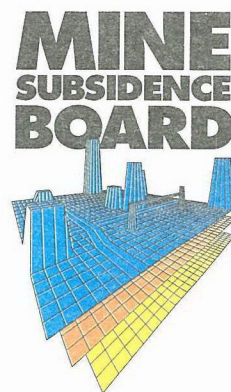




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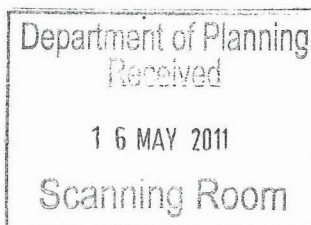
4344



DEPARTMENT OF PLANNING & INFRASTRUCTURE
ATT- NAOMI NELSON
GPO BOX 39
SYDNEY NSW 2001

13 May 2011

Dear Naomi



ENQUIRY NO. TENQ11-07014S1
DA 305-7-2003 MOD 10 WAMBO COAL MONTROSE EAST

Thank you for your invitation to comment on the above proposal.

The Mine Subsidence Board has no objections to the modification.

The site is located within the Patrick Plains Mine Subsidence District. It is therefore a requirement of Section 15 of the Mine Subsidence Compensation Act that any surface improvements and relocation of surface improvements are approved by the Mine Subsidence Board.

Yours faithfully

Richard Pickles
Acting District Manager

NEWCASTLE

Ground Floor
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117 Bull Street
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PO Box 488G Newcastle 2300
Telephone: (02) 4908 4300
Facsimile: (02) 4929 1032
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SINGLETON

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Web

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Emergency Service
Free Call 1800 248 083

Standard (Auto) Enquiries

Naomi Nelson - Wambo Coal DA 305-7-2003 MOD 10

From: "Heather Middleton" <heather@damsafety.nsw.gov.au>
To: "'Naomi Nelson'" <Naomi.Nelson@planning.nsw.gov.au>
Date: 30/05/2011 10:56 AM
Subject: Wambo Coal DA 305-7-2003 MOD 10

Naomi,

Re: NRE Wambo Coal Mine Exhibition of Modification Requests DA 305-7-2003 MOD 10

The DSC has received the Environmental Assessment Report for DA 305-7-2003 MOD 10, Wambo Coal Pty Ltd. The report has been reviewed and no prescribed dams are impacted. Consequently the Dams Safety Committee has no further comments at this stage.

If there are any queries in regard to the above please do not hesitate to contact Heather Middleton on 9895 7353.

Heather Middleton
Mining Regulation Officer
Bus: (02) 98957353
heather@damsafety.nsw.gov.au

Naomi Nelson - RE: Wambo Coal Mine Modifications (DA 305-7-2003 MOD 10 and DA 177-8-2004 MOD 2)

From: "Ihle, Mark" <mihlein@singleton.nsw.gov.au>
To: "Naomi Nelson" <Naomi.Nelson@planning.nsw.gov.au>
Date: 31/05/2011 2:52 PM
Subject: RE: Wambo Coal Mine Modifications (DA 305-7-2003 MOD 10 and DA 177-8-2004 MOD 2)

Thank you Naomi we are not proposing to make a submission.
 Regards

Mark Ihle
 Director Planning & Regulated Services
 Singleton Council
 Phone; 02 65 787 330
 Email; mihlein@singleton.nsw.gov.au

From: Naomi Nelson [mailto:Naomi.Nelson@planning.nsw.gov.au]
Sent: Tuesday, 31 May 2011 1:26 PM
To: Ihle, Mark
Subject: Wambo Coal Mine Modifications (DA 305-7-2003 MOD 10 and DA 177-8-2004 MOD 2)

Dear Mark,

Submission on two Environmental Assessments for the Wambo Coal Modifications (DA 305-7-2003 MOD 10 and DA 177-8-2004 MOD 2) were due **Friday, 27 May 2011**. Please find attached the original notification letter.

Could you please confirm if Singleton Council will be making a submission on either of the above modifications.

