GLAISTER John

From: Russell Reichelt <russell.reichelt@gbrmpa.gov.au>
Sent: Thursday, 22 May 2014 9:49 AM
To: GLAISTER John
Subject: RE: Heads up re Qld Nickel [SEC=UNCLASSIFIED]

Thanks John, I'm not sure when that issue will go public.. the proponent has right of appeal I think
Talk to you soon,
Russell

From: GLAISTER John [mailto:John.Glaister@nprsr.qld.gov.au]
Sent: Thursday, 22 May 2014 7:53 AM
To: Russell Reichelt
Cc: KLAASSEN Ben
Subject: Heads up re Qld Nickel

Hi Russ
Tried to call last night (at a function with Minister).
Thanks for the heads up-good call.
Call me if you need public support
JG

Regards,

Dr John Glaister
Director-General
Department of National Parks, Recreation, Sport and Racing
Level 7 | 111 George Street | BRISBANE 4000 | PO Box 15187 | CITY EAST 4002 |
Telephone: 07 3338 9307
Email: john.glaister@nprsr.qld.gov.au

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O'DWYER Kerry

From: KLAASSEN Ben
Sent: Wednesday, 21 May 2014 5:39 PM
To: GLAISTER John
Subject: FW: Queensland Nickel Marine Parks permit application
Attachments: CTS23220-13_732843_ODG_endorsed.pdf

John

Fyi Russell Reichelt called for you to advise the Qld Nickel permit had been refused. Just a heads up at this stage.

Background info below.

Happy to discuss tomorrow.

Regards
Ben

Ben Klaassen
Deputy Director-General
Queensland Parks and Wildlife Service
Department of National Parks, Recreation, Sport and Racing
Level 21 | 111 George Street | BRISBANE 4000 |
Telephone: 07-3199 7538
Email: ben.klaassen@nprsr.qld.gov.au
www.nprsr.qld.gov.au

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From: CAMBOURN Neil
Sent: Wednesday, 21 May 2014 5:34 PM
To: KLAASSEN Ben
Subject: Queensland Nickel Marine Parks permit application

Ben, A good summary below.. and a previous DLO request attached

Neil Cambourn
Executive Director Regional Operations East
Queensland Parks and Wildlife Service
Telephone 07 3199 7518 **Mobile** s.47-Sch4 - Mobile phone
Email: **Neil.Cambourn@nprsr.qld.gov.au**
Department of National Parks, Recreation, Sport and Racing
Level 21, 111 George St BRISBANE QLD

From: Head Damien
Sent: Wednesday, 25 September 2013 5:17 PM
To: Cambourn Neil
Subject: RE: Queensland Nickel Marine Parks permit application

Neil some dots between myself and Jesse to forward back to Lisa

- Queensland Nickel Pty Ltd operates the Palmer Nickel and Cobalt Refinery in Yabulu, Townsville, North Queensland. The company has a joint Commonwealth/State marine parks permit issued by GBRMPA and QPWS for their historic discharge pipeline which extends from the refinery about 1km into Halifax Bay,

between Saunders Beach and Bushland Beach. The pipeline is in waters that are overlapping Commonwealth and State marine parks

- The permit is exclusively for the presence of the infrastructure and does not allow the refinery to discharge anything through this pipe without further permission. This permit expired on 30 June 2013. The assessment of the application to renew their permit is currently being handled through the normal joint permitting arrangement between GBRMPA and QPWS. However acknowledging this is primarily a Commonwealth Marine Park issue as opposed to State (coastal) marine park, GBRMPA are taking the lead with the assessment. Permission has never been granted for discharge from the pipeline into the marine parks. An application to discharge from the pipeline have been refused in 2009 and 2011 by GBRMPA and QPWS.
- Therefore the pipelines purpose has solely been to provide for 'emergency discharge'.
- QPWS has supported GBRMPA's position (for the past 4 years) that it is not acceptable for Qld Nickel to discharge into the Marine Parks unless it is an emergency (1 in 50 year storm event) in which case they do not need permission under the Zoning Plans. Neither of the flooding events in 2009 and 2011 that resulted in discharge were considered by GBRMPA to be emergency events (i.e. not 1 in 50 year events for that area).
- The refinery also has several settling ponds which form the tailings storage facility. In the past, heavy wet seasons have sometimes resulted in overflows from the tailings storage facility or preemptive discharges through the ocean pipeline to reduce pond levels. This occurred in 2009 (associated with Cyclone Hamish) and 2011 (associated with Cyclone Yasi).
- There is a strong view that these events did not constitute the need for emergency discharge rather highlight the absence of appropriate actions to reduce the levels in the settling ponds for an extend period.
- This matter is contentious due to high environmental risks associated with any discharge, GBRMPA have been working with Queensland Nickel Pty Ltd and the Queensland Government (then DERM and now EHP) since 2009 to reduce the risk of unpermitted discharges or overflows from the refinery's tailings storage facility in future wet seasons.
- The EHP environmental authority for Qld Nickel acknowledges wet season discharge into the Marine Parks as an acceptable flood mitigation strategy in order to reduce the risk of catastrophic failure of dam walls which arguably would have a greater impact on the surrounding wetlands and coastal habitat.
- The significance of the environment risks are high.
- Given the accumulation of volume in the Tailings and settlement ponds from predicted wet season rainfall combined with mine production, the pipeline which is only capable of pumping a maximum of 20ML/day, is considered not to be a prompt and effective emergency response but part of an ongoing mitigation strategy.
- **The most recent discharge from the pipeline of 516 tonnes of nitrogen represented a 14% increase in the annual load of nitrogen to the Burdekin catchment**. By way of a comparison the Reef Water Quality Protection Plan and the Queensland Government's ReefWise Farming initiatives have invested heavily in improving farming practices to remove similar loads of nitrogen from the Burdekin catchment (e.g. the Burdekin Water Quality Improvement Plan has a target to remove approx. 350 tonnes of nitrogen through the Reef Water Quality Protection Plan's Water Quality Grants investment program over 5 years). The discharge amounts contained high enough levels of nutrients and heavy metals to more than offset all of the gains achieved by farmers in the catchment over the past 5 years at a cost of millions of dollars through the Reef Rescue program.
- The quality of waste water that has been discharged into the marine parks from the pipeline significantly exceeds ANZECC Guidelines (2000) and the Great Barrier Reef Water Quality Guidelines (2009) for ammonia and several metals.

