



**WGCMA Ref:** WGCMA-F-2025-00454  
**Document No:** 1  
**Your Ref:** MIN 5003, MIN 5216, MIN 5304  
**Date:** 18 August 2025

[community.yallourn@energyaustralia.com.au](mailto:community.yallourn@energyaustralia.com.au)

Paul Metlikovec  
Acting Rehabilitation Lead  
Energy Australia Yallourn

Dear Paul,

**Regarding: Yallourn Draft Declared Mine Rehabilitation Plan**

---

Thank you for the opportunity to comment on the Declared Mine Rehabilitation Plan (DMRP) for mining licences MIN5003, MIN 5216 and MIN 5304 held by Energy Australia Yallourn Pty Ltd.

This response from the West Gippsland Catchment Management Authority (WGCMA) is provided in the context of the roles and responsibilities for catchment management authorities (CMAs), particularly the Statement of Obligations for CMAs under the *Water Act 1989*. This includes acting as the caretaker of waterway health and providing regional leadership on issues relating to waterway health.

Our long-term vision for Durt'yowan/Latrobe River, which aligns with our Regional Catchment Strategy vision "Catchment Health – Gippsland's Wealth", is to achieve transformative rehabilitation in the river's environmental health to underpin the ecological, cultural, social and economic wealth of the region for the benefit of generations to come.

The Durt'yowan/Latrobe River system is the largest waterway within the WGCMA region and provides significant environmental, cultural and social values. However, it has been substantially modified since European settlement including significant changes to support the power generation industry. As a result of these historical modifications, the condition of Durt'yowan/Latrobe River, particularly in the mid to lower reaches, has deteriorated and suffers from loss of habitat, poor water quality and flow stress. From a water resources context, Durt'yowan/Latrobe River is fully allocated and, in accordance with the [Long-term Water Resource Assessment \(2020\)](#), has seen a reduction in water available for the environment.

Although Durt'yowan/Latrobe River retains some natural flow variability, in part due to unregulated sub-catchments, and the comparatively lower utilisation of existing entitlements, recent studies have shown that the river remains flow-stressed, and a significant environmental water deficit exists.

The WGCMA understands the importance of the mine rehabilitation process and the need to create a safe, stable and sustainable solution for the future benefit of the Gippsland community.

The WGCMA has reviewed the DMRP and identified six critical concepts that need to be addressed through rehabilitation of the Yallourn mine. These are:

1. The need to thoroughly investigate the cumulative impact of filling all three mines with water from the Durt'yowan/Latrobe River catchment.
2. The critical requirement for ongoing stability of the Morwell River Diversion (MRD) through the future pit lake.
3. The need to maintain ecological and geomorphic connectivity between the Morwell River and Durt'yowan/Latrobe River and downstream reaches and wetlands.
4. The proposed diversion/extraction of water from the Morwell River through flood harvesting, and the need to clarify and agree to minimum passing flow requirements.
5. The need to identify and clarify the entity who will ultimately be responsible for the ongoing monitoring and maintenance of the site post-rehabilitation.
6. Partnership opportunities to enhance waterway resilience and improve ecological, cultural, social and economic wealth of the region for the benefit of generations to come.

These high-level issues are discussed in detail below. Attachment 1 includes a list of comments and suggested edits for specific sections of the DMRP.

**1. The need to thoroughly investigate the cumulative impact of all filling all three mines with water from the Durt'yowan/Latrobe River catchment.**

There is a need for a detailed, all-encompassing cumulative impact assessment of the potential ecological impacts of filling all three mines in the Latrobe Valley with water sourced from the Latrobe and Morwell Rivers and from groundwater sources.

Assessment of impacts on an individual mine basis risks creating a scenario where the cumulative impacts of mine rehabilitation are not well understood and may surpass critical ecological thresholds, leading to irreparable losses.

While the WGCMA notes the limitations of each entity (Energy Australia Yallourn, Engie Hazelwood and AGL Loy Yang) to assess cumulative impacts within formal regulatory processes, we suggest that this be done by an independent third party outside of the DMRP and EES framework. As the DMRPs are released and approved, the specific rehabilitation plans can then be assessed in their entirety, rather than individually.

**2. The critical requirement for ongoing stability of the Morwell River Diversion (MRD) through the future Lake.**

The WGCMA supports the intent to maintain the MRD through a pit lake, however we note that there are substantial ongoing risks associated with the maintenance and potential failure of the MRD, including the levee banks, low flow channel and floodplain. Failure of the MRD is likely to see the Morwell River enveloped within the pit lake.

Deep pit lakes are likened to "aquatic deserts" that, should they become directly connected to the river, are unsuitable for migratory fish, platypus, eels and other native fauna and they also impede geomorphological and hydrological processes that provide essential ecosystem functionality both upstream and downstream throughout the catchment.

Structural failure risk has been acknowledged by the inclusion of works to reshape levees along the MRD, and the inclusion of spillways to divert high flows into the pit.

