

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment portfolio

Question No: 132
Hearing: Additional Estimates
Outcome: Science
Programme: Science
Topic: Rehabilitation security bond
Hansard Page: 19
Question Date: 23 February 2015
Question Type: Spoken

Senator Ludlam asked:

Senator LUDLAM: I am asking you now. Could you make an undertaking to provide us—and it should be reasonably quick if that policy was assembled for you quite a period of time ago now—the basis of your confidence in the company's ability, whether it has the bond salted away that it is going to be need and whether the requirements are appropriate? Could you please provide that on notice to the committee at your earliest convenience?

Senator Birmingham: I should say yes, I am sure we will take it on notice. Obviously I am not the minister responsible in this portfolio any more, but the best endeavours to provide that will certainly be made at the earliest convenience, as with all questions on notice.

Answer:

Under current arrangements, Energy Resources of Australia Ltd is required to submit, on an annual basis, a costed rehabilitation plan based upon the assumption that the Ranger Uranium Mine was to close in March the following year.

The Supervising Scientist then assesses the plan in terms of its completeness and to ensure that all potential environmental risks associated with the proposed rehabilitation process have been appropriately and adequately addressed. The Supervising Scientist does not assess the cost estimates within the rehabilitation plan as this is not within his area of expertise nor part of his statutory responsibilities.

Once the plan has been accepted by the Supervising Scientist, the Department of Industry and Science commissions an independent expert to assess the cost estimates provided within the plan. Once the cost estimate has been assessed, the security bond held by the Department of Industry and Science is adjusted as appropriate.

The Annual Plan of Rehabilitation and the bond held the Department of Industry and Science are separate to any other financial contingencies made or held by Energy Resources of Australia Ltd to cover the costs of rehabilitation of the site going forward.