Participation in reference committee

- Damien Head has been contacted regarding participating in the reference committee, however is yet to respond to the request (request received AM on 25/9/13). The expertise of NPRSR officers on this matter may not be adequate to participate in such a science focused panels. The details on the reference committees roles and largely unknown at this stage.

Damien was contacted by:

George Lukacs | Director - Environment and Sustainability
QUEENSLAND NICKEL PTY LTD
Greenvale Street, Yabulu QLD 4818
P > +61 7 4720 6422 | F > +61 7 4751 1208 | M >49-Sch4 - Mobile phone

PTI DL RELEASE - NPSR

E > George.Lukacs@qni.com.au<mailto:George.Lukacs@qni.com.au>

From: Lisa Myers [mailto:Lisa.Myers@ministerial.qld.gov.au]
Sent: Wednesday, 25 September 2013 3:39 PM
To: DLO NPRSR
Cc: Cambourn Neil; Head Damien
Subject: Queensland Nickel Marine Parks permit application

Good afternoon

We have been approached by Queensland Nickel in relation to their MP permit application G36275. I understand GBRMPA have been going down this track for some time.

Can we please get some advice as to what NPRSR's role is in this? And whether the Dept supports the pipeline being removed?

I also understand Queensland Nickel are requesting Parks representation on a Reference Committee for the Independent Science Panel for the Palmer Nickel and Cobalt Refinery. Damien Head may have been approached.

If we could get some advice by COB 3 Oct that would be great.

Thanks

Lisa Myers
Policy Advisor | National Parks
Office of the Hon. Steve Dickson MP | Minister for National Parks, Recreation, Sport and Racing
Phone: 07 3224 7477 | Fax: 07 3012 7725
111 George Street | Brisbane | QLD 4000
GPO Box 15187 | Brisbane | QLD 4001
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DEPARTMENT OF NATIONAL PARKS, RECREATION, SPORT & RACING

RESPONSE TO MINISTER'S OFFICE QUERY/WORK REQUEST

REQUEST DATE: 25 September 2013

ISSUE: Queensland Nickel Pty Ltd (Queensland Nickel) Outflow Pipeline Marine Park Application

QUESTIONS:

- Please provide some advice as to what the Department of National Parks, Recreation, Sport and Racing's (NPRSR) role is in regards to Queensland Nickel's marine park permit application G36275?
- Does NPRSR support the pipeline being removed?
- Queensland Nickel is requesting Queensland Parks and Wildlife Service (QPWS) representation on a Reference Committee for the Independent Science Panel for the Palmer Nickel and Cobalt Refinery. Damien Head may have been approached.

BACKGROUND:

- Queensland Nickel operates the Palmer Nickel and Cobalt Refinery in Yabulu, Townsville, North Queensland.

Pipeline

- Queensland Nickel has a joint Commonwealth/State marine parks permit issued by the Great Barrier Reef Marine Park Authority (GBRMPA) and QPWS for their historic discharge pipeline, which extends from the refinery to about one kilometre into Halifax Bay, between Saunders Beach and Bushland Beach.
- The pipeline is in waters that are overlapping Commonwealth and State marine parks.
- The permit provides exclusively for the presence of the infrastructure and does not allow the refinery to discharge anything through this pipe without further permission.
- This permit expired on 30 June 2013.
- The assessment of the application to renew their permit is currently being handled through the normal joint permitting arrangement between GBRMPA and QPWS. However acknowledging this is primarily a Commonwealth marine park issue as opposed to the State's (coast) marine park, GBRMPA are taking the lead with the assessment.
- A key consideration of the assessment is the environmental risks associated with either retaining or seeking removal of the pipeline.
- The permit is still under assessment and it is unlikely that Queensland Nickel will be requested to remove the pipeline.
- Queensland Nickel has indicated they have no intention to discharge from the pipeline.

Pipeline Discharge

- A permission has never been granted for discharge from the pipeline into the marine parks, with two applications refused in 2009 and 2011 by GBRMPA and QPWS.
- Therefore the pipelines sole purpose has remained for 'emergency discharge'.
- For the past four years, QPWS has supported GBRMPA's position that it is not acceptable for Queensland Nickel to discharge into the marine parks unless it is an emergency (1 in 50 year storm event) in which case, a permission is not needed under the zoning plans.

Prepared by: Damien Head Title: A/RD - GBR Bus Area: QPWS Telephone: 4967 7350 Date Prepared: 26 September 2013	Endorsed by: Natalie Ormsby Title: A/Deputy Director General Bus Area: QPWS Telephone: 3330 5270 Date: 1 October 2013	Recommended by: John Glaister Title: Director General, NPRSR Telephone: 3338 9307 Date Approved: 1/10
Date Received in MO:	MO Clearance by:	Date Cleared: 1/10

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Release

Neither of the flooding events in 2009 and 2011 that resulted in discharge were considered by GBRMPA to be emergency events (i.e. not 1 in 50 year events for that area).

