



Mining and Energy Division

Review of Environmental Assessment

Austar Coal Mine

Proposed Stage 2 Extension Project

Reference No: DA 29/95 Mod 4

Submission

Construction Forestry Mining and Energy

Union (Mining and Energy Division)

Northern District Branch

August, 2010

On 15 May 2010 Austar Coal Mine Pty Ltd (Austar) a subsidiary of Yancoal Australia Pty Limited applied to the Minister for the Department of Planning seeking approval to increase the maximum allowable extraction height of coal within the area to be mined by LW A5z from 4.5 metres to 6.5 metres and to undertake coal extraction in LW A5a using Longwall Top Coal Caving (LTCC).

Approval is sought for the proposed Stage 2 Extension Project as a modification to DA 29/95, as DA 29/95 was granted prior to 1 July 1998 under Section 100A of the Environmental Planning and Assessment Act 1979, the modification to DA 29/95 must occur under Section 75W of the EP&A Act in accordance with Section 8J(8) of the Environmental Planning and Assessment Regulation 2000.

The Director General made the Environmental Assessment publicly available and was publicly exhibited on the 2 August 2010 at the DoP Information Centre Sydney, Cessnock City Council, and Nature Conservation Council, Sydney.

The Union takes the opportunity to make a submission to the Director General. The Union is pleased to take the opportunity to comment on the Austar proposal and related activities Environmental Assessment.

The Mining and Energy Division is a Division of the CFMEU under the Federal Workplace Relations Act 1996, with over 120,000 members, one of the largest in Australia. The Division covers several industries including the coal industry, coal ports, metalliferous mining industries, electrical power generation, oil and gas and the Nation's small coking industry.

The Northern District Branch of the CFMEU Mining and Energy Division, being the branch that on behalf of the organisation which is making the submission is the principal Union representing coal miners in the Northern District coalfields of New South Wales. The Austar mining complex, with its site located approximately 10 kilometres south of Cessnock in the Lower Hunter Valley, is wholly within the State's Northern District Coalfields.

The Union is familiar with the Austar Coal Mine site and engaged the services of an Environmental Consultant with extensive experience in local government and environmental assessments on coal mining related projects.

After reviewing all the material and taking advice, the Union supports on balance the Austar Project Modification as detailed in their Development Application Reference No: DA 29/95 MOD 4.

Project Overview

Austar Coal Mine is an amalgamation of several older mines and operates within a number of mining leases under 12 separate development consents issued by Cessnock City Council between 1974 and 2002 and development consent DA 29/95 granted by the NSW Minister for Urban Affairs and Planning in 1996 and modified in 2006 and 2008 to provide for LTCC mining in Stage 1 and 2 areas.

A new project approval was granted by the Minister for Planning in September 2009, enabling longwall mining using LTCC technology in Stage 3 area and construction and operation of a new Surface Infrastructure Site and access road south-west of Kitchener. Construction of the ventilation shaft at the Surface Infrastructure Site will take approximately 18 months to complete and must be completed prior to the deployment of three development units in the area by early 2011, thus allowing the commencement of longwall mining in the Stage 3 area without discontinuity. Current programming indicates there will be a lag between the completion of mining in the currently approved Stage 2 area and commencement of mining in the Stage 3 area due to the timeframe for construction of the ventilation shaft at the Surface Infrastructure Site.

Austar proposed to mine one additional longwall panel adjacent to the Longwall A5. The additional longwall will be known as Longwall A5a and is located within the DA 29/95 approval area, with LW A5a being located in the same position as Longwalls 20 and 21 of the conceptual mine plan. In order to maximise coal resource recovery in LW A5a Austar seeks a modification to DA 20.95 to:

- Increase the maximum allowable extraction height of coal within the area to be mined by LW A5a from 4.5 metres to 6.5 metres; and
- Undertake coal extraction in LW A5a using LTCC technology.

It is proposed that the same extraction equipment as is currently being used within the Stage 2 area will be used to undertake extraction of LW A5a.

Landform

Mining of LW A5a will result in the subsidence of landform within the 20mm subsidence contour. Landform changes due to subsidence were identified as having a low risk of significant environmental impacts as subsidence will be generally within the envelope of subsidence set out in the 1995 Environmental Impact Statement and approved DA 29/95. In addition results from underground mining in the Stage 1 and 2 areas have indicated no significant landform impacts.

