

# MINISTER FOR RESOURCES & ENERGY

## SENATE

**QUESTION NUMBER:** 2389  
**DATE ASKED:** 19 October 2012

### Question

**SENATOR LUDLAM** asked the Minister for Resources & Energy, in writing, on 19 October 2012:

- (1) With reference to the tender process for the concept design of a national radioactive waste facility: (a) what is the status of the tender process; (b) who tendered for this work; (c) what is the selection process; (d) when is the successful tenderer likely to be announced; (e) when is the contract expected to be completed; and (f) what are likely to be the key performance criteria, outcomes and headland dates of the contract.
- (2) Has the department had any dialogue or provided briefings to the new Northern Territory Government or its agencies regarding the location of a national radioactive waste facility at Muckaty; if so with whom and when.
- (3) Has the department had any dialogue with any stakeholders over the potential for a further site nomination: (a) within the Muckaty Land Trust area; and (b) in any other region of the Northern Territory or elsewhere.
- (4) What is the status of the planned transport of radioactive materials to the proposed Muckaty site.
- (5) Has the department undertaken any further work on developing the preferred transport option or on detailing further options.
- (6) What is the department's anticipated timeline in advancing the assessment and approvals needed for the Muckaty proposal, and what is the next step.
- (7) What is the current status of expansion plans at Olympic Dam.
- (8) What formal or informal applications or discussions have been received from or undertaken with BHP Billiton regarding potential future project configurations.
- (9) When do existing state and federal approvals for the shelved development option and the wider project lapse.
- (10) With reference to the proposed sale of the Yeelirrie project from BHP Billiton to Cameco: (a) what is the status of the sale; (b) has the sale been completed; (c) has the sale received Foreign Investment Review Board approval and what is the process and timeline for this approval; and (d) what rights, agreements and approvals would be transferred to the new owner.
- (11) With reference to reports of renewed company interest in advancing the development of the Angela and Pamela deposits: (a) what is the current status of this project; (b) what assessment and approvals are needed to further advance development; (c) have there been any formal or informal application or discussions between the department and the project proponent around this issue; and (d) what implications does the recent change of government in the Northern Territory have for this project.
- (12) What is the department's understanding of the current status of uranium mining in Queensland.
- (13) Has there been any dialogue between the department or any federal agencies with the Liberal National Party (LNP) Queensland Government or any state government agencies about this issue.
- (14) Has the department had any formal or informal dialogue with any uranium mining companies or industry bodies in relation to this issue.
- (15) What implications does the election of the LNP in Queensland have on this issue.
- (16) What are the current status and production rates at the Honeymoon uranium project.
- (17) What is the status of approvals at the Samphire uranium project near Whyalla in South Australia.
- (18) What is the status of the current trials of the U-HiSAL uranium extraction process.

## Answer

**SENATOR EVANS** – The Minister for Resources & Energy has provided the following response to the Honourable Senator's question:

1. (a) The tender process has been completed with the successful tenderer, ENRESA, announced on 16 October 2012.
- (b) Six tenders were received and the *Commonwealth Procurement Rules* state that submissions must be treated as confidential before and after the award of a contract.
- (c) The selection process was conducted in accordance with the *Commonwealth Procurement Rules*.
- (d) See (a).
- (e) 30 June 2013.
- (f) The project is to develop a conceptual design for a co-located national low level waste repository and intermediate level waste store. The preferred concept design will be the basis for applications by the Department for regulatory approval of a selected facility site under the *Australian Radiation Protection and Nuclear Safety Agency Act (1997)* and the *Environment Protection and Biodiversity Conservation Act 1998*. It will also be used in development of public communications products and services including web pages and information kits.

The contractor is required to provide indicative estimates of the cost of construction of the preferred design concept at a preferred or indicative facility site specified by the Department during the course of the contract. The contractor is also required to undertake related project tasks including assisting the Department and its scientific advisers in matters relating to the facility design for the duration of the contract.

The two deliverables sought by RET are:

- i. A First Report on safety objectives and technical options for the development of a near surface low level waste (LLW) disposal facility and collocated above ground long-lived intermediate level waste (LLILW) storage facility in Australia. This report shall address information provided on Australia's radioactive waste inventory, regulatory documents and information provided in discussions with RET in the first month of the contract. Its objective will be to establish a common understanding of the scope of the project
  - ii. A Second Report providing a proposal for a conceptual design for a near surface LLW disposal facility and collocated LLILW storage facility in Australia.
2. The Department has not briefed the new Northern Territory Government or its agencies on the location of a national radioactive waste facility at Muckaty since the Northern Territory election of 25 August 2012.
  3. (a) Yes.  
(b) No.
  4. As no site has been declared for a national facility, detailed planning for the transport of radioactive materials to a particular site has not commenced.
  5. At this stage, the Department has not undertaken further work on a preferred or detailed transport option for the reason stated in question 4. Detailed transport arrangements will be investigated in the regulatory approvals processes once a site has been declared.
  6. The current Muckaty nomination is subject to the outcome of the Federal Court challenge. The Department is not able to put a timeline on this process. The *National Radioactive Waste Management Act 2012* determines timeframes for the approval and declaration of a volunteered site.