Kind regards,

Naomi Nelson
 Environmental Planning Officer

Mining | Major Project Assessment | NSW Department of Planning and Infrastructure | GPO Box 39,
 Sydney NSW 2001
 P: 02 9228 6339 | F: 02 9228 6466 | naomi.nelson@planning.nsw.gov.au



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Naomi Nelson - Wambo Coal Mine Modifications (DA 305-7-2003 MOD 10 and DA177-8-2004 MOD 2)

From: Monica Byrnes <MByrnes@ARTC.com.au>
To: "Naomi.Nelson@planning.nsw.gov.au" <Naomi.Nelson@planning.nsw.gov.au>
Date: 31/05/2011 5:52 PM
Subject: Wambo Coal Mine Modifications (DA 305-7-2003 MOD 10 and DA177-8-2004 MOD 2)

Dear Naomi

I refer to your e-mail today to Paul Purcell – our Manager Property Services regarding a submission from ARTC in relation to the Wambo Coal Mine proposals.

Thank you for submitting both proposals for ARTC internal review.

Both proposals have been examined by ARTC Infrastructure and Operations management and no objections or concerns have been raised.

The Wambo proposals do not encroach upon ARTC land and accordingly, ARTC will not be making a formal submission in relation to said proposals.

I trust that my response satisfies your follow up in this matter.

Kind regards

Monica Byrnes



Monica Byrnes - Assistant Property Manager

(P) –02 4941 9704 (F) –02 4941 9738 (M) 0408 017 489 (E) – mbyrnes@artc.com.au

Australian Rail Track Corporation Ltd.

Locked Bag 1, BROADMEADOW NSW 2292

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Naomi Nelson - Re: Wambo Coal Mine Modifications (DA 305-7-2003 MOD 10 and DA 177-8-2004 MOD 2)

From: "Joe Thompson" <Joe.Thompson@cma.nsw.gov.au>
To: "Naomi Nelson" <Naomi.Nelson@planning.nsw.gov.au>
Date: 2/06/2011 3:58 PM
Subject: Re: Wambo Coal Mine Modifications (DA 305-7-2003 MOD 10 and DA 177-8-2004 MOD 2)

Dear Namoi,

The CMA will not be making a submission on DA 305-7-2003 MOD 10 and DA 177-8-2004 MOD 2.

Regards,

joe

Joe Thompson
 Catchment Coordinator, Upper Hunter
 Hunter Central Rivers CMA
 PO Box 297
 MUSWELLBROOK 2333
 p: 02 65424431
 m: 0429 452476
 e: joe.thompson@cma.nsw.gov.au
 w: www.hcr.cma.nsw.gov.au



Save Paper - Do you really need to print this e-mail?

>>> "Naomi Nelson" <Naomi.Nelson@planning.nsw.gov.au> 5/31/2011 1:34 pm >>>
 Dear Mr Evans,

Submission on two Environmental Assessments for the Wambo Coal Modifications (DA 305-7-2003 MOD 10 and DA 177-8-2004 MOD 2) were due **Friday, 27 May 2011**. Please find attached the original notification letter.

Could you please confirm if the Hunter-Central Rivers CMA will be making a submission on either of the above modifications.

Kind regards,

Naomi Nelson
 Environmental Planning Officer

Mining | Major Project Assessment | NSW Department of Planning and Infrastructure | GPO Box 39,
 Sydney NSW 2001
 P: 02 9228 6339 | F: 02 9228 6466 | naomi.nelson@planning.nsw.gov.au





Office of
Environment
& Heritage



Your reference: DA 305-7-2003 MOD10
Our reference: DOC11/22783 LIC08/239-02
Contact: Stephen Clair (02) 49086850

Ms Naomi Nelson
Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

2 June 2011

Dear Ms Nelson

**Wambo Coal Mine – Montrose East Underground Mine Modification
DA305-7-2003 MOD 10**

I refer to your letter dated 9 May 2011 and received by the Office of Environment and Heritage (OEH) on 13 May 2011 seeking comment on the "*Wambo Montrose East Underground Mine Modification, Environmental Assessment, May 2011*" (the EA).