Flooding, Drainage and Groundwater

Possible environmental impacts relating to flooding and drainage within the Stage 2 Extension Study Area identified in the environmental risk assessment include changes to water flow, water quality and channel stability in Quorrobolong Creek and Cony Creek due to mine subsidence. The risk of significant impacts on flooding and drainage as a result of mining of LW A5a has been assessed by the proponent as moderate.

The flooding and drainage assessment indicates that:

- The changes to the 100 year ARI flood event as a result of the predicted subsidence of LW A5a will only marginally increase the flood extent and will not increase flood hazard categories at dwellings or along access tracks within the Quorrobolong Valley;
- Maximum velocities will remain with non-scouring levels for both the 100 year and 1 year ARI storm events following the Stage 2 Extension Project and as a result no significant changes due to velocity induced scouring or erosion are predicted;

- The Stage 2 Extension Project will not have a significant impact on the flow regime of Cony Creek and Quorrobolong Creek systems and there is minimal potential for channel realignment to occur; and
- The potential for mining to result in stream capture within these creek systems is also considered by consultants to be negligible predominantly due to the depth of cover and the strength and thickness of the underlying Branxton Formation.

The risk of significant impacts to groundwater was assessed as low due to the limited use of groundwater resource in the area, the lack of significant impacts on groundwater resources as a result of mining in the Stage 1 and 2 areas. Combined with the fact that subsidence impacts will be within the range of subsidence impacts assessed in the 1995 EIS.

Notwithstanding, Drainage Line monitoring within the Stage 2 Extension Study Area will be undertaken as an extension to the existing Stage 2 Ecological Monitoring Program to monitor for any unforeseen or unpredicted impacts.

Air Quality

The Stage 2 Extension Project will not result in any increase in the rate of extraction or total extraction tonnage approved under DA 29.95, nor will it result in any changes to the surface infrastructure required for the mining, handling, processing and transportation of coal. Consequently the Stage 2 Extension Project will not result in emissions to air beyond those already approved under DA 29.95. The risk of additional air quality impacts has been assessed as negligible.

Heritage

Previous surveys of the Stage 2 Extension Study Area, conducted as part of the 1995 EIS did not identify any sites of historic heritage significance. However the Stage 2 Extension Study Area has the potential to contain areas of Aboriginal archaeological or cultural heritage significance. Of note in the risk assessment, ground surface within the Stage 2 Extension Study Area has been used for agriculture and much of

the Study Area is already disturbed. The Project as proposed will not include surface disturbance works beyond those already approved under DA 29/95.

Noise

The Stage 2 Extension Project includes a modification to the method and height of long wall extraction within LW A5a only. It is envisaged that this will not result in any increase in the rate of extraction or total extraction tonnage approved under DA 29.95, nor will it result in any changes to the surface infrastructure required for mining, handling, processing and transport of coal. Consequently the Stage 2 Extension Project will not result in noise emissions beyond those already approved. The risk of noise impacts from the Stage 2 Project Extension beyond those already approved has been assessed as negligible and no further impact assessment is required.

Vibration

A vibration impact assessment for the Stage 2 Extension Project has been undertaken by consultants Umwelt based on data collecting by Austar using vibration monitors in the Stage 2 mining area.

The Stage 2 Extension Project involves extraction using LTCC techniques. The vibration monitoring program undertaken as part of Stage 1 and 2 mining operations has not indicated any significant vibration outside that already approved. Consequently an increase in vibration resulting from mining LW A5a is considered unlikely. Monitoring of vibration for Stage 2 Extension Project will be undertaken as a continuation of the existing Stage 2 monitoring program.

Community Consultation

The community consultation program undertaken by Austar included letters and presentations to key stakeholders including landholders within the Stage 2 Extension Study Area and the Austar Coal Mine CCC. Ongoing consultation will be linked to the existing Property Subsidence Management Planning process and the CCC.

Key issues of community interest raised during the consultation process include:

- Area of subsidence impact;
- Impact on housing, other structures and agricultural areas within the Stage 2 Extension Study Area; and
- Impact on creek lines, flooding and drainage.

Subsidence

A detailed subsidence impact assessment for the Stage 2 Extension Project was undertaken by consultants Mine Subsidence Engineering Consultants Pty Ltd (MSEC) 2009. This assessment was based on an Incremental Profile Method (IPM) model that was calibrated using site specific subsidence information recorded from former mining of the Greta Coal Seam and the Branxton Formation.

