment.
- Nothing specific to add. Unfortunately in relation to the Iron Road project, being 'piggy in the middle' means we will potentially suffer maximum inconvenience for minimal benefit compared to our neighbours that are hosting the mine pit & shipping facilities.
- No
- Not at this stage
- Council currently enjoys the benefit of our proximity to Whyalla and its mining based activities. We also have strong connections to drive in and drive out/ fly in and fly our employees as far away as Olympic Dam. Our Council believes that too much emphasis is going on Iron Road for a project which is difficult to sustain at the current iron ore prices. Major projects in our District such as Lucky Bay grain export and our Foreshore Redevelopment are not being fairly represented or assisted in a similar vein.
- Child Care will be a major and immediate need with the arrival of new families establishing within the community because of the mine. These services are already difficult to secure for working families now.

Road works, maintenance, upgrade and construction:

This is one of the biggest issues, which needs ongoing consideration.

While there are no mining activities expected to directly affect Lower Eyre Peninsula in the near future it is recognised that the issue of road upgrades and maintenance is extremely important in managing new development.

Iron Ore mining at Tooligie Hill with export from the Port Lincoln wharf was a likely activity several years ago, and Council lobbied strongly for transport by rail, as it is recognised that the Tod Highway south of Cummins contains very few passing opportunities, and that the road is showing signs of rutting from grain movement.

This issue is similar to grain movement between the strategic Viterra site at Cummins and Port Lincoln, where 2,000 tonnes of grain are moved most days by train, with the rail agreement extending only until 2019.

Council has approached DPTI suggesting that the State Govt needs to seriously think about the cost of maintaining and upgrading the Tod Highway to cater for grain, and possibly mining activity as against the cost of rail upgrade and a lesser level of upgrade/maintenance on the Tod Highway.

Other recent experience with mining was with the Graphite mine south of Port Lincoln, where movement was via Proper Bay Road. The mine operators did some work to upgrade the rubble road leading to the mine site, and in the end only minimal movements occurred on the Proper Bay Road which was accepted.

Any serious mining activity needs to be supported by appropriate rail or road infrastructure.

It is difficult to plan for mining infrastructure from a maybe perspective, but I see the issue of roads / rail being a whole of region issue – eg what do we want to plan as the future for Eyre Peninsula.

Do we believe that rail is imperative to our future (funded by railway lessee, State Govt and Industry), or will the State Govt invest in arterial roads to the extent required.

Service Industries:

○ **Engineering**

Cummins is supported by two engineering businesses (Cummins Bearing & Edillilie Engineering). I have no detail on the extent that these businesses could support a serious mining venture.

○ **Mechanical**

The answer would be similar to Engineering

○ **Other trade services**

The answer would be similar to Engineering

○ **Transport services (fleet vehicles, freight companies)**

We have trucking companies running regularly to Adelaide, but I am unsure of their capacity to deal with mining industry requirements.

○ **Building (industrial, commercial & residential)**

Cummins is well placed with shed building businesses eg Cockaleeche Industries who supply sheds regularly to the farming industry and various shed builders.

○ **Material supplies**

For sheds, as above eg Cockaleeche Industries.

○ **Power ,water and sewer treatment**

These are unlikely to be an issue, however upgrade to services would undoubtedly be required eg electricity transformers, sewerage pump stations, rising mains, extension of water supply.

○ **Industrial estates**

(This is a serious issue)

Cummins and Coffin Bay have appropriately zoned industrial land. However this land is privately owned. In my opinion Council would be better placed if it owned some of this industrial land, especially at Cummins.

○ **Storage and security**

Serious storage facilities would be lacking at present

○ **Personnel recruitment**

(Potentially a serious issue)

Recruitment of skilled people can be an issue in Cummins in particular, as many graduates prefer to live by the sea or in larger towns and cities. However without any real knowledge I believe that engineering type people would relocate to a place like Cummins if a serious mining venture was to occur.

○ **Emergency services CFS, MFS, SES, St John's**

Well placed, although these services are always seeking more volunteers.

○ **Communications (upgrade or establishment)**

(This is a serious issue)

As with Eyre Peninsula generally, the provision of reliable power supplies is an issue.

We are all watching with interest to see what ElectraNet do with our 132 kv line, and the options of local battery supplementation, including to secure supply from Mt Miller and Cathedral Rocks wind farms are also opportunities.

Local Council and community issues:

○ **Expanding services (solid waste, compliance, community facilities)**

Upgrades would be required, and have not been planned.

○ **Tendering for regional contracts**

Council does not have the capacity at present to manage regional contracts

○ **Additional council staff**

This would require a business case to assess cost/benefit of regional works

- **Transport impacts, road, rail and airports.**

As per roads / rail discussion above.

Port Lincoln Airport is well placed to cater for FIFO should the need arise.

Port Lincoln Airport also provides ease of access to Adelaide (35 minutes) from a social perspective increasing the liveability of our region.

- **Community transport services
(This is a serious issue)**

Council has a community bus used for social services in conjunction with the Community Bank. A growing population would require additional social services.

Council is currently undertaking a Health & Ageing in our Community Project aimed at assessing and aiming to address some of the social needs of our communities.

- **Housing developments (impact on vacancies, holiday rentals)**

Council has acquired land in Cummins, and is planning residential expansion. This land would cater for 80 new homes in Cummins which gives some security.

There is more land zoned for residential expansion in Cummins.

In Coffin Bay Council is struggling to convince the Minister to allow rezoning of the Deferred Urban Land to be residentially zoned. This is an ongoing issue, and is critical to Coffin Bay's growth.

Whether this issue has an impact on mining development is subject to opinion, but certainly if the regions inland population was to grow then Coffin Bay would become an even more important tourist location, as it is a place many regional people own shacks or houses.

Part of the move to rezone Coffin Bay land is to increase the permanent population, leading to more retail and service businesses, ultimately supporting the notion of Coffin Bay being a preferred wind down place for Eyre Peninsula people.

- **Worker's accommodation**

Permanent purpose built worker accommodation would be lacking across the Council.

- **Impact on hotels & motels**

Mining and associated population would make hotels more viable.

- **Social & community facilities, sporting centres, community activities & functions**

Cummins is well catered for the basic sports with good facilities across the district.

Population increase would obviously benefit sporting teams, although it is known that mining workers availability for sport is inconsistent.

- **Other services**

- **Health facilities**

Cummins hospital and Cummins Medical clinic would benefit immensely from increased population, and are well placed to cope with a mining venture.

- **Schools**

The school has had student numbers of around 500 in its heyday, and now closer to 300 – so I believe the school could cope with increased population.

- **Shopping facilities (local & regional)**

Cummins and Coffin Bay are both close enough to Port Lincoln in relation to bigger picture regional support services eg Accounting, Dental, Specialist Health, Car purchases.

Cummins has an IGA, hardware and engineering services, but lacks other specialist shops such as clothing / retail.

The local IGA could cope with increased population, and I believe other retail outlets could be accommodated from existing shop fronts.

- **Food suppliers (bakeries, shopping centres, markets)**
Cummins has a bakery, IGA & butcher, and is well catered for.
Coffin Bay is lacking these, but has takeaway shop, hotels/1802/Yacht Club etc.
- **Entertainment**
Some would view lack of alternative entertainment opportunities as an issue, as entertainment is basically limited to sporting clubs (football, netball, basketball, cricket, tennis, bowls) and eating opportunities (hotels/bakery).