- The refinery also has several settling ponds which form the tailings storage facility (TSF). In the past, heavy wet seasons have sometimes resulted in overflows from the TSF or pre-emptive discharges through the ocean pipeline to reduce pond levels. This occurred in 2009 (associated with Cyclone Hamish) and 2011 (associated with Cyclone Yasi).
- There is a strong view that these events did not constitute the need for emergency discharge, but rather highlighted the absence of appropriate actions to reduce the levels in the settling ponds for an extended period.
- This matter is contentious due to the high environmental risks associated with any discharge, GBRMPA have been working with Queensland Nickel and the Queensland Government (the then Department of Environment and Resource Management and now the Department of Environment and Heritage Protection (EHP)) since 2009 to reduce the risk of unpermitted discharges or overflows from the refinery's TSF in future wet seasons.
- EHP environmental authority for Queensland Nickel acknowledges wet season discharge into the marine parks as an acceptable flood mitigation strategy in order to reduce the risk of catastrophic failure of dam walls which arguably would have a greater impact on the surrounding wetlands and coastal habitat.
- Given the accumulation of volume in the TSF from predicted wet season rainfall combined with mine production, the pipeline which is only capable of pumping a maximum of 20 megalitres per day, is considered not to be a prompt and effective emergency response but part of an ongoing mitigation strategy.
- Notwithstanding, the environment costs associated with discharges are high.
- The most recent known discharge from the pipeline of 516 tonnes of nitrogen represented a 14% increase in the annual load of nitrogen to the Burdekin catchment.
- By way of a comparison the Reef Water Quality Protection Plan and the Queensland Government's ReefWise Farming initiatives have invested heavily in improving farming practices to remove similar loads of nitrogen from the Burdekin catchment (e.g. the Burdekin Water Quality Improvement Plan has a target to remove approximately 350 tonnes of nitrogen through the Reef Water Quality Protection Plan's Water Quality Grants investment program over five years). The discharge amounts referred to above contained high enough levels of nutrients and heavy metals to outweigh all of the gains achieved by farmers in the catchment over the past five years at a cost of millions of dollars through the Reef Rescue program.
- In addition, the quality of waste water that has been discharged into the marine parks from the pipeline significantly exceeds ANZECC Guidelines (2000) and the Great Barrier Reef Water Quality Guidelines (2009) for ammonia and several metals.

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CURRENT STATUS

- To address many of the above concerns and oversee the formulation of discharge mitigation strategies two committees have been established by Queensland Nickel, an Independent Scientific Advisory Committee and a Government Reference Committee.
- The focus of the Government Reference Committee is to encourage open dialogue and repair relationships between Queensland Nickel and Government departments. In addition, the committee will identify appropriate strategies to minimise stormwater runoff into tailings facilities, explore and understand alternative disposal solutions and evaluate risks of further pipeline discharge.
- Queensland Nickel has sought NPRSR's interest in participating in the reference committee in conjunction with representatives from EHP (Ms Ingrid Fomiatti Minnesma, Regional Manager), Townsville Regional Council (Mr Gavin Lyons) and GBRMPA (Ms Rachel Reese, Manager).

Prepared by: Damien Head Title: A/RD - GBR Bus Area: QPWS Telephone: 4967 7350 Date Prepared: 26 September 2013	Endorsed by: Natalie Ormsby Title: A/Deputy Director General Bus Area: QPWS Telephone: 3330 5270 Date: 1 October 2013	Recommended by: John Glaister Title: Director General, NPRSR Telephone: 3338 9307 Date Approved:
Date Received in MO:	MO Clearance by:	Date Cleared:

- NPRSR will accept the offer to participate in the reference committee and will be represented by Mr Damien Head, A/Regional Director, Great Barrier Reef Region and Mr Jesse Low, Team Leader, Assessment and Approvals Unit.
- The reference committee plan to meet next early in 2014.

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Prepared by: Damien Head Title: A/RD - GBR Bus Area: QPWS Telephone: 4967 7350 Date Prepared: 26 September 2013	Endorsed by: Natalie Ormsby Title: A/Deputy Director General Bus Area: QPWS Telephone: 3330 5270 Date: 1 October 2013	Recommended by: John Glaister Title: Director General, NPRSR Telephone: 3338 9307 Date Approved:
Date Received in MO:	MO Clearance by:	Date Cleared:

MURRAY Michael

From: DLO NPRSR
Sent: Friday, 30 May 2014 11:27 AM
To: GLAISTER John
Cc: DLO NPRSR; O'DWYER Kerry
Subject: MIN BN: Queensland Nickel Pty Ltd's marine discharge pipeline
Attachments: cavanaghch_30-05-2014_11-21-09.pdf

Good morning John

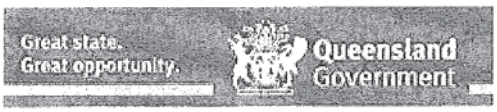
Please find attached briefing note advising the Minister of the latest departmental decisions relating to Queensland Nickel Pty Ltd's marine discharge pipeline.

This brief has now been progressed to the Minister's Office.

Thanks

Chloe Cavanagh

Department Liaison Officer, Office of the Director-General
Department of National Parks, Recreation, Sport and Racing
Level 7 | 111 George Street | Brisbane
Tel 07 3338 9309
www.nprsr.qld.gov.au



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CTS No. 13143/14

Chief of Staff	OK
Dated / /	
Approved Not Approved Noted	
Further information required	
Minister.....	
Dated / /	

Department of National Parks, Recreation, Sport and Racing
MINISTERIAL BRIEFING NOTE

TO: **Minister for National Parks, Recreation, Sport and Racing**

SUBJECT: **Queensland Nickel Pty Ltd's marine discharge pipeline**

TIMEFRAME

- Noting of this briefing note is urgently required by 30 May 2014 to ensure the Honourable Steve Dickson MP, Minister for National Parks, Recreation, Sport and Racing, is aware of the latest departmental decisions in relation to this high profile infrastructure.