Environmental and radiation protection approvals required for the siting, construction and operation of a national radioactive waste management facility will be subject to the declaration of a site. The timeline for environmental and regulatory approvals are determined under the *Environment Protection and Biodiversity Conservation Act 1999* and the *Australian Radiation Protection and Nuclear Safety Act 1998*. Work on a concept design has commenced to inform the regulatory approvals process.

7. As announced on 22 August 2012, BHP Billiton has deferred a decision on the expansion of its Olympic Dam Mine. Further questions on the current status of expansion plans at the Olympic Dam Mine should be addressed to BHP Billiton.
8. The Department of Resources, Energy and Tourism has had one informal discussion with BHP Billiton about potential future project configurations for its expansion of the Olympic Dam Mine. BHP Billiton very broadly discussed mine and processing technologies under investigation as publicly stated by BHP Billiton.

9. The approval under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) and authorisation under the *Development Act 1993* (SA), both issued on 10 October 2011, require that substantial work must have commenced within five years of the date of issuance. After five years, activities must not commence without the written agreement of the Commonwealth Minister. After five years, South Australia may cancel the authorisation.
10. (a) The sale is undergoing Commonwealth and Western Australian approvals processes.  
 (b) See (a).  
 (c) This is a matter for the Foreign Investment Review Board. It has advised the Department of Resources, Energy and Tourism that it does not comment on individual applications.  
 (d) All rights and obligations provided for under the *Uranium (Yeelirrie) Agreement Act 1978* (WA) will be transferred to the new owner once the sale has been approved by both the Commonwealth and Western Australia.
11. (a) The Angela/Pamela Project is an exploration project. Further questions on the status of the Angela/Pamela Project should be addressed to the Joint Venture partners, Paladin Energy Ltd and Cameco Australia.  
 (b) Depending on the nature of any future development work, a range of approvals might be required under relevant Commonwealth, Northern Territory and, potentially, South Australian legislation. Commonwealth assessment and approvals could include assessment under environmental, export and nuclear non-proliferation legislation.  
 (c) No.  
 (d) Any questions on potential implications from the recent change of government in the Northern Territory should be addressed to the Northern Territory Government.
12. The Department's understanding is that the Queensland Government's announcement on 22 October 2012 overturned its policy ban on uranium mining in the state.
13. The Department of Resources, Energy and Tourism has recently begun informal discussions with the Queensland Government Department of Premier and Cabinet about the State Government's change of policy on uranium mining.
14. The Department of Resources, Energy and Tourism has had informal dialogue with the Australian Uranium Association and Queensland Resources Council regarding Queensland's potential uranium reserves but not specifically about the Queensland Government's announcement on 22 October 2012.
15. The decision to allow the recommencement of uranium mining in Queensland is a policy decision of the current LNP Government.
16. The Honeymoon Uranium Project is currently in commissioning phase. Commissioning is scheduled for completion once pre-defined operating levels, based on the design of the plant can be maintained. The Project has a design capacity of 880,000 lbs U<sub>3</sub>O<sub>8</sub> per year. Since first production in September 2011, 332,400 lbs U<sub>3</sub>O<sub>8</sub> have been produced.
17. A proposal for a small scale *in situ* recovery field trial was referred under the *Environment Protection and Conservation Act 1999* (Cth) and SEWPAC determined, on 11 February 2011, to not require approval of the recovery trial if undertaken in a particular manner.  
  
 The Department of Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) is currently assessing Uranium SA's Retention Lease Application to undertake a small scale *in situ* recovery field trial on their Samphire project.  
  
 If a Retention Lease is granted, the company will be required to submit a Program for Environment Protection and Rehabilitation to DMITRE for approval prior to commencing operations. In addition, the Environment Protection Authority will require the proponent to apply for a Licence to Test for Developmental Purposes under the *Radiation Protection and Control Act 1982* (SA).
18. Questions on the status of trials using the U-HiSAL™ process for the extraction and recovery of uranium should be addressed to Uranium SA Limited.