Other entertainment is provided at Port Lincoln eg Nautilus Theatre, Horse Racing, Tunarama, Shopping which I consider to be satisfactory.
- **Communication**
As discussed above
- **Police**
Cummins and Coffin Bay both have permanent one man police stations, supported from Port Lincoln.

Council Information supplied by:

- a. **District Council of Tumby Bay**
- b. **City of Port Lincoln**
- c. **District Council of Cleve**
- d. **District Council of Lower Eyre Peninsula**
- e. **District Council of Elliston**
- f. **District Council of Franklin Harbour**
- g. **District Council of Wudinna**



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

Eyre Peninsula Mineral and Energy Resources Community Development Taskforce

Work Plan

As at

March 2018

The purpose of this plan is to clearly set out the project activities to be undertaken, and the intended outputs and outcomes. The plan also ensures that the process for monitoring progress and achievements is defined – doing so will support accountability of achievements and an adaptive management approach. This Plan will need to be reported on, reviewed and updated (where necessary) at each reporting period, proposed to be quarterly.
Data and information reported as set out in this Plan may also be used to report publicly on project and program achievements.

Version	Document Review -Comment	Date
1	First Draft	16/7/2014
2	Review January 2015 – Additional Taskforce Objective No 9 and amendment to Taskforce Objective No 6. Amended Taskforce contact details: Heather Baldock, Presiding Member EPNRM included. Taskforce Title amended by EPLGA to "Eyre Peninsula Mineral and Energy Resources Community Development Taskforce"	27/1/2015
3	Additions to work plan drafted for 12 month period ending June 30 2016.	July 2015
4	Meeting # 4 outcomes added to work plan. Membership amendment, Trevor Smith for Peter Peppin.	March 2016
5	Meeting # 5 outcomes added Confirmation of membership, Trevor Smith for Peter Peppin, Daniel Woodyatt, Director Resource Land Access Strategy, DSD proxy for Ted Tyne Additional Work Plan stages added for 2016/17	May 2016
6	Meeting #7 outcomes concluded. No amendment to Work Plan following meeting #7	March 2017
7 8	Meeting #8 Membership Rebecca Knol for Jason Kuchel SACOME, Meeting #9 Membership Alex Blood, Executive Director, Mineral Resources Division, Department of the Premier & Cabinet: Representing: Minister for Ted Tyne.	March 2017 August 2018
Attachments		
Attachment A: Taskforce membership details		

Taskforce Information

Taskforce Details	
	Eyre Peninsula Mineral and Energy Resources Community Development Taskforce
Title:	Eyre Peninsula Local Government Association (EPLGA)
Originating Organisation:	89 Liverpool Street, Port Lincoln SA 5606
Organisation Address	Tony Irvine, Executive Officer, EPLGA
Taskforce Superintendent	Geoff Dodd, Local Government Business Services
Taskforce Coordinator:	

Linkage to relevant plans and reports	
Name of Report/Plan	
Impact of Mining and Resource Development: A Case Study for Eyre Peninsula Councils (July 2013)	The South Australian Centre for Economic Studies
Local Government Mining Impact Strategy (Draft May 2013)	The Local Government Association of South Australia
Mining Round Table Summary Notes (November 2013)	The Local Government Association of South Australia
Workforce Study for the Resources Sector in the Eyre Peninsula	Resources and Engineering Skills Alliance (RESA) & Innovation Economics
Regional Resource – Mining Exploration & Resources	Regional Development Australia, Whyalla & Eyre Peninsula
Regional Mining Infrastructure Plan	SA Dept. Planning, Transport & Infrastructure
Regional Mining and Infrastructure Planning Project – Eyre & Western Region (Interim Report)	Deloitte for the SA Dept. Planning, Transport & Infrastructure & Commonwealth Dept. of Infrastructure & Transport.
Understanding Mineral Exploration	SA Government - DMITRE
Nuclear Fuel Cycle Royal Commission – Tentative Findings	Nuclear Fuel Cycle Royal Commission
South Australia's Copper Strategy	Department of State Development

Taskforce Detail	
	Growth of the Mining Sector and the potential impact on the Eyre Peninsula led the Local Government Association of South Australia (LGASA) to hold a Mining Round Table in Port Lincoln on 8th November 2013. The purpose was to investigate the likely impact of mining from a Local Government perspective and help Councils to understand and be better prepared to meet the challenges concerning population growth, housing demand and the impacts on community infrastructure and services. The participants included the EPLGA and the eleven member Councils on the Eyre Peninsula, along with RDAWEP, DMITRE, EPNRM Board, SACOME, RESA, PIRSA, SA Arid Lands NRM, the Local Member for Flinders and representation from the mining, oil and gas sectors including the Eyre Peninsula Mining Alliance, Centrex Metals, BP, Lincoln Minerals and BNJ Consultants. The Mining Round Table determined that an integrated planning approach was necessary to maximize the benefits from mining and resources development and that the regional group should be established to provide planning leadership. Recommendations were that the State Government together with the LGASA should consider establishing an "Eyre Peninsula Mining and Community Development Taskforce" • To provide a single and strengthened forum for information sharing as to the development of mine sites, infrastructure demand and community impacts. • To assist Councils in preparatory planning for housing and support services • To provide a focus to all State Agencies activity as a result of mining proceeding and thereby provide support to the EPLGA and RDAWEP as they address local issues. The Eyre Peninsula Mining and Community Development Taskforce would play a similar role as the Olympic Dam Taskforce, enabling a single body to take a regional perspective on industrial development, environmental matters, regional infrastructure and emerging issues that require a joint local Council and State Government decision. The Taskforce could also draw on planning assistance from State Agencies where land use planning and re-zoning issues are necessary at a Council level. Task force representation has been determined by the EPLGA to include: • Independent Chairperson • Deputy Premier/ Treasurer or Nominee • Minister for Regional Development or Nominee • Member for Giles • Member for Flinders • SACOME CEO or Nominee • LGASA CEO or Nominee • EPLGA President • EPLGA CE (non-voting) • Mayor & CEO from a local Council directly affected by mining or exploration • RDAWEP Chairperson & CEO (non-voting) • Coordinator (non-voting)

Stages	Key activities to be undertaken for period (include key planning/preparation, delivery, communication, monitoring and evaluation, reporting activities to be delivered each period)	Annual Budget
July to October 2016	Coordinate meetings with companies re progress updates. Lincoln Minerals, Archer Exploration, Iron Road & others. Coordinate Agenda & presentations for Taskforce meeting # 6	
November to February 2017	Coordinate meeting # 7 agenda & presentations Coordinate meeting updates with Local Governments CEO's involved in mining developments Present report to LG CEO's meeting	
March to June 2017	Prepare annual report to EPLGA Coordinate meeting # 8 agenda & presentations	
July to September 2017	Coordinate meeting #9 agenda, reports & presentations Distribute questionnaire to EP Local Government Collate questionnaire results and draft report for Taskforce	
October to December 2017	Coordinate meeting #10 agenda & presentations Facilitate outcomes & decisions of Taskforce following LG Mining Activities Status Report	
January to March 2018	Liaise with Mining Companies, Local Government and RDAWEP on issues raised by Taskforce Coordinate meeting #11 and action outcomes	
April to June 2018	Liaise with Mining Companies and Local Government Coordinate Meeting #12 Prepare annual report for EPLGA	