RECOMMENDATION

It is recommended that the Minister:

- **note** a joint State and Commonwealth Marine Park permit application for the ongoing operation (not including discharge) of a marine outfall pipeline has been refused for the nickel refinery in Yabulu, Townsville, Queensland Nickel Pty Ltd (the applicant), owned by Mr Clive Palmer. This was refused on the basis of failure to comply with previous permit conditions, lack of demonstrated need for the structure and the applicant being assessed as 'not a suitable person'
- **note** notification of this decision is to be sent (via the Great Barrier Reef Marine Park Authority (GBRMPA)) to the applicant by 30 May 2014. It is unclear what action the applicant will take following advice of this decision.

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BACKGROUND/KEY ISSUES

- GBRMPA along with Queensland Parks and Wildlife Service, Assessment and Approvals – Marine, have assessed an application by the applicant for a new Marine Park Permit to continue the operation and maintenance of a 1.8 kilometre pipeline previously used to discharge process effluent from the nickel refinery at Yabulu into the Great Barrier Reef World Heritage Area.
- This effluent is not compliant with the Australian and New Zealand Environment and Conservation Council (ANZECC) water quality guidelines and the applicant does not have permission under the State and Commonwealth Marine Park legislation for actual discharge into the marine park.
- In June 2011, a new joint Marine Park Permit was issued for maintaining, decommissioning and removing (not for discharging from) the pipeline.
- The applicant argued that they had not applied for 'removal' and the permit was re-issued in January 2012 without a previous condition that required decommissioning or removal of the pipeline prior to the expiry of the permit. This permit was set to expire on 30 June 2013 and the applicant applied for a new permit prior to this date.
- The applicant has indicated that they do not have intentions to discharge from the pipe and appear to just want to leave the infrastructure in-situ and not spend further money on maintaining it.
- Condition 9 of Permit G11/33310.1 states '*The Permittee must obtain an approved compliance certificate, duly certified by an appropriately qualified engineer, on the anniversary of the permit commencement date that verifies that the facility is installed and maintained in accordance with the approved drawings and provide the certificate to the Managing Agency within 21 days of being called upon to do so*'.
- Despite having had this condition imposed upon the Marine Park Permit since at least June 2011 and several requests for this information during the latest assessment process, the applicant has not undertaken any appropriate inspections of the structure. The applicant was informed on a number of occasions (both in writing and in person) that compliance with Condition 9 was an important matter and could influence the outcome of their application for a new permit.

Author	Endorsed by	Endorsed by	Recommended
Name: Neil Mattocks Position: A/Manager Tel No: 4722 5314 Date: 28 May 2014	Name: Liz Young Position: Director, Approvals & Assessments Tel No: 3199 7586 Date: 28 May 2014 Name: Geoff Kent Position: A/Executive Director, Technical Services Tel No: 3199 7538 Date: 29 May 2014	Name: Jason Jacobi obo Position: DDG, QPWS Tel No: 3199 7538 Date: 29 May 2014	Name: John Glaister Position: DG, NPRSR Tel No: 3338 9307 Date: 30/5

Release

- An assessment of the application has now been completed and a recommendation to refuse the application has been endorsed by delegates of GBRMPA and the Department of National Parks, Recreation, Sport and Racing (the department).
- This assessment recommended refusal on:
  - no demonstrated need for the structure
  - non-compliance with Condition 9 and previous un-permitted discharge
  - the applicant was not a 'fit and proper person'. This was in relation to the previous unpermitted discharge through the pipeline in 2011 and the failure to comply with permit conditions.
- The applicant has provisions under both State and Commonwealth legislation to ask for an internal review of this decision. Following that process, if the new decision is also to refuse the application, the applicant may seek review through a Commonwealth Administrative Appeals Tribunal and/or the Queensland Civil and Administrative Tribunal.
- It is also possible for the applicant (following refusal of the application) to apply for a new permit where another assessment process would need to be undertaken.
- Future actions by the department will be determined by the applicant's response to the decision and may include:
  - using a bond of $62 702 to undertake the inspections the applicant says they cannot
  - use of provisions that require the applicant to remove the structure from the marine park if directed to do so
  - consideration of capping and leaving sections of the structure in the marine park as an 'un-permitted' (and non-operable) structure following appropriate engineering inspections and reports.
- The applicant may attempt to portray this as risking the ongoing operation of the facility. This is not the case. Under current refinery management (and in a scenario where the pipeline was not in place) the option of overflow discharge to an adjacent marine wetland remains. While this may not be compliant with current licences, it at least represents a real emergency option to limit the risk of storage dam wall failure.
- *Key Communication Messages:* If necessary, media briefs can be issued outlining that the applicant has a) not proposed using the outfall, b) that it did not represent a substantial emergency option, and c) the applicant continues to have the emergency option of overflow (to ensure current storage facilities are not placed at high risk in high rainfall events), that is, this decision does not risk future and ongoing operations to any significant degree.

MINISTER'S COMMENTS

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Author	Endorsed by	Endorsed by	Recommended
Name: Neil Mattocks Position: A/Manager Tel No: 4722 5314 Date: 28 May 2014	Name: Liz Young Position: Director, Approvals & Assessments Tel No: 3199 7586 Date: 28 May 2014 Name: Geoff Kent Position: A/Executive Director, Technical Services Tel No: 3199 7538 Date: 29 May 2014	Name: Jason Jacobi obo Position: DDG, QPWS Tel No: 3199 7538 Date: 29 May 2014	Name: John Glaister Position: DG, NPRSR Tel No: 3338 9307 Date:

Release

From: MATTOCKS Neil [Neil.Mattocks@nprsr.qld.gov.au]
Sent: Wednesday, 21 May 2014 12:44 PM
To: YOUNG Liz
CC: rachel.reese@gbrmpa.gov.au; GRANT Ian
Subject: PRIORITY - QLD Nickel P/L Yabulu

Importance: High

BRIEFING (EMAIL) – RE QLD Nickel P/L (YABULU)

Liz – the following outlines the current status of a joint MP permit application for a marine outfall pipe QLD Nickel P/L (Clive Palmer) and my proposed actions. There is a substantial recent history on this structure however I have only provided directly relevant information to the current action/s. I can provide more information as required.

