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ENVIRONMENTAL APPROVAL FOR OLYMPIC DAM EXPANSION

Minister for Mineral Resources Development Tom Koutsantonis has today authorised development approval for BHP Billiton's multi-billion dollar Olympic Dam Expansion Project, clearing the first important stage in the process to allow the mine to proceed.

Mr Koutsantonis today released the Assessment Report of the Olympic Dam Expansion's environmental impact statement, which he described as the most thorough and detailed assessment of its kind in South Australia's history.

BHP Billiton is also required to finalise negotiations with the State Government on a revised Indenture Agreement before the expanded mine can go ahead.

Mr Koutsantonis, who as Indenture Minister has been assigned the authority to approve the development under the major project provisions of the Development Act, says the gazetted approval allows BHP Billiton to:

- construct of a new open pit mine that will eventually consume the existing underground mine with a potential to increase production to approx 750,000 tonnes a year of refined copper plus associated products (uranium oxide, gold and silver);
- to expand the existing smelter and build new concentrator and hydrometallurgical plants to process the additional ore and generate additional concentrate for export;
- a waste rock storage facility (RSF) that would cover 6,720ha and eventually reach a height of approx 150m;
- a new tailings storage facility (TSF) which would eventually reach a height of about 65m, with the total area of the facility measuring approx 4,000ha;
- a new airport to replace the existing facility at Olympic Dam, which will be larger and able to handle aircraft such as the Boeing 737-800 or A320 and support both day and night flights;
- a new gas-fired power station supplied by a new gas supply pipeline from Moomba;
- a cogeneration power station to supplement primary electricity supply;
- a desalination plant at Port Bonython connected to Olympic Dam by a 320km pipeline;
- saline wellfields providing up to 50 ML/day of water, largely used for dust suppression;
- a new 270km electricity transmission line from Port Augusta;
- a 105km rail line connecting Olympic Dam to the national rail network near Pimba, and;
- a rail/road intermodal freight terminal at Pimba.

“This development approval requires BHP Billiton to commit to more than 150 stringent conditions set out in the 447-page Assessment Report,” he says. “Today’s decision is the culmination of a process that began six years ago when BHP Billiton was required to produce a comprehensive EIS.”

“Our best government scientists and environmental experts have spent the past five months testing the technical analysis and scientific modelling provided in that final EIS to verify and prove its accuracy.

“After thoroughly assessing all facets of this project from the air quality to the marine environment in the Spencer Gulf, I am confident this project can be approved with appropriate safeguards.”

Key agencies such as the Environment Protection Authority, PIRSA, Department of Environment and Natural Resources and Department for Water provided input into the final assessment.

Key issues addressed by the conditional development approval include:

- the impact on the marine environment of the Upper Spencer Gulf from the construction of a desalination plant and a landing facility;
- effects on air quality for the residents of Roxby Downs, Hiltaba and other nearby townships from both sulphur dioxide emissions from the smelter as well as fugitive dust from the mine construction;
- impacts on both wildlife and the aquifer from the construction of a new tailings storage facility to handle processed waste from the expanded mine;
- impacts on the public and workers of radiation due to mining, storing and transporting uranium oxide;
- minimising greenhouse gas emissions and implementing renewable energy options;
- impact on highways and other arterial roads from the increased traffic movements due to transporting material from the landing facility and pre-assembly yard to Roxby Downs;
- the effects on housing and accommodation within the Upper Spencer Gulf from an increase in the number of mine and non-mine workers in the State’s Far North and regional centres;
- and adequate rehabilitation and remediation for the existing mine facilities and infrastructure.

Mr Koutsantonis says BHP Billiton must also acquire development approval from the Commonwealth and Northern Territory governments to clear the remaining environmental assessment hurdles.

The Indenture Agreement being negotiated by Premier Mike Rann and the Minister Assisting the Premier with the Olympic Dam Expansion Project Kevin Foley details the various obligations and reciprocal arrangements governing the initial 40-year life of the expanded mine.

“I anticipate an agreement can be reached soon so that legislation ratifying the Indenture can be introduced and passed by Parliament before the end of the current session,” Mr Koutsantonis says.

“There is no doubt that this world class project is good for the South Australian economy, good for South Australian jobs and good for our future prosperity.

“But we also needed to ensure that these tangible benefits weren’t at the cost of the environment and the health and safety of the community and workers at the mine.

“These conditions and the compliance regime imposed on BHP Billiton including the requirement to obtain more than 600 licences and permits provide that assurance.”