Taskforce Actions from prior meetings

Meeting Reference	Action Item	Due Date	Responsibility	Status/ Action Taken
November 3 2014	Taskforce minutes & recommendations from the November 3 rd meeting tabled with the EPLGA meeting held December 5 th 2014.		Taskforce Coordinator	Minutes and recommendations of the EP Mining, Oil & Gas Community Development Taskforce adopted by the EPLGA Board Completed
	Economic Development Policy – Recommendation that a policy supporting local and regional business growth, inclusive of mining, oil and gas development be drafted for consideration and adoption by EPLGA member councils.	Prior to EPLGA annual meeting at Whyalla Feb 22 nd 2015.	Taskforce Coordinator	Economic Development Policy drafted by Coordinator and presented for review to EPLGA Executive Officer and Whyalla & Eyre RDA CEO. Draft Policy to be tabled at EPLGA meeting February 22 nd 2015.
	Consultation Protocol for Local Government Recommended by the Taskforce that a protocol be developed for local government to assist the community's understanding of significant regional development proposals and that the protocol be included in the Economic Development Policy.		LGASA – Skana Gallery	Adopted Amanda Harfield - Legal Services Associate LGA has drafted a 'Resources Development Project Paper' that outlines the 'touch points' between Local Government and resources development projects through legislation and to provide an assessment of how those points impact on the role and responsibilities of Local Government. It will be used to inform the development of a Local Government engagement protocol for gas, mining and oil development projects in South Australia. In Process: Draft document tabled with SAROC
	Taskforce change of title – To present an appropriate reflection of the Taskforce terms of reference the name of the Taskforce has been amended by the EPLGA to "Eyre Peninsula Mineral and Energy Resources Community Development Taskforce"		Taskforce Coordinator	Future records to reflect change of Taskforce name. Completed
	Amendment to Taskforce Objective no. 6 to read "Assist in determining the strategic roles and responsibilities of stakeholders in developing a Regional Mineral and Energy Resources Industry"		Taskforce Coordinator	Taskforce Objective no 6 amended accordingly Completed
March 11 2015	Additional Taskforce Objective no. 9 "Engage with and provide advice to the LGA on projects being undertaken to enhance Local Government's understanding of its role in mining/extraction, community engagement and relationship building with the State Government, Industry and SACOME."		Taskforce Coordinator	Additional Objective added to Work Plan. Completed
	Taskforce minutes & recommendations from the March 11 th meeting tabled with the EPLGA meeting.		EPLGA Secretary	Minutes and recommendations of the EP Mining, Oil & Gas Community Development Taskforce adopted by the EPLGA Board Meeting to be held in June

Meeting Reference	Action Item	Due Date	Responsibility	Status/ Action Taken
March 11 2015 [cont'd]	Taskforce minutes and presentations posted to EPLGA Website		EPLGA Secretary	Completed
	That the Taskforce membership participates in a workshop at its next meeting to review and discuss: - Taskforce Terms of Reference - Taskforce Objectives - Membership and future direction - Other actions relative to Regional Economic Development - and that a summary of the workshop findings be tabled with the EPLGA for consideration		Taskforce Coordinator	Discussion points to be raised in meeting # 3 and suggestions and recommendations to be included within an annual Taskforce activities report to the EPLGA.
				Refer to Taskforce Coordinator's Report # 3
June 2015	Taskforce minutes & recommendations from the 3rd meeting tabled with the EPLGA meeting.		EPLGA Secretary	Completed
	Taskforce minutes and presentations posted to EPLGA Website		EPLGA Secretary	Completed
	That a report be presented to the EPLGA on the activities, presentations & outcomes of the EP Mineral & Energy Resources Community Development Taskforce (EP Taskforce), inclusive of a review of its Terms of Reference and Objectives and recommendations in regard to the future direction of the Taskforce.		Taskforce Coordinator	Completed – Report tabled with EPLGA
November 2015	That the EP Taskforce requests the EPLGA to submit an EOI to SAROC for Eyre peninsula to participate in the pilot program developed by the LCA, titled "Local Government and Resources Industry Development in Regional South Australia"		EPLGA Secretary	EOI Submitted to SAROC – EOI supported by SAROC meeting July 15th
	Taskforce minutes & recommendations from meeting # 4 tabled with the EPLGA meeting.		EPLGA Secretary	Completed
	Taskforce minutes and presentations posted to EPLGA Website		EPLGA Secretary	Completed
	To include the addition of CEO of Resources Engineering Skills Alliance, Phil de Courcey to the Taskforce membership		Taskforce Coordinator	Completed
	Write to Minister for Education (cc Minister for regional Development) re retention of Port Neill Rural School		Taskforce Coordinator	Completed

Meeting Reference	Action Item	Due Date	Responsibility	Status/ Action Taken
November 2015 [cont'd]	Provide submission outlining support from Taskforce & EPLGA for Iron Road CEIP applications to DSD & DAC		Taskforce Coordinator	Completed
	Invitations to Jon Bok, Regional Engagement Manager, Nuclear Royal Commission and Haydon Manning to present to Taskforce		Taskforce Coordinator	Completed
March 2016	Taskforce minutes & recommendations from meeting # 5 tabled with the EPLGA meeting.		EPLGA Secretary	Completed
	Taskforce minutes and presentations posted to EPLGA Website		EPLGA Secretary	Completed
August 2016	Taskforce minutes of meeting #6 and presentations posted to EPLGA Website		EPLGA Secretary	Completed
October 2016	Taskforce minutes of Special meeting #7 and presentations posted to EPLGA Website		EPLGA Secretary	Completed
	Letters forwarded to Federal Ministers for Environment & Energy, Regional Development. Australian Chief Scientist, State Minister for Energy.		Taskforce Coordinator	Completed
	Submission to State Govt. enquiry, Emergency Service Response to Black event		Taskforce Coordinator	Completed
	Contact Executive Officers of Fishing Industries to find out what losses they experienced.		Taskforce Coordinator	Completed – Anecdotal evidence (sourced through local media) that minimal losses incurred due to backup generator systems in place.
	Peter Treloar & Bruce Green to follow up on issues with Port Lincoln's backup generators		Peter Treloar & Bruce Green	I understand that letters have been written .
	Write to Andrew Thiele, SAPOL requesting a report from emergency services organisations, outcomes from their debrief and what learnings/changes have arisen from the power outage event.		Taskforce Coordinator	No letter written – Report from Gary Burns completed.

Meeting Reference	Action Item	Due Date	Responsibility	Status/ Action Taken
October 2016 [cont'd]	Letter to Tony Irvine and Bruce Green, EPLGA suggesting that they report on this meeting to the EPLGA and that they write to Peter Malinauskas MLC suggesting that State Governments resourcing for advertising on what to do in the event of a fire, be broadened to include other emergency situations and that there be an expansion of the Community Education Officer role especially with regards to communication.		Taskforce Coordinator	Completed: Report drafted on meeting #7 outcomes and tabled at EPLGA meeting at Wudinna.
	Letter to Electranet requesting the status of their replacement programme, their intentions to increase capacity on the Eyre Peninsula and inviting their attendance at the next EP Mineral and Energy Resources Community Development Taskforce meeting.		Taskforce Coordinator	Completed: Electranet Executive Manager, Asset Management to present to EP Taskforce meeting March 7th
	In addition, requesting the status of the old line and if or how it will be maintained and used.			
	Geoff Dodd, Dion Dorward and Peter Scott to meet early next week to discuss a strategy around outcomes, actions and correspondence from this meeting.		Taskforce Coordinator	Completed
March 2017	Subject to outcomes from the COAG meeting, write to AEMO expressing urgency on requiring explanations for the causes of the Black Event.		Taskforce Coordinator	Preliminary report released by AEMO outlining sequence of events for loss and restoration of power following black event in South Australia.
	Dion Dorward to write letters to various Ministers outlining issues raised at this meeting, to be hand delivered during his visit to Canberra next week.		CEO RDA Whyalla & Eyre	Dion has met with various Ministers in Canberra.
	Minutes meeting #7 Confirmed.		Taskforce Coordinator	Completed
	Draft Minutes Meeting #8 posted to EPLGA website		Taskforce Coordinator	Completed
August 2017	Annual activities report tabled with EPLGA		Taskforce Coordinator	Completed
	Minutes meeting #8 Confirmed. Draft Minutes Meeting #9 posted to EPLGA website		Taskforce Coordinator	Completed