- QNPL applied on 24 June 2013 for a new joint MP permit for 'Operating a facility – being a pipeline …….including maintaining, decommissioning and removing the facility'. It is understood that the application is only to maintain the status quo and they have not applied to discharge through the pipeline. i.e. it is to maintain the pipeline in the MP only. *There is substantial evidence to show they have not maintained the pipeline, do not proposed spending further money on it and only want a permit so they can leave it where it is*.

- The GBRMPA have now completed an assessment of this application and the recommendation is to refuse the application. This would mean the pipeline (which extends 1800m into Halifax Bay just north of Townsville) would be an unpermitted structure. GBRMPA is recommending a 'managed removal' of the structure as opposed to remaining *in situ.* Removal costs have been estimated at over $1M and there is currently only a $62 702 Bond in place. It is unclear how this removal would be funded as it is unlikely QNPL would voluntarily undertake removal. Further discussions (this morning) with Rachel Reese (A/Director EAM) is that one option would be to take legal action under the conditions of the Deed which can require removal (in part or completely) if unpermitted. In that instance it is likely that the Bond money would be accessed to fund a 'decommissioning report' if they did not voluntarily complete this report.

- GBRMPA have already (through the delegate) endorsed this assessment and recommendation.

- I support the assessment recommendation of refusing this application and, following further discussion with Rachel, I am comfortable with where this situates QPWS. Refusal of the application may result in a request for a reconsideration of the decision under both Commonwealth and State legislation and then potentially further actions under the Administrative Appeals Tribunal and possibly QCAT. The assessment and recommendation to refuse the application has been well developed and considered.

I proposed endorsing the assessment and recommendation to refuse.

Cheers
Neil

Neil Mattocks
A/Manager – Assessments and Approvals (Marine)

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Great Barrier Reef World Heritage Area
Queensland Parks and Wildlife Service
Department of National Parks, Recreation, Sport and Racing
Level 10, 445 Flinders Street, Townsville QLD 4810
PO Box 5597 TOWNSVILLE QLD 4810
Ph: 07 – 47225314
MOB: s47E(d)-Sch4 - Mobile phone

nprsr-email-signature

RTI DL RELEASE - NPSR

From: YOUNG Liz [Liz.Young@nprsr.qld.gov.au]
Sent: Wednesday, 21 May 2014 1:35 PM
To: MATTOCKS Neil
CC: rachel.reese@gbrmpa.gov.au; GRANT Ian
Subject: RE: PRIORITY - QLD Nickel P/L Yabulu

HI Neil

Thanks for the update. Can you confirm that the basis for the decision is - *There is substantial evidence to show they have not maintained the pipeline, do not proposed spending further money on it and only want a permit so they can leave it where it is*?

If that is the case, and you are happy with the evidence base, I have no concerns.

Liz

Liz Young
Director | Assessments and Approvals
Queensland Parks and Wildlife Service
Department of National Parks, Recreation, Sport and Racing
Level 21 | 111 George St | Brisbane
Tel 07 31997586 | **Mobile** 49-Sch4 - Mobile phone

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From: MATTOCKS Neil
Sent: Wednesday, 21 May 2014 12:44 PM
To: YOUNG Liz
Cc: rachel.reese@gbrmpa.gov.au; GRANT Ian
Subject: PRIORITY - QLD Nickel P/L Yabulu
Importance: High

BRIEFING (EMAIL) – RE QLD Nickel P/L (YABULU)

Liz – the following outlines the current status of a joint MP permit application for a marine outfall pipe QLD Nickel P/L (Clive Palmer) and my proposed actions. There is a substantial recent history on this structure however I have only provided directly relevant information to the current action/s. I can provide more information as required.

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- The GBRMPA have now completed an assessment of this application and the recommendation is to refuse the application. This would mean the pipeline (which extends 1800m into Halifax Bay just north of Townsville) would be

an unpermitted structure. GBRMPA is recommending a 'managed removal' of the structure as opposed to remaining *in situ.* Removal costs have been estimated at over $1M and there is currently only a $62 702 Bond in place. It is unclear how this removal would be funded as it is unlikely QNPL would voluntarily undertake removal. Further discussions (this morning) with Rachel Reese (A/Director EAM) is that one option would be to take legal action under the conditions of the Deed which can require removal (in part or completely) if unpermitted. In that instance it is likely that the Bond money would be accessed to fund a 'decommissioning report' if they did not voluntarily complete this report.

- GBRMPA have already (through the delegate) endorsed this assessment and recommendation.

- I support the assessment recommendation of refusing this application and, following further discussion with Rachel, I am comfortable with where this situates QPWS. Refusal of the application may result in a request for a reconsideration of the decision under both Commonwealth and State legislation and then potentially further actions under the Administrative Appeals Tribunal and possibly QCAT. The assessment and recommendation to refuse the application has been well developed and considered.

I proposed endorsing the assessment and recommendation to refuse.

Cheers
Neil

Neil Mattocks
A/Manager – Assessments and Approvals (Marine)
Great Barrier Reef World Heritage Area
Queensland Parks and Wildlife Service
Department of National Parks, Recreation, Sport and Racing
Level 10, 445 Flinders Street, Townsville QLD 4810
PO Box 5597 TOWNSVILLE QLD 4810
Ph: 07 – 47225314
MOB: s.49-Sch4 - Mobile phone

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nprsr-email-signature

From: MATTOCKS Neil [Neil.Mattocks@nprsr.qld.gov.au]
Sent: Tuesday, 3 June 2014 9:31 AM
To: GRANT Ian
CC: YOUNG Liz
Subject: FW: Permit application G36275 [SEC=UNCLASSIFIED]
Attachments: 2014.05.30 Decision Notice QNPL.pdf

For your information – the QNPL pipeline refusal that has gone out.
Cheers
Neil

From: Major Projects [mailto:majorprojects@gbrmpa.gov.au]
Sent: Tuesday, 3 June 2014 9:27 AM
To: drew.mclean@environment.gov.au; FOMIATTI MINNESMA Ingrid; Bruce Elliot; MATTOCKS Neil
Subject: FW: Permit application G36275 [SEC=UNCLASSIFIED]

For your information & records.