Of critical importance is the need to clearly establish and identify who will be responsible for the ongoing maintenance, monitoring and mitigation measures to avoid major environmental damage.

**3. The need to maintain ecological connectivity between the Morwell River and Durt'yowan/Latrobe River and downstream reaches and wetlands.**

The WGCMA notes and supports the proposal to remove existing barriers to fish passage in the MRD, however it is understood that the construction of the spillways is likely to have potential future impacts on fish passage. We note that the risk assessment identified fragmentation and impacts to fish passage as a high risk. Further detail of the proposed mitigation options is required to give certainty that the proposed spillways will not result in an unacceptable risk to fish passage and ecological connectivity.

The risk assessment identifies several medium risks in phase 4 handover (impact of poor water quality discharging to the Latrobe, impact to fish passage during flood events and low baseflows), however there is limited detail regarding mitigation measures for these risks. The DMRP must clearly articulate all identified mitigation measures or confirm an alternate approvals mechanism to identify detailed mitigation measures for these risks. To assist with the provision of fish passage throughout the project lifecycle, from current form to final, the WGCMA recommend that Energy Australia engage with the Arthur Rylah Institute to ensure appropriate consideration is given to support native fish species.

There is currently insufficient detail within the technical assessments and risk assessment. The Expert Panel conducting the risk assessment has not been identified, so the level of expertise and breadth of subject matter specialists on the panel is unknown. The DMRP references several supporting documents that are not currently available for review, including *The Latrobe River system: Regional hydrologic assessment of Energy Australia Yallourn mine closure scenarios*. (Alluvium Consulting Australia Pty Ltd, 2025). Access to this information would give more confidence in the information provided.

The WGCMA have ongoing concerns about the potential impacts to downstream environments, including the potential impact on the downstream flow regime (comprising flow volume, timing, and frequency of flows).

Many previous studies have identified that under current (baseline) conditions, the risk of significant ecological change is already high. Therefore, even small increases in risk could prove to be the tipping point and cross ecological thresholds. Without appropriate mitigation measures, this is the classic 'death by 1000 cuts' principle that the water allocation framework is designed to prevent.

**4. The proposed diversion/extraction of water from the Morwell River through flood harvesting, and the need to clarify and agree to minimum passing flow requirements.**

While the WGCMA acknowledges and accepts the documented need to manage stability of the MRD through the construction of spillways to divert high flow from the MRD into the pit lake, it is unclear from the DMRP if Energy Australia Yallourn plans to harvest (i.e. retain) these high flows from the Morwell River within the pit lake or if all water diverted from the Morwell River will be returned to the Latrobe River via the outlet in the Yallourn East Field. If the latter is proposed, the mechanism to achieve this return of flow while the lake is filling must be identified.

If flood harvesting to contribute to pit lake filling is proposed, the WGCMA notes that there is currently no policy mechanism for the 'take' of above-cap water (flood harvesting) within the *Water Act 1989*. The DMRP is currently silent on this issue.

The Morwell River provides an important contribution of flows to downstream environments such as the Latrobe floodplain, Lower Latrobe Wetlands and Gippsland Lakes. The Latrobe system is already recognised to be at high risk of flow stress with a 129 gigalitre shortfall to meet environmental water objectives. High flow events are critical for maintaining the ecological health of these systems and any take of water above current allocation caps represents a substantial ecological risk that needs to be mitigated if flood harvesting policies are to be progressed.

There are potential downstream water quality risks of a connected system. Given the risks of contaminants and potential for blue-green algae blooms in the pit lakes, these risks do not appear to have been adequately addressed.

The WGCMA notes that proposed Spillway 1 will be the first to activate once flow in the Morwell River exceeds the 5% Annual Exceedance Probability (AEP) flow in the Morwell River. It is understood that this passing flow was chosen as it is the flow required to flush the Latrobe River estuary and fringing wetlands of saltwater incursion from Lake Wellington, however the DMRP does not refer to any other ecological impact of extracting Morwell River flows about the proposed passing flow of 3,500 megalitres per day.

There is a need for a comprehensive investigation to identify the impact of this water extraction on critical environmental values such as triggers for fish migration, long-term sediment transport and water quality. The DMRP needs to identify and clearly articulate the process whereby this assessment will be completed and independently reviewed to ensure that there are no adverse ecological impacts downstream of the proposed Morwell River spillways.

The DMRP nominates both 3,200 megalitres per day and 3,500 megalitres per day as the proposed passing flow through the Morwell River before the spillways become activated. Please amend the DMRP to clarify and consistently refer to the nominated passing flow.

The WGCMA notes the proposed harvesting of Morwell River flood flows by Engie Hazelwood upstream of the proposed Yallourn diversions. We understand that Engie Hazelwood and Energy Australia Yallourn have each nominated a different minimum passing flow for the Morwell River. Further investigation is required to determine the appropriate minimum passing flow, consider the cumulative impact of both mine operators harvesting flood flows, and to establish operating rules to ensure that waterway health is protected.