August 2017	Local Government Questionnaire circulated to Eyre Peninsula Councils – "Preparedness for significant mining activities"	Taskforce Coordinator	Completed
	Electranet submission – Eyre Peninsula Electricity Supply Options PADR feedback	Taskforce Coordinator	Completed

ATTACHMENT: BUDGET SUMMARY as at 14th March 2018

NOTE: All figures are GST exclusive. In-kind contributions should not be included.

Priority Area	Funding Source	2017/18 Budget	2017/18 Actual	Balance
Coordinator contract	EPLGA	\$17,000	\$13,599.50	\$3,400.50
Taskforce Administration & meetings	EPLGA/ RDAWEP	\$8,000	\$3,782.00	\$4,218.00
Total (Ex GST)		\$25,000	\$17381.50	\$7618.50



Eyre Peninsula Mineral & Energy Resources Community Development Taskforce

Taskforce Membership & Contact details as at November 2017

Name	Position/Representation Voting Member	Business Name	Postal Address	Office/Mobile	Email
Rob Kerin	Chairperson	Rob Kerin Consulting		M 0439 933 103	robkerin@ymail.com
Alex Blood, Executive Director, Mineral resources Division, Department of the Premier & Cabinet: Representing: Karen Hollamby, PIRSA Representing:	Hon. Tom Koutsantonis Treasurer, Minister for Finance, State Development, Mineral Resources & Energy, Small Business		GPO Box 2264 Adelaide SA 5001	P 82261866	Alexandra.Blood@sa.gov.au
	Hon. Geoff Brock: Minister Regional Development, Local Government		GPO Box 1671 Adelaide SA 5001	P 82261300 F 82260316	pirsa.ministerbrock@sa.gov.au
Eddy Hughes	Member for Giles (Michelle Wilby PA)		PO Box 2476, Whyalla Norrie SA 5608	P 86457800 F 86450713 M 0447745471	giles@parliament.sa.gov.au michelle.wilby@parliament.sa.gov.au
Peter Treloar	Member for Flinders (Jacqui Marchant PA)		PO Box 1798 Port Lincoln 5606	P 86830722 F 86825912	flinders.portlincoln@parliament.sa.gov.au
Rebecca Knol	CEO Exec Assist. Gabrielle Kiely	SACOME	Mines & Energy House, 290 Glen Osmond Road, Fullarton SA 5063	P 82029999 F 82029900	rkno@sacome.org.au gkiely@sacome.org.au
Matthew Pinnegar	CEO Local Government Association	LGA	GPO Box 2693 Adelaide SA 5001	P 82242022 F 82326336 0409286734	matt.pinnegar@lga.sa.gov.au stephen.smith@lga.sa.gov.au
Stephen Smith Sam Telfer	Director Policy President	EPLGA	PO Box 61 Tumby Bay SA 5605	M 0427885607	stelfer@tummybay.sa.gov.au
Phillip de Courcey	Chief Executive Officer	RESA	1 South Road Thebarton SA 5031	P 7325-8507 M 0423791460	phillip.decourcey@resa.org.au

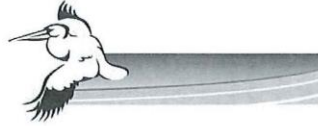
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Name	Position/Representation Voting Member	Business Name	Postal Address	Office/Mobile	Email
Dr. Don Russell	CEO Dept of the Premier & Cabinet	Dept. of the Premier & Cabinet	GPO Box 320 Adelaide SA 5001	P 8226 7967	cindy.roberts@sa.gov.au
Daniel Woodyatt	Director- Resource Land Access Strategy Branch	Dept. of the Premier & Cabinet	GPO Box 320 Adelaide SA 5001	P 8463 3181 M 0408957140	daniel.woodyatt@sa.gov.au
Melissa Muller	Principle Policy Advisor (Observer)	Dept. of the Premier & Cabinet			melissa.muller@sa.gov.au
Charles Moore	Director – Olympic Dam Taskforce/Resources Infrastructure Taskforce (Observer)	Dept. of the Premier & Cabinet	GPO Box 320 Adelaide SA 5001	P 8303 2202 M 0422007059	charles.moore@sa.gov.au
Trevor Smith	EPLGA CEO rep	DC Tumby Bay		P 8688 2101 M 0408948634	tsmith@tumbybay.sa.gov.au
Diana Laube	Presiding Member EPNRM	EPNRM			dlaube@optusnet.com.au
Eleanor Scholz	EPLGA Mayoral rep	Wudinna DC	PO Box 6 Wudinna SA 5652	W 8680 2212 H 8680 2168	eleanor.scholz@tafesa.edu.au
Bryan Trigg	Chairman	RDWEP	PO Box 36 Cleve SA 5640	P 8628 2004 M 0488059501	bryan.trigg@cleve.sa.gov.au
Tony Irvine	EO EPLGA	EPLGA	89 Liverpool Street Port Lincoln SA 5606	P 86826588 M 0428826587	tirvine@eplga.com.au
Dion Donward	CEO RDWEP		89 Liverpool Street Port Lincoln 5606	P 86826588 F 86825081 M 0447711727	dion.donward@rdawep.org.au
Geoff Dodd	Taskforce Coordinator	Local Government Business Services	10 Finke St. Port Lincoln SA 5606	P 86821440 M 0427106598	geoffdodd@lgbs.on.net

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7.0 CORRESPONDENCE**COORD [15 mins]**

- 7.1 Trevor Smith, CEO, DC Tumby Bay: Geoff Dodd, Taskforce Coordinator: Request for a letter of support for the application for funding towards the Agricultural and Mining Industrial Land project.
- 7.2 Geoff Dodd, Taskforce Coordinator: Trevor Smith, CEO, DC Tumby Bay: Letter of support for the application by the DC Tumby Bay for funding towards the Agricultural and Mining Industrial Land project.
- 7.3 ElectraNet: Excerpt from the Executive Summary pertaining to the most economic long-term electricity supply solution for the Eyre Peninsula, seeking feedback on the Project Assessment Draft Report [PADR].
- 7.4 Geoff Dodd, Taskforce Coordinator: Consultation @electranet.com.au: Submission in regard to the ElectraNet Eyre Peninsula Electricity Supply Options PADR.
- 7.5 Geoff Dodd for Rob Kerin, Chair, EP Mineral & Energy Resources Community Development Taskforce: Hon John Rau, Minister for Planning: Letter of support for the submission by the Wudinna DC regarding the Wudinna Industry Zone – Statement of Intent.
- 7.6 Alan McGuire, CEO, Wudinna DC: Hon John Rau, Minister for Planning: Request for agreement to progress the Statement of Intent pursuant to Section 25(1) of the Development Act 1993 adopted by Council on 4 December 2017. A copy of the associated report on the Wudinna Industrial Zone by the CEO was included in the correspondence to the Minister.
- 7.7 Media Releases: Eyre Peninsula Cooperative Bulk Handling and Iron Road Limited: Announcement of the signing of the Memorandum of Understanding between the 2 companies to work together to advance the development of a new grain handling business with export facilities at Cape Hardy.