Rachel Reese

RTI DL RELEASE - NPSR

73(2)Irrelevant

From: MATTOCKS Neil [Neil.Mattocks@nprsr.qld.gov.au]
Sent: Wednesday, 21 May 2014 12:44 PM
To: YOUNG Liz
CC: rachel.reese@gbrmpa.gov.au; GRANT Ian
Subject: PRIORITY - QLD Nickel P/L Yabulu

Importance: High

BRIEFING (EMAIL) – RE QLD Nickel P/L (YABULU)

Liz – the following outlines the current status of a joint MP permit application for a marine outfall pipe QLD Nickel P/L (Clive Palmer) and my proposed actions. There is a substantial recent history on this structure however I have only provided directly relevant information to the current action/s. I can provide more information as required.

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Cheers
Neil

Neil Mattocks
A/Manager – Assessments and Approvals (Marine)

RTI DL RELEASE - NPSR

Great Barrier Reef World Heritage Area
Queensland Parks and Wildlife Service
Department of National Parks, Recreation, Sport and Racing
Level 10, 445 Flinders Street, Townsville QLD 4810
PO Box 5597 TOWNSVILLE QLD 4810
Ph: 07 – 47225314
MOB 49-Sch4 - Mobile phone

nprsr-email-signature

RTI DL RELEASE - NPSR

From: YOUNG Liz [Liz.Young@nprsr.qld.gov.au]
Sent: Wednesday, 21 May 2014 1:35 PM
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If that is the case, and you are happy with the evidence base, I have no concerns.

Liz

Liz Young
Director | Assessments and Approvals
Queensland Parks and Wildlife Service
Department of National Parks, Recreation, Sport and Racing
Level 21 | 111 George St | Brisbane
Tel 07 31997586 | **Mobile** 49-Sch4 - Mobile phone

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Neil Mattocks
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PO Box 5597 TOWNSVILLE QLD 4810
Ph: 07 – 47225314
MOB: s.47F-Sch4 - Mobile phone

RTI DL RELEASE - NPSR

nprsr-email-signature

From: MATTOCKS Neil [Neil.Mattocks@nprsr.qld.gov.au]
Sent: Thursday, 22 May 2014 5:18 PM
To: YOUNG Liz
CC: BARTLETT Amie
Subject: RE: PRIORITY - QLD Nickel P/L Yabulu
Attachments: response_to_info_request_25Oct13[1].pdf; Minute re QNPL assessment May 2014.pdf

Follow Up Flag: Follow up
Flag Status: Completed

Liz – re your question below;

See the attached further information request response that while it does not explicitly say it, it does confirm that QNPL have no intention to use the pipeline.

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Liz Young
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Queensland Parks and Wildlife Service
Department of National Parks, Recreation, Sport and Racing
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Tel 07 31997586 | **Mobile** 49-Sch4 - Mobile phone

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MOB: s.47(3)(b)-Sch4 - Mobile phone

nprsr-email-signature

RTI DL RELEASE - NPSR

Australian Government
Great Barrier Reef Marine Park Authority

MINUTE

To: Adam Smith, Director EAM
Neil Mattocks, A/Team Leader QPWS

File No: 17/1789

Date: 19 May 2014

From: Rachel Reese, Manager Major Project 49-Sch4 - Signature

SUBJECT: Continuation application for Queensland Nickel Pty Ltd discharge Pipeline

RTI DL RELEASE - NPSR

Background:

1. On 22 June 2011, GBRMPA and QPWS issued joint permit G11/33310.1 to QNPL for the Operation of a Facility being a pipeline including maintaining, decommissioning and removing the facility. Following a request for reconsideration from QNPL, the permit was re-issued on 17 Jan 2012 removing the approval for "decommissioning and removing" and deleting a permit condition which required removal of the pipeline by 30 June 2013.
2. On 24 June 2013 (prior to the permit expiry date of 30 June 2013), QNPL applied to continue these permissions. Therefore, G11/33310.1 remains in force until the first of these occurs:
    a. the new application is taken to have been withdrawn;
    b. the Authority makes a decision on the new application;
    c. the original permission is suspended or revoked; or
    d. the new application lapses.
3. Further information requests were made to QNPL on 15 Aug 2013, 26 Nov 2013 and 21 Jan 2014. QNPL declined to provide some of the information requested; however, they did provide alternative responses. As such, I do not recommend that the permit be deemed withdrawn. However, this option remains open to the delegates.

Assessment results:

4. A permit assessment is attached for your consideration as the delegate.
5. My assessment recommends REFUSAL on the following basis (summarised – see permit assessment for full reasons and considerations):
    a. Avoid – QNPL has not demonstrated a need or purpose for having the pipeline in the Marine Parks. Therefore any risks arising from the operation and maintenance of the structure can easily be avoided by not allowing the structure to remain within the Marine Parks.
    b. Mitigate / Manage – Should the pipeline remain, medium risks must be managed related to unpermitted discharge and deterioration of the structure. In my opinion, the following risks cannot be adequately managed through a permit or deed:
        i. Unpermitted discharge – In 2011 QNPL breached permit conditions which prohibited discharge from the pipe. Therefore, permit conditions are unlikely to prove effective in managing this risk.
        ii. Deterioration – QNPL is currently in breach of permit conditions requiring an annual inspection and basic maintenance of the structure. QNPL has further stated that they have no intention of inspecting or maintaining the structure in the future. Therefore, permit conditions are unlikely to prove effective in managing this risk.
    c. Suitable person – QNPL breached permit conditions in 2011 by discharging a large amount of contaminated wastewater through the pipeline into the Marine Parks. The impact of this 2011 breach might have been moderated if QNPL had shown improvement in recent years or months.