**5. The need to identify and clarify the entity who will ultimately be responsible for the ongoing monitoring and maintenance of the site post-rehabilitation.**

The rehabilitation plan for Yallourn mine identifies a range of infrastructure that will require ongoing monitoring and maintenance to ensure safety and structural integrity is maintained.

Assets such as the MRD, spillway structures, pipes through the conveyor tunnels and local catchment drainage infrastructure will all need regular inspections and maintenance in perpetuity. It is unclear from the DMRP who will be responsible for this ongoing role. The WGCMA seeks clarification of the future roles and responsibilities for management of the site and surrounding land, particularly relating to the MRD and associated infrastructure.

**6. Partnership opportunities to enhance waterway resilience and improve ecological, cultural, social and economic wealth of the region for the benefit of generations to come.**

The WGCMA understands the importance of the mine rehabilitation process and the need to create a safe, stable and sustainable solution for the future benefit of the Gippsland community.

We are confident that it is possible to achieve mine rehabilitation goals whilst rehabilitating and preparing the riverine ecosystem to thrive in the future. To this end, we have developed a strategy, [Transformation of the Latrobe](#), to improve the long-term health of Durt'yowan/Latrobe River and prepare the river for future water recovery post mine rehabilitation.

The WGCMA is well placed to provide information on investment priorities, and we are ready to work with our existing and emerging partners to implement the agreed actions. Further information on some of the priorities included in the WGCMA's [Transformation of the Latrobe](#) strategy is available via the short fact sheet on our website – [Priority Projects for Investment](#).

The WGCMA looks forward to working together with Energy Australia and all mine operators to help achieve the community's aspirations and ensure the Gippsland environment is resilient and healthy in the long-term. We would welcome the opportunity to discuss these ideas further and potentially explore partnership opportunities with Energy Australia.

Yours sincerely,



**Martin Fuller**  
**Chief Executive Officer**

**Attachment 1 - Comments and Suggested Edits for Specific Sections of the DMRP**

**3.7.4 Water to fill Lake Yallourn** – This section articulates the limits of the bulk entitlement (BE) and where water can be sourced but it does not mention anything about the proposed take of water from the Morwell River or surrounding local drainage lines, nor ground water from aquifer depressurisation. This section should clearly articulate all water sources proposed for lake filling.

**Fig 3-8** shows the MRD as a low-risk surface water domain – what are the criteria for this?

**Chapter 4 Regulatory Context** – This section of the report is silent on the proposed diversion of flows outside of the BE (i.e. access to Morwell River high flows through the spillways) and the process Energy Australia envisages to obtain Ministerial approval to access flood flow harvesting. It would be useful to acknowledge the existing limitations of the water allocation framework, and the proposed mechanism to address this.

**5.2.1 Rainfall** – Should be 1 in 200 year ARI not AEP.

**5.2.2 Evaporation** – It would be useful to understand what these evaporation figures are in terms of a water volume i.e. how much water is expected to evaporate from the lake annually?

**Table 6-2 Key Rehabilitation Objectives** – The ‘take’ of water for pit lake filling has not been identified as an aspect that needs to be considered sustainably. Please confirm why this has been omitted from this table?

**Chapter 8** – Clearer delineation between technical work would aid the reader.

**Table 8-7 Spillway Configuration** – It would be useful to include the capacity of the spillways in terms of a possible maximum and mean volume across a range of events.

**8.7.2.5 Design Hydrologic Likelihood vs AEP** – Please explain why the design life has been limited to 100 years. The structures intended operational period is in perpetuity, and so the design life is much greater than 100 years.

**Table 8-17 & 8-18** – Please explain why the MRD spillways contribution increases for post mine filling and Latrobe River pumped water is not included. Does this mean that top up water will be sourced from the Morwell River rather than the Latrobe River? This may be explained in the cited *Lake balance and water quality report* (RGS, 2025) however this has not been provided.

**8.8.3.4 Key Knowledge Gaps (Water Quality)** – There is no mention of other physical and chemical properties of the water (aside from temperature). Thermal stratification is likely to cause dissolved oxygen stratification. What is the risk if a flood picks up the low DO water and sends it downstream?

**11.5.7 Water Access/Delivery** – The DMRP has not assessed the risk that the permission to harvest Morwell River flows may not be given. If Morwell River flows cannot be diverted, the risk to the structural integrity of the MRD will need to be identified and an alternative mitigation strategy proposed.

**11.7 Environment Risks Assessed (page 402)** – Please provide further detail and context, and a citation to support the statement “EA’s take only equates to 2-3% of actual passing flows.” Is this the total impact over the rehabilitation period?

**Chapter 17 Knowledge Gaps** – Table 17-1 identifies an Action Plan to address the current known knowledge gaps. Please explain the ongoing review and approvals process, including if and when the community will be able to review the new documentation, linked to these future actions.