All correspondence to
be addressed to the
Chief Executive Officer

DISTRICT COUNCIL of TUMBY BAY

PO Box 61, TUMBY BAY
Mortlock Street
TUMBY BAY, SA 5605
P: 08 8688 2101
E: dtumby@tumbybay.sa.gov.au

Our Ref: R17/12820
Your Ref:
Contact: Trevor Smith

23 October 2017

EP Mining and Energy Taskforce
Geoff Dodd
geoffdodd@internode.on.net

Dear Geoff

**Letter of Support
Agricultural and Mining Industrial Land Project**

The District Council of Tumby Bay is applying for a grant through the Building Better Regions Fund to invest in a \$3.8 million infrastructure project to ensure that Tumby Bay has an adequate supply of appropriately zoned and serviced industrial land.

The land is necessary to support secondary agricultural industries, mining and mining related industries and activities. This promises a boost to the farming community through value adding to product and to the Eyre Peninsula through an expanded export market.

The support that the industrial area will provide to the proposed deep sea port at Cape Hardy will assist a competitive export facility that will be used for farming and mining product.

To assist the success of the application the District Council of Tumby Bay is seeking letters of support from industry sectors to benefit from the development. Your support through the provision of a letter would be greatly appreciated. Letters would be required by 3rd November and can be emailed to dtumby@tumbybay.sa.gov.au

Please do not hesitate to contact me on 0408 948 634 if you have any questions regarding this matter.

Kind Regards



Trevor J Smith
Chief Executive Officer
tsmith@tumbybay.sa.gov.au

Eyre Peninsula
Local Government Association

28th October, 2017

Trevor J Smith
Chief Executive Officer
District Council of Tumby Bay
PO Box 61,
Tumby Bay SA 5605

Dear Trevor,

Re: Letter of support, Agricultural and Mining Industrial Land Project

On behalf of the Eyre Peninsula Mineral & Energy Resources Community Development Taskforce (Taskforce), I must support the initiative of the District Council of Tumby Bay in the development of appropriately serviced industrial land and in seeking the support of the Building Better Regions Fund.

The strategic importance of industrial land in close proximity to the Central Eyre Iron Project at Warramboo, the Kookaburra Gully graphite mine in the Koppio Hills and potentially one of the world's largest graphite discoveries by Renascor Resources near Arno Bay cannot be understated.

The availability of appropriately serviced industrial land will encourage investment in the region.

Value adding to existing agricultural industry and encouraging new investment in support services for mining will require serviced industrial land close to residential population and commercial property.

Tumby Bay is ideal as an industrial location, centrally located to mining activities and within close proximity to the planned future deep sea port at Cape Hardy, plus the capacity for significant residential growth.

The initiative of the Tumby Bay Council is supported by the objectives of the Taskforce.

Yours sincerely,



Geoff Dodd
Taskforce Coordinator
Eyre Peninsula Mineral & Energy Resources Community Development Taskforce

89 Liverpool St, Port Lincoln SA 5606
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Mobile: 0427 106 598
Fax: 08 8682 5081

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ABN 53 484 121 376

Eyre Peninsula Electricity Supply Options
15 November 2017



Executive Summary

This report considers the most economic long-term electricity supply solution for the Eyre Peninsula

We understand the importance of a reliable electricity transmission supply to the regional areas of South Australia such as the Eyre Peninsula, and the contribution it makes to both communities and the ongoing economic development of the wider economy.

This Regulatory Investment Test for Transmission (RIT-T)¹ has been initiated to explore electricity supply options for meeting the South Australian Electricity Transmission Code (ETC)² reliability standards for the Eyre Peninsula most efficiently in the future.

Works required to replace components of the existing transmission line in the next few years and the upcoming expiry of the existing backup generation network support arrangement at Port Lincoln provide an opportunity to investigate alternative supply options to the current ageing radial 132 kV network.

In particular, it is timely to assess whether building new higher capacity transmission lines, including over more diverse paths, may result in greater expected net benefits to customers over the long-term, given potential future developments on the Eyre Peninsula. That is, while meeting the ETC reliability standard is the basis of the identified need for this RIT-T, the potential wider market benefits from investing in a more robust network for the Eyre Peninsula means that a broader range of solutions has been considered to meet that need.

Ten variants of five credible options have been assessed, including options for future-proofing the Eyre Peninsula electricity supply

We have investigated ten variants of five broad options for supplying the Eyre Peninsula going forward, which reflect a wide variety of different network capacities and routes.

These options range from:

- maintaining equivalent capacity on the Eyre Peninsula as currently; ie, a single-circuit 132 kV line coupled with network support at Port Lincoln; through to
- upgrading the entire network to 275 kV, with two completely divergent network paths from Cultana to Port Lincoln, in order to provide greater supply reliability.

Three options have been specifically designed for staged development to provide flexibility for potential future mining and/or renewable energy developments on the Eyre Peninsula. Real options analysis was used to estimate the net market benefits associated with the 'future-proof' options, and to compare them with the other investment options.

pg 28. Cont'
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¹ The RIT-T is the economic cost benefit test that is overseen by the Australian Energy Regulator and applies to all major network investments in the National Electricity Market.

² The Electricity Transmission Code is made by the Essential Services Commission of South Australia (ESCOSA) and specifies required reliability standards at transmission network connection points, including on the Eyre Peninsula.

Eyre Peninsula Electricity Supply Options
15 November 2017



Building a new transmission line to supply the Eyre Peninsula delivers the most cost effective long-term solution

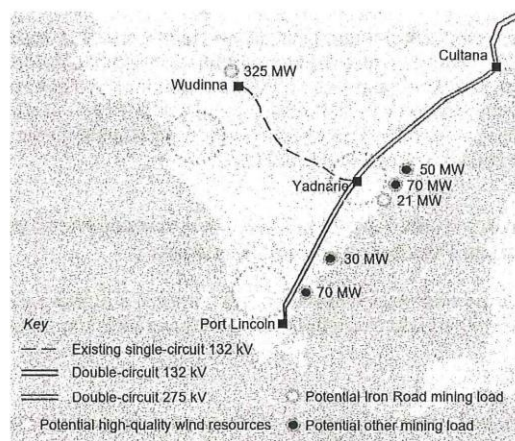
We engaged economic experts HoustonKemp to undertake the economic modelling reported in this Project Assessment Draft Report (PADR).

This assessment identifies that building a new transmission line to supply the Eyre Peninsula is the best option that simultaneously ensures reliable electricity supply to the Eyre Peninsula, consistent with the ETC reliability standards, and delivers the most efficient long-term solution; ie, delivers the greatest net market benefits to customers of the Eyre Peninsula, South Australia and the National Electricity Market.

The highest ranked preferred option (known as Option 4B)³ involves building and operating a double-circuit higher capacity 275 kV line from Cultana to Yadnarie, and a double-circuit 132 kV line from Yadnarie to Port Lincoln, as shown in Figure 1 below.

The estimated capital cost of the preferred option is \$300 million.