However, QNPL is currently in breach of permit conditions and the deed by not inspecting and maintaining the pipeline. In January 2013, QNPL were granted a Transitional Environmental Program by Queensland EHP, which is acknowledgment that they breached their Queensland licence and agreement on a pathway to compliance. In January 2014, the Queensland Department of Environment and Heritage Protection issued a Penalty Infringement Notice to QNPL for failing to comply with their Transitional Environmental Program, specifically for failing to reduce the tailings dam spill risk to the required level by the specified date. In April 2014, EHP launched a formal investigation into discharges to the wetlands which they allege breached QLD licence conditions. Therefore, I deem QNPL to pose an unacceptably high risk as a permittee.

6. The permit assessment evaluates options and impacts for both decommissioning and removing the pipeline from the Marine Parks. My recommendation is that a managed removal poses less risk to the Marine Parks and the Managing Agencies than allowing the structure to gradually deteriorate *in situ*.

Next steps:

7. Once a permit decision is made, the delegates have a range of options available for managing the next steps. The below matters should not be considered when determining the permit application. I have provided this section merely to clarify the implications of my recommendation to refuse the permit application.
8. Should the permit application be refused, QNPL would likely seek reconsideration. Should reconsideration uphold the initial decision, QNPL might seek further review by the Administrative Appeals Tribunal.
9. Should the permit application be refused, the pipeline would become an unpermitted structure in the Marine Parks. Consistent with similar cases, GBRMPA would then commence an Order to Remove process.
10. The Order to Remove process would require QNPL to prepare a Decommissioning & Removal Plan for approval by GBRMPA and QPWS. This plan would evaluate the risks of decommissioning and removal and propose methods to avoid or manage these risks.
11. Depending on the risks identified in the Decommissioning & Removal Plan, the delegate may choose to:
    a. allow the structure to be decommissioned and remain (wholly or partially) within the Marine Parks; or
    b. require complete removal of the pipeline; or
    c. pursue some other management option to neutralise the risks.

A risk is that GBRMPA holds bond of $62,702 which will not be sufficient for complete removal

Recommendations:

1. Note the above matters and issues and brief upwards as appropriate. Noted / Please discuss

2. Sign the attached permit assessment indicating your decision on the application by Queensland Nickel Pty Ltd to operate a pipeline in the Marine Parks. Signed / Not signed

49-Sch4 - Signature

Adam Smith
Delegate of the Great Barrier Reef
Marine Park Authority
19 / 5 / 2014

Neil Mattocks
Delegate of the Chief Executive
DNRPSR - QPWS
/ / 2014

RTI DL RELEASE - NPSR

This material (including any attachments) is provided for the purpose of giving legal advice. Legal professional privilege is claimed. This material should not be copied or further distributed without the consent of the author.

From: YOUNG Liz [Liz.Young@nprsr.qld.gov.au]
Sent: Thursday, 22 May 2014 5:26 PM
To: MATTOCKS Neil
Subject: Re: PRIORITY - QLD Nickel P/L Yabulu

Yes. Minister please

Sent from my iPhone

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Queensland Parks and Wildlife Service
Department of National Parks, Recreation, Sport and Racing
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Tel 07 31997586 | **Mobile** s9-Sch4 - Mobile phone

<image001.jpg>

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<image002.jpg>
<image001.jpg>

<response_to_info_request_25Oct13[1].pdf>

<Minute re QNPL assessment May 2014.pdf>

RTI DL RELEASE - NPSR

From: MATTOCKS Neil [Neil.Mattocks@nprsr.qld.gov.au]
Sent: Monday, 26 May 2014 2:46 PM
To: YOUNG Liz
Subject: Draft Brief re' QNPL
Attachments: Min Brief QNPL Pipe May 2014.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Liz – for your review/comments
Cheers
Neil

Neil Mattocks
A/Manager – Assessments and Approvals (Marine)
Great Barrier Reef World Heritage Area
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RTI DL RELEASE - NPSR

CTS No. [CTS No.]

Department of National Parks, Recreation, Sport and Racing
MINISTERIAL BRIEFING NOTE

Chief of Staff …….…. OK Dated / / **Approved Not Approved Noted** **Further information required** Minister……..…….. Dated / /

TO: **Minister for National Parks, Recreation, Sport and Racing**

SUBJECT: **QLD Nickel Pty. Ltd. marine discharge pipeline**

TIMEFRAME

- Urgent noting of this briefing note is required to ensure the Minister is aware of the latest departmental decisions in relation to this high profile infrastructure.

RECOMMENDATION

It is recommended that the Minister **note** that a joint State/Commonwealth Marine Park permit application for the ongoing operation (not including discharge) of a marine outfall pipeline has been refused for the Clive Palmer owned Nickel Refinery in Yabulu, Townsville (QLD Nickel Pty. Ltd.). It is unclear what action the applicant will take following advice of this decision.