OEH understands the proponent is seeking approval for:

- the development of three underground longwall panels in the Whybrow seam, and
- a reduction in the extent of the currently approved open cut operations.

OEH has reviewed the EA and is concerned about the potential impacts on the nearby Wollemi National Park which may result if this project proceeds. The EA states that subsidence impacts may result in the fracturing of rock outcrops and rock falls along the Wollemi Escarpment bordering and potentially within the national Park. Any subsidence impacts to OEH estate must be avoided and the proponent must identify options to prevent any such impacts.

In addition, OEH considers that the proponent has not adequately assessed the potential Aboriginal cultural heritage impacts of the proposed development. There is insufficient information provided for OEH to support the findings or management recommendations of the Aboriginal cultural heritage assessment contained within the EA. The proponent should provide additional information which will allow OEH to make an informed decision regarding potential impacts.

The project can be regulated under the current Environment Protection Licence (EPL) 529 and no additional conditions are required with respect to the licence. OEH is also satisfied that there is sufficient information provided with the EA to provide recommended conditions of approval in relation to threatened species impacts. Detailed comments arising from our review of the EA are provided at Attachment A.

The Department of Environment, Climate Change and Water is now known as the
Office of Environment and Heritage, Department of Premier and Cabinet

Locked Bag 914, Coffs Harbour NSW 2450
Federation House Level 7, 24 Moonee Street,
Coffs Harbour NSW 2450
Tel: (02) 6651 5946 Fax: (02) 6651 6187
ABN 30 841 387 271
www.environment.nsw.gov.au

If you have any questions regarding this matter please contact Mr Stephen Clair on (02) 4908 6850.

Yours sincerely



GARY DAVEY
Director North East
Environment Protection and Regulation
Office of Environment and Heritage
Department of Premier and Cabinet

30 May 2011

ATTACHMENT A - OEH'S COMMENTS ON PROPOSED MONTROSE EAST UNDERGROUND MINE MODIFICATION

Aboriginal Cultural Heritage Assessment

The Aboriginal cultural heritage assessment identifies four Aboriginal sites located within the immediate project area. These sites include an isolated find, an artefact scatter, a potential archaeological deposit (PAD) and a culturally modified tree.

OEH considers that proposed development may impact or cause harm to these Aboriginal sites as a result of subsidence occurring within the project area following longwall mining. The proponent will therefore be required to manage the sites in accordance with the requirements of the *National Parks and Wildlife Act 1974* (NPW Act). This will involve the submission of an application to OEH for an Aboriginal Heritage Impact Permit (AHIP) following the determination of consent and prior to any ground disturbance or construction activities occurring.

In order to obtain an AHIP, the proponent will also be required to consult with the local Aboriginal communities in accordance with OEH's *'Aboriginal cultural heritage consultation requirements for proponents 2010'*, available at the OEH website: www.environment.nsw.gov.au/licences/consultation.htm.

OEH also notes that the project application includes the establishment of Montrose East Underground Mine Surface Facilities (as identified in Figure 6 of the EA). The proponent has not provided evidence that an archaeological field assessment of this area has been undertaken to determine whether the proposed development is likely to impact on any previously unidentified Aboriginal cultural heritage values. It is therefore recommended that an additional field assessment of this area is undertaken to determine the nature, extent and scale of Aboriginal cultural heritage values and whether any Aboriginal cultural heritage values will be impacted by the development.

Potential Impacts from Longwall Mining processes

The proposed longwall mining activities are likely to have a number of impacts on lands associated with rock outcrops on steep slopes and cliff lines. Proposed mining activities are predicted to impact areas immediately adjacent to the project area (at least 2km from the longwalls) as a result of associated subsidence processes.