Figure 1 – Network configuration under Option 4B and locations of key mining and wind potential



We tested the draft conclusion under a range of alternative assumptions

The conclusion that Option 4B delivers the greatest net benefits has been found to be the case for not only a central set of key assumptions, but also for a range of alternate underlying assumptions regarding the future, as well as numerous sensitivity tests on other key modelling assumptions. Across all reasonable alternate assumptions investigated, Option 4B was consistently found to be the preferred credible option and, in all cases, was found to deliver positive net market benefits.

Even taking the additional benefits provided by the flexible 'future proof' options into account, Option 4B remains the preferred option under the RIT-T.

Option 4B would also remain the preferred option in the event that the Iron Road mining development becomes committed prior to the start of construction of this network option. It would also be the preferred option even if additional mining load never located on the Eyre Peninsula.

³ The preferred option is the one that delivers the greatest expected net benefits under the RIT-T economic assessment.

Eyre Peninsula Electricity Supply Options
15 November 2017

The benefits of most credible options investigated arise from two key impacts of those options on the wholesale electricity market – namely:

- changes in fuel consumption in the National Electricity Market (NEM) arising from different patterns of generation dispatch – in particular, reductions in gas fired generation in South Australia; and
- changes in the timing and type of generation investment – in particular, increasing the efficiency of generation investments, with increased wind farm generation on Eyre Peninsula, reduced wind farm investment in the mid-north region of South Australia, Victoria, and New South Wales, and reduced solar photovoltaic generation capacity in South Australia.

Each of these benefits are expected where credible options allow different patterns of generation dispatch and future construction (and retirement) of generators in the NEM, compared to where the existing single-circuit 132 kV line is retained.

In particular, these benefits are driven by the ability of the credible options to facilitate wind generators connecting on the Eyre Peninsula, which cannot be accommodated under the base case where replacement works are undertaken on the existing limited capacity transmission line.

Customer price impact

The estimated capital cost of the preferred option is about \$220 million more than the 'business as usual' base case of replacing components of the existing transmission line and establishing a new backup generation network support arrangement at Port Lincoln. However, the preferred option would remove the need for the backup network support arrangement and therefore save ongoing operating costs of about \$9 million per annum, which are paid for by electricity customers in South Australia.

The preferred option is estimated to deliver net market benefits of \$120 million over 20 years (in present value terms) and add less than \$3 to the transmission component of the annual electricity bill for the average residential customer in South Australia⁴.

We seek your feedback on this PADR and its draft finding

We welcome written submissions on the information contained in this PADR. Submissions are due on or before 19 January 2018.

Submissions are particularly sought on the credible options presented, the economic assessment undertaken (and its assumptions and methodology), as well as the draft finding that Option 4B is the preferred option involving a double circuit 275 kV between Cultana and Yadnarie and double circuit 132 kV between Yadnarie and Port Lincoln.

Submissions should be marked "Eyre Peninsula Electricity Supply Options PADR feedback" and emailed to consultation@electranet.com.au.

A Project Assessment Conclusions Report, including final options analysis, is expected to be published in April 2018.

⁴ This estimate has been determined using the Australian Energy Regulator's Post Tax Revenue Model.

Eyre Peninsula
Local Government Association

9th January, 2018

To ElectraNet,

consultation@electranet.com.au

Dear Sir/Madam,

Re: Eyre Peninsula Electricity Supply Options PADR feedback

Please accept the following submission on behalf of the Eyre Peninsula Mineral & Energy Resources Community Development Taskforce (Taskforce) in regard to the Eyre Peninsula Electricity Supply Options, Project Assessment Draft Report.

Of greatest importance to the Taskforce is that Electranet designs and upgrades the existing transmission line to the Eyre Peninsula to enable a consistent, reliable and cost effective electricity supply to the region that carries sufficient capacity for future transmission expansion.

It is acknowledged that significant time and effort has been applied to the RIT-T by Electranet in developing the various options for the replacement of the existing transmission line. Electranet should also be acknowledged for the consideration given to the community input in developing the ten variants to the original five options.

The Taskforce considers that replacing the failing components of the existing transmission line is not an option that should be considered by Electranet or supported by the Regulator. Meeting the current South Australian Electricity Transmission Code reliability standards for the Eyre Peninsula as a minimum using a radial 132 kV network should not be considered.

Of the options explored and considered the Taskforce supports the highest ranked preferred option (Option 4B) that involves building and operating a double-circuit higher capacity 275kV line from Cultana to Yadnarie and a double-circuit 132 kV line from Yadnarie to Port Lincoln. Extension of the 275kV double-circuit to Port Lincoln does not appear to be justified at this time, but should not be discounted entirely should circumstances change.

Option 4B meets reliability standards and also offers greater redundancy than a single radial network. It provides additional capacity for future requirements at minimal cost to the consumer and provides opportunity to have greater influence on the National Electricity Market.

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The economic analysis and modeling of the options by HoustonKemp is thorough and appears to include all known influences both financial and physical. Of note is the conclusion that Option 4B is the preferred option regardless of the influence of significant mining activities that may or may not be developed on Eyre Peninsula or the development of additional "green energy" generation.

In conclusion, the Taskforce supports to the preferred Option 4B to construct a double-circuit higher capacity 275kV line from Cultana to Yadnarie and a double circuit 132 kV line from Yadnarie to Port Lincoln at an estimated cost of \$300 million.

Business as usual or replacing the existing ageing radial 132 kV network with like for like must not be considered as a viable option.

Yours sincerely,



Geoff Dodd
Taskforce Coordinator
Eyre Peninsula Minerals & Energy Resources Community Development Taskforce

Eyre Peninsula
Local Government Association

8th December, 2017

The Hon. John Rau
Minister for Planning
C/- DPA Coordinator, Statutory Planning/Planning Division
Department of Planning, Transport and Infrastructure
GPO Box 1815
Adelaide SA 5001

Dear Minister Rau,

Re: Wudinna Industry Zone – Statement of Intent

On behalf of the Eyre Peninsula Mineral & Energy Resources Community Development Taskforce (Taskforce) we offer our support to the proactive approach of the Wudinna District Council in its submission to you of the Wudinna Industry Zone-Statement of Intent.

The SOI clearly recognises the future requirement for appropriately zoned Industrial land to support the massive investment and development of the Central Eyre Iron Project (CEIP) at Warramboo, approximately 25 km southeast of Wudinna.

Further to the State Government's Mining Lease and Development approval granted to the CEIP, it is expected that the project will gain financial backing in the near future for a capital investment of near \$4.5 billion, having a significant impact on the regional economy and the State GDP.

With the approval and development of the mine, rail and port facilities comes an expectation of 2000 construction and 700 ongoing production jobs and a requirement for appropriately located industrial land to support new investment and business development in Wudinna, given its close proximity to the mine.

Council's investigations, structure planning and development planning review have clearly identified the current compromised location of a significant portion of Industrial land adjacent to the Wudinna Airport as well as the demand for industrial land, based on similar large-scale mining projects in Australia.

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The Wudinna Industry Zone-Statement of Intent assists in addressing these issues and positioning the Township of Wudinna for the future.

To assist Council's future planning as an expanding regional centre on the Eyre Peninsula and supporting the South Australian economy, your attention and expedient approval of the SOI is sought.