RTI DL RELEASE - NPSR

BACKGROUND/KEY ISSUES

- The Great Barrier Reef Marine Park Authority (GBRMPA) along with NPRSR (Assessment and Approvals, Marine) have assessed an application by QLD Nickel Pty. Ltd. (QNPL, the client/applicant) for a new Marine Park Permit to continue the operation and maintenance of a 1.8km pipeline previously used to discharge process effluent from the Nickel Refinery into the Great Barrier Reef World Heritage Area.
- This effluent is not compliant with ANZECC water quality guidelines and the applicant does not have permission under the State and Commonwealth Marine Park legislation for actual discharge into the Marine Park.
- The Nickel Refinery continues to operate under a current Environmental Authority (administered by the QLD Department of Environment and Heritage Protection).
- A new joint Marine Park permit was issued in June 2011 for maintaining, decommissioning and removing (not for discharging from) the pipeline.
- QNPL argued that they had not applied for 'removal' and the permit was re-issued in January 2012 without a previous condition that required decommissioning or removal of the pipeline prior to the expiry of the permit. This permit was set to expire on 30 June 2013 and the client applied for a new permit prior to this date.
- The client has indicated that they do not have intentions to discharge from the pipe and appear to just want to leave the infrastructure *in-situ* and not spend further money on maintaining it.
- Condition 9 of permit G11/33310.1 states '*The Permittee must obtain an approved compliance certificate, duly certified by an appropriately qualified engineer, on the anniversary of the permit commencement date that verifies that the facility is installed and maintained in accordance with the approved drawings and provide the certificate to the Managing Agency within 21 days of being called upon to do so'.*
- Despite having had this condition imposed upon the marine park permit since at least June 2011 and several requests for this information during the latest assessment process the client has not undertaken any appropriate inspections of the structure. The client was informed on a number of occasions (both in writing and in person) that compliance with condition 9 was an important matter and could influence the outcome of their application for a new permit.
- An assessment of the application has now been completed and a recommendation to refuse the application has been endorsed by both the GBRMPA and NPRSR delegates.

Author	**Endorsed by**	**Endorsed by**	**Recommended**
Name: Position: Tel No: Date:	Name: Position: Tel No: Date:	Name: Position: Tel No: Date:	Name: John Glaister Position: DG, NPRSR Tel No: 3338 9307 Date:
	Name: Position: Tel No: Date:	Name: Position: Tel No: Date:	

- This assessment recommended refusal on a) no demonstrated need for the structure, b) non-compliance with Condition 9 and previous un-permitted discharge and c) the applicant was not a 'fit and proper person'. This was in relation to the previous unpermitted discharge through the pipeline in 2011 and the failure to comply with permit conditions.
- The applicant has provisions under both State and Commonwealth legislation to ask for an internal review of this decision. Following that process, if the new decision is also to refuse the application, the client may seek review through a Commonwealth Administrative Appeals Tribunal and/or the Queensland Civil and Administrative Tribunal.
- It is also possible for the client (following refusal of the application) to apply for a new permit (for the same things) and another assessment process would need to be undertaken.
- The next steps from a management agency perspective are yet to be determined and may be influence by the applicant's response. There will continue to be a Deed of Agreement in place (signed by the client, and the State and Commonwealth governments) for 2 years that can allow access to a $62 702 Bond (this could be used to undertake the inspections the clients says they cannot) and there are also provisions requiring the client to remove the structure from the marine park if directed to do so.
- It may also be possible, following appropriate Engineering inspections and reports, to cap and leave sections of the structure in the marine park as a 'un-permitted' (and non-operable) structure.
- It should be noted that the operation of the outfall pipe (for discharge of process effluent) has not, for over a decade, represented a significant part of the facilities general operations and was only there for 'emergency' discharge. However, even in that instance it did not provide significant relief given its relatively low outfall capacity. The current (and previous) owners have repeatedly been advised that use of this outfall for marine discharge was not compliant with a range of State/Commonwealth and International Guidelines and that operation of the Nickel Refinery required the improvement of water and waste management systems to ensure no future marine discharge.
- The client may attempt to portray this as risking the ongoing operation of the facility. This is not the case. Under current refinery management (and in a scenario where the pipeline was not in place) the option of overflow discharge to an adjacent marine wetland remains. While this may not be compliant with current licences it at least represents a real emergency option to limit the risk of storage dam wall failure.

Key Communication Messages:

- If necessary Media Briefs can be issued outlining that the client has a) not proposed using the outfall, b) that it did not represent a substantial emergency option, and c) the client continues to have the emergency option of overflow (to ensure current storage facilities are not placed at high risk in high rainfall events). I.e. this decision does not risk future and ongoing operations to any significant degree.

RTI DL RELEASE - NPSR

MINISTER'S COMMENTS

ATTACHMENTS

- Attachment 1 - List all attachments referred to in Brief

Author	**Endorsed by**	**Endorsed by**	**Recommended**
Name: Position: Tel No: Date:	Name: Position: Tel No: Date:	Name: Position: Tel No: Date:	Name: John Glaister Position: DG, NPRSR Tel No: 3338 9307 Date:
	Name: Position: Tel No: Date:	Name: Position: Tel No: Date:	

From: MATTOCKS Neil [Neil.Mattocks@nprsr.qld.gov.au]
Sent: Tuesday, 3 June 2014 9:31 AM
To: GRANT Ian
CC: YOUNG Liz
Subject: FW: Permit application G36275 [SEC=UNCLASSIFIED]
Attachments: 2014.05.30 Decision Notice QNPL.pdf

For your information – the QNPL pipeline refusal that has gone out.
Cheers
Neil

From: Major Projects [mailto:majorprojects@gbrmpa.gov.au]
Sent: Tuesday, 3 June 2014 9:27 AM
To: drew.mclean@environment.gov.au; FOMIATTI MINNESMA Ingrid; Bruce Elliot; MATTOCKS Neil
Subject: FW: Permit application G36275 [SEC=UNCLASSIFIED]

For your information & records.

Rachel Reese

RTI DL RELEASE - NPSR

73(2)Irrelevant

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Sent: Tuesday, 3 June 2014 10:23 AM
To: MATTOCKS Neil
CC: GRANT Ian
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Sent from my iPhone

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> **Sent:** Tuesday, 3 June 2014 9:27 AM
> **To:** drew.mclean@environment.gov.au; FOMIATTI MINNESMA Ingrid; Bruce Elliot; MATTOCKS Neil
> **Subject:** FW: Permit application G36275 [SEC=UNCLASSIFIED]
>
> For your information & records.
>
> Rachel Reese

RTI DL RELEASE - NPSR

73(2)Irrelevant