Subsidence prediction prepared by MSEC for the Stage 2 Extension Project are within the envelope of those set out in the 1995 EIS and approved DA 29/95. The subsidence predictions indicate that all buildings and structures within the area of subsidence resulting from the Stage 2 Project will remain within Safe Serviceable and Repairable criteria. Detailed assessment of infrastructure within the Stage 2 Extension Study Area including farm dams, access roads, tanks, electricity and telecommunications services has been undertaken and indicates that subsidence impacts on this infrastructure will be within acceptable levels and will be readily manageable.

New Subsidence Management Plans and Property Subsidence Management Plans providing details of specific management and monitoring activities on a property by property basis will be prepared by the proponent in consultation with relevant government agencies and land holders prior to longwall extraction for the Stage 2 Extension Project.

Ecology

An ecological assessment for the Stage 2 Extension Project was undertaken by consultants Umwelt.

The vegetation within the study area mainly comprises of cleared land supporting Derived Grassland vegetation with some areas supporting small amounts of Riparian Swamp Oak – Rough-barked Apple Open Forest and Spotted Gum-Ironbark Forest.

No threatened flora species were recorded in the study area, however two species are considered to have potential habitat within the study area. These being heath wrinklewort (*Rutidosia heterogama*) and small-flower grevillea (*Grevillea parviflora* subsp. *Parviflora*).

No endangered flora populations were identified within the study area and there is no potential for such populations to occur.

Seven regionally significant flora species were recorded within the study area (*Parsonsia straminea*, *Maytenus silvestris*, *Acacia parvipinnula*, *Corymbia maculata*, *Eucalyptus amplifolia* subsp. *Amplifolia*, *Melaleuca styphelioides* and *Imperata cylindrica* var. *major*), however each of these species are widespread throughout the region and therefore do not pose a significant constraint to the Stage 2 Extension Project.

No threatened fauna species were identified within the study area; however the speckled warbler (*Pyrrholaemus sagittatus*) and grey-crowned babbler (*Pomatostomus temporalis temporalis*) were recorded previously as part of the Stage 2 surveys.

It is considered that subsidence associated with the Stage 2 Extension Project will cause minimal surface disturbance, and therefore it is unlikely to result in an impact on any of the threatened fauna species recorded or with potential to occur within the study area.

There were no endangered fauna populations within the study area, nor is there any critical habitat.

Given there is expected to be no impact on surface vegetation as a result of the Stage 2 Extension Project on fauna species, no seven part tests of significance under the EP&A Act were considered necessary for fauna species. However a seven part test of significance under the TSC Act was prepared for the potential River-flat Eucalypt Forest Endangered Ecological Communities and the recorded Lower Hunter Spotted Gum – Ironbark Forest EEC to determine the significance of the likely impacts of the proposed extension on these communities.

Monitoring of each community will be included as part of the existing ecological monitoring program and will continue as per the baseline ecological monitoring for a period of time to ensure that there are no long term impacts.

The proposed development is not expected to have a significant impact on any threatened species, populations or EECs recorded or with potential to occur within the study area.

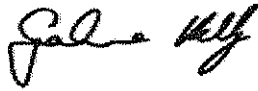
Furthermore it is not expected that the proposed extension will have an impact of any of the threatened fauna species with the potential to occur within the study area, nor will it lead to significant alteration to fauna habitats.

Socio Economic Benefits

The Stage 2 Extension Project involves the extraction of coal resource from a single longwall within the DA 29/95 subsurface application area using LTCC technology. The alternative of not proceeding would result in the sterilisation of a 1 million tonne coal resource that is easily accessible from currently approved Stage 2 workings. Furthermore it would result in a delay of up to 9 months between the completion of longwall mining in the currently approved Stage 2 area and the commencement of mining in the Stage 3 area due to the timeframe for construction of the ventilation shafts at Stage 3 Surface Infrastructure Site.

In Summation

Based on comparative analysis of the key elements detailed in the Stage 2 Extension Project Statement of Environmental Effects, it is considered the Modification is substantially the same as the originally approved DA 29/95. The Union supports Austar Coal Mine Pty Ltd's application for Modification to DA29/95 MOD 4, the additional mining of one long wall panel LW A5a.

A handwritten signature in black ink, appearing to read 'Grahame Kelly', written in a cursive style.

Grahame Kelly

DISTRICT SECRETARY