Yours sincerely,



Geoff Dodd for

Rob Kerin

Chairman, Eyre Peninsula Mineral & Energy Resources Community Development Taskforce



Ref: 17-002957
File: 03.71.07.06-01



6 December 2017

The Hon. John Rau
Minister for Planning
C/- DPA Coordinator, Statutory Planning / Planning Division
Department of Planning, Transport and Infrastructure
GPO Box 1815
ADELAIDE SA 5001

Dear Minister

Re: Wudinna Industry Zone-- Statement of Intent

Pursuant to Section 25(1) of the *Development Act 1993*, please find enclosed a copy of a Statement of Intent adopted by Council at its meeting held on Monday 4 December 2017 and signed by the Chief Executive Officer.

Council now seeks the agreement of the Minister to progress a Development Plan Amendment.

The intention of the Development Plan Amendment is to provide adequate industry zoned land within the town of Wudinna, to meet potential demand due to the Central Eyre Mining Project and to offset the loss of industry land impacted by airport flight path restrictions.

Council's current Development Plan Amendment programme is as follows:

Name of Development Plan Amendment	Stage	Due Date
Wudinna Industry Zone	Statement of Intent	30 May 2018

Council is currently working within the agreed timeframes for the above. It will resource this new Development Plan Amendment by engaging a consultant funded by means of normal budget allocation.

Please contact Stewart Payne on 0417 824 721 for further information.

Yours sincerely

Alan McGuire
CHIEF EXECUTIVE OFFICER

Enc: Statement of Intent

WUDINNA DISTRICT COUNCIL
Chief Executive Officer's Report

Report to: Mayor and Councillors
Meeting Date: 4 December 2017
Reporting Officer: Alan F McGuire
Recommendation: That the Officer's Report be received as tabled

SUBJECT: Development Plan Amendment – Statement of Intent
Agenda Item No: 2.1
Attachments: Statement of Intent

1.0 EXECUTIVE SUMMARY

Pursuant to Section 25(1) of the Development Act 1993 this Statement of Intent forms the agreed basis for the preparation of the proposed Development Plan Amendment.

Where Council is considering an amendment to the Development Plan it must first reach agreement with the Minister on a "Statement of Intent" prepared by Council in accordance with the regulations. The Minister must consult the Advisory Committee for advice. If or when agreement is reached, and the Council decides to proceed it must prepare a proposal to be called the "Development Plan Amendment" (or DPA).

2.0 IMPLICATIONS FOR COUNCIL

Corporate Action Plan 2016-2019 Reference:

This is consistent with Council's strategic policy position.

Financial Implications:

As per Summary & Detail

Legal/Legislative, WHS and Risk Management Implications:

As per Summary & Detail

Policy Implications:

As per Summary & Detail

3.0 DISCUSSION DETAIL

Rationale for Plan Amendment – Wudinna Industry Zone.

The State Government has given mining lease and development approval to the Central Eyre Iron Project (CEIP) at Warramboe approximately 25km to the southeast of Wudinna.

It is expected that the project will gain financial backing in the near future resulting in commencement of major works estimated to cost in the range of \$4.5 billion.

This project will involve the development of a major iron ore mine as well as rail and port facilities. It is expected to generate 2,000 construction jobs and 700 ongoing jobs.

As Wudinna is the only service centre in close proximity to the mine, significant population and employment impacts are expected. As well as population increase, many business activities will seek to become established in Wudinna given its proximity to the mine and the presence of supporting infrastructure the availability of workforce.

Council has undertaken a review of its industrial zoned land to determine availability, servicing requirements and relevant constraints to determine its suitability in meeting expected demand.

The review has uncovered the fact that the majority of Industry Zoned land in the town is severely compromised in terms of limitations on the height of buildings, due to the zone's location under the flight path of the Wudinna Airport.

Chief Executive Officer's Report
4 December 2017

WUDINNA DISTRICT COUNCIL
Chief Executive Officer's Report

As larger aircraft will utilise the airport to support mine operations, landing and take-off flight paths are much shallower than currently allowed for. This creates height restrictions on most of the vacant land within the zone. Building heights will be constrained to 6m and less in the affected area, rendering it unsuitable for industrial development.

As the existing industry zoned land is compromised. Alternative vacant land has been identified which may be developed for industrial purposes. The land identified has sufficient area to meet expected demand, is close to suitable services, and has minimal interface issues.

The plan amendment is required to zone existing Mixed Use Zoned land for industrial purposes to meet the expected demand for industrial land which will be created by the Iron Road Project.

Investigations

Investigatory works have been undertaken to support the proposed rezoning. These works include:

Wudinna Structure Plan: Project Plan and Positioning - Ekistics

This work provided an overview of the Iron Road project and identified a number of impacts upon the town of Wudinna as a result of the project proceeding.

It included population scenario modelling based on different predictions concerning the extent to which locals would meet employment demand at the mine.

It identified the need to examine the available supply of unconstrained industrial land and consider the need for a new and/or expanded Industrial Zone if needed to meet projected demand.

It also identified the need for additional residential land to meet population increase and other issues which might be addressed in a development plan amendment.

The basis for reviewing the suitability of available industrial land was established in the Ekistics report

Planning Review – Industrial land

A desktop review of likely industrial land requirements based upon similar large-scale mining projects. This concluded a need for 20-25 hectares of serviced industrial land to enable the establishment of 2nd and 3rd tier contractors. Then investigations of the impact of flights paths on existing industrial land were undertaken concluding that alternative land was required. Alternative vacant land with development potential was identified.

Airport Modifications Investigations

Council explored options of airport modifications and engaged Aerodrome Design Services Pty Ltd. to advise on potential runway lengthening and other potential solutions to overcome constraints imposed by flight path height restrictions. Generally, works required are extensive and unable to be justified in the immediate term given the Iron Road project does not have financial closure.

DPA Proposal

To follow up on the Ekistics Report and identify a range of zoning amendments to ensure that the town has suitably zoned land to meet population increase demand as well as providing suitably zoned land for employment purposes, a more extensive desktop analysis was undertaken proposing a range of zoning amendments.

4.0 RECOMMENDED ACTION

Pursuant to Section 25(1) of the Development Act 1993 the Statement of Intent be adopted as Council's agreed basis for the preparation of the proposed Development Plan Amendment.

*Chief Executive Officer's Report
4 December 2017*

*Farming together.*Farm Co-operatives
& Collaboration
Pilot Program

EPCBH seeks advantage for local grain growers, signs MoU with Iron Road

Eyre Peninsula Cooperative Bulk Handling (EPCBH) has signed a Memorandum of Understanding (MoU) with Iron Road Limited to work together to advance the development of a new grain handling business with export facilities at Cape Hardy.

The signing demonstrates the parties' intention towards a consortium approach to the building of the grain export facilities.

EPCBH is expected to play an important role in securing additional grain supply, complementing Iron Road's existing agreement with Emerald Grain.

Cooperative spokesperson Bruce Heddle said the group intends to pursue any advantage for the region's farmers.

"This isn't just about improving competitiveness for cooperative members, but for the whole of the Eyre Peninsula.

"The new port provides a significant opportunity for grain growers and we are committed to exploring every option that may bring advantages for farmers."

A business case for funding a feasibility study for the project has been funded by the Australian Government through the Farm Co-operatives and Collaboration Pilot Program (Farming Together).

Mr Heddle said the ageing infrastructure and lack of competition in the region was driving high supply chain costs.

"We have some of the highest unit costs in Australia, and the proposed port has the potential to help reduce these costs.

"The Central Eyre Iron Project (CEIP) already has the support of the State and Federal governments, with major state approval already secured."

Iron Road Managing Director Andrew Stocks said the CEIP would benefit the broader region beyond the mining operations.

"We welcome the partnership with EPCBH and look forward to working with the Cooperative and others to leverage the relative strengths of our industries and advance this project."

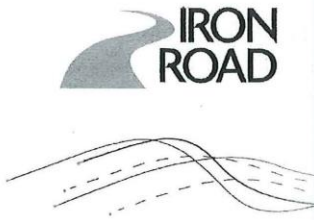
EPCBH was recently formed by Eyre Peninsula grain growers to improve the competitiveness of the region's grain industry.

At their formation, the group expressed an intention to discuss a potential partnership with Iron Road in regards to the export of grains through the Cape Hardy port.

The deep water port will be a first for South Australia.

For more information, please contact Bruce Heddle on 0429 804 042

14 November 2017



IRON ROAD SIGNS MOU WITH EYRE PENINSULA CO-OPERATIVE BULK HANDLING

**Agreement signals consortium approach to the development of a
world class export grain terminal at Cape Hardy**

Highlights

- Memorandum of Understanding (MoU) with Eyre Peninsula Co-operative Bulk Handling Limited (EPCBH) to progress development of a world class, globally competitive grain terminal and export facility at Cape Hardy.
- MoU complements existing partnership between Iron Road and Emerald Grain.
- EPCBH group expected to be instrumental in securing additional supply to the proposed grain terminal and export facility at Cape Hardy.

Iron Road Limited (Iron Road, ASX: IRD) is pleased to advise that the Company has signed an MoU with EPCBH, a farmers co-operative recently formed by prominent Eyre Peninsula grain growers. Under the MoU, Iron Road and EPCBH will work collaboratively to establish a grains export business with facilities at Cape Hardy.

EPCBH's primary objective is to improve the competitiveness of the region's grain industry by using a collaborative approach to enhance returns to growers and farm businesses. At the time of EPCBH's formation, the group expressed its intention to negotiate a partnership with Iron Road and visited the proposed port site at Cape Hardy with Iron Road to develop a better understanding of the opportunities a multi-commodity port could provide.

The MoU with EPCBH is complementary to an existing partnership with Emerald Grain, a wholly owned subsidiary of Sumitomo, where the two parties are working together to develop a new grain distribution and supply chain network utilising Iron Road's planned rail and port facilities at Cape Hardy.

Iron Road Managing Director, Mr Andrew Stocks, reiterated that the Central Eyre Iron Project (CEIP) would unlock significant benefits well beyond the project's mining and ore processing operations.

"We operate on a principle of third party access to our planned infrastructure business. The approved deep water port at Cape Hardy will be a first for South Australia and a fresh approach to infrastructure development in the region," Mr Stocks said.

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"Our ongoing partnership with Emerald Grain, now complemented by EPCBH, will also ensure maximum benefit for local communities and the region.

"We believe the development of multi-user facilities with cross commodity access for other industries, such as grain, will open up substantial additional export and import opportunities and maximise benefits at regional and state levels. To this end Regional Development Australia Whyalla and Eyre Peninsula, on behalf of Iron Road, recently called for preliminary expressions of interest for export, import and other opportunities at the proposed Cape Hardy port.

"We welcome the partnership with EPCBH and look forward to working with them and others to advance this exciting part of the project," Mr Stocks said.

EPCBH's spokesperson Mr Bruce Heddle said the purpose of EPCBH is to pursue opportunities that may arise from the proposed development of Iron Road's new port facility at Cape Hardy, for the benefit of co-op members as well as the broader community. The MoU with Iron Road signifies a concerted effort to work collaboratively with Iron Road with a view to positively impacting the grain industry across the Eyre Peninsula," Mr Heddle said.

- ENDS -

For further information, please contact:

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ASX: IRD

About Eyre Peninsula Co-operative Bulk Handling Limited (EPCBH)

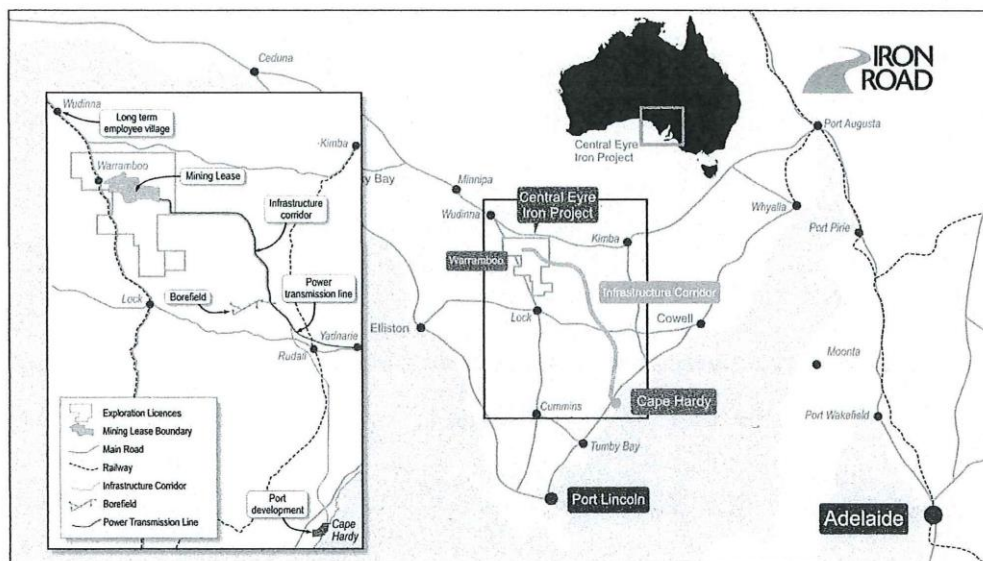
Formed in August 2017 by a group of prominent Eyre Peninsula farmers, EPCBH will pursue opportunities to improve competitiveness for grain growers. EPCBH aims to enhance returns to growers and farm businesses using a collaborative approach. During the past 10 years EP farmers have grown an average of 2.5 million tonnes of grain each year, with over 90% of that grain exported. The strong penetration by others, such as the Ukraine and Russia, into Australia's traditional export markets in Southeast Asia, demands that storage and handling chains be globally competitive. The 'farm to customer' cost structure on the Eyre Peninsula is relatively high and the negotiation of a MoU with Iron Road signals the start of a process to address this. Federal Government assistance through the Farm Co-operatives and Collectives Pilot Program (*Farming Together*) was used to develop a project feasibility study. EPCBH aims to, over time, achieve a broad base of support from the Eyre Peninsula farming community.



About Iron Road Limited (IRD)

Iron Road Limited is the developer of the Central Eyre Iron Project (CEIP), located on the Eyre Peninsula in South Australia which is now at the final stage of planning and pre-construction activities, moving to a Final Investment Decision (FID). The CEIP is a long life proposal, which will produce a high grade, low impurity iron concentrate for export to Asia for an initial mine life of over 25 years. The product will attract a quality premium over reference iron ore prices, and is expected to have substantial benefits for steel mill customers in pollution reduction and operating costs.

Iron Road is building a consortium of aligned organisations with interests in iron concentrate offtake, mining and mineral processing, electricity supply, rail, port export logistics and related activities. Regional Development Australia Whyalla and Eyre Peninsula recently completed a successful Expressions of Interest process identifying third parties with a view to utilising the project's infrastructure.



ironroadlimited.com.au

ASX: IRD

8.0 NEXT MEETING/CLOSE OF MEETING

CHAIR [5 mins]