Predicted subsidence, as a result of these processes, may be greater than 20mm (refer to Section 5.5.1 of Subsidence Impact Assessment) at cliff face locations. It has also been predicted that cliffs are likely to experience far-field horizontal movements of possibly 25mm up to 2km from the active longwalls. OEH also notes that far-field horizontal movement may cause rock falls and fracturing, and instability may occur to rocky outcrops on steep slopes adjacent to the project area. These areas would include sections of the cliffs, creeks, slopes, ridges, gullies and rocky outcrops associated with the Wollemi escarpment and the neighbouring Wollemi National Park.

These areas contain landforms which have yielded a significant volume of evidence of Aboriginal occupation in the immediate local area. This evidence includes artefact scatters, culturally modified trees, grinding grooves, stone arrangements, caves with artwork, shelters, isolated finds and potential artefact deposits. OEH considers that there is a likelihood of finding further evidence of Aboriginal occupation in those areas within the 2km greater area radius of the longwalls, in particular, in those areas immediately west and southwest of the project area (including within Wollemi National Park). Any disturbance to an Aboriginal object, regardless of how minor the disturbance is, impacts or harms an object and it is noted that there is, therefore, the potential to harm or impact Aboriginal objects/sites located in these greater areas as a result of the proposed mining proposal.

OEH notes that those areas immediately west and southwest of the proposed longwall locations have not been surveyed to determine whether the proposed development is likely to impact on any previously unidentified Aboriginal cultural heritage values in these locations. The focus of the survey effort for this project occurred above and immediately adjacent to the three longwalls, although the predicted impacts of the longwall mining processes extend to at least 2km from the longwalls themselves.

OEH requests that the proponent complete additional field assessments to determine the nature, extent and scale of Aboriginal cultural heritage values in this greater area and whether any additional Aboriginal cultural heritage values will be impacted by the development. The proponent should also consider mechanisms to avoid or mitigate any potential impacts to Aboriginal heritage in these areas.

Local Aboriginal community consultation

Effective Aboriginal cultural heritage management requires knowledge of values or cultural significance. It requires an understanding of the factors that make a place culturally significant, and why, and enables appropriate decisions to be made about the management of that place. OEH recognises and acknowledges that Aboriginal people are the primary source of information about the value of their heritage and how this is best protected and conserved and must have an active role in any Aboriginal cultural heritage planning process.

In this regard, the EA and the cultural heritage assessment report have not detailed the consultation process with the local Aboriginal community following the preparation of the draft cultural heritage report for this proposed development modification. The absence of comments of final support from a majority of the registered Aboriginal stakeholders means that OEH is unable to comment on the appropriateness of the proposed Aboriginal heritage management strategies or the overall Aboriginal cultural heritage assessment process.

In order to progress this issue, the proponent should seek the views or opinions of the local Aboriginal community regarding their views on the results of the cultural heritage assessment to complete the cultural heritage assessment process. In particular, the proponent will need to document the community's views of the proposed impact management strategies and final recommendations.

Evidence of consultation may take the form of consultation/conversation logs, copies of all correspondence sent/received for the project, records of personal communications, documented phone calls, copies of agendas, minutes to all Aboriginal community meetings and records of participation in field assessments.

OEH has developed the '*Aboriginal cultural heritage consultation requirements for proponents 2010*' to assist proponents with consultation with the Aboriginal community. While these guidelines are aimed at proponents seeking an AHIP under the NPW Act, the guidelines do provide a useful reference to guide broader community consultation during the development of a development modification proposal. OEH also encourages the proponent to continue to engage with the local Aboriginal community in developing appropriate cultural heritage outcomes for the life of the proposed development.

Legislative requirements

It is important that the applicant is familiar with the new requirements of the NPW Act, particularly as they relate to the development and any subsequent assessment processes. Under Section 90 of the NPW Act, a corporation that, without first obtaining the appropriate permission or approval, harms or impacts an Aboriginal object is guilty of an offence under the Act. Further advice regarding Aboriginal cultural heritage can be found on OEH's web-site at: www.environment.nsw.gov.au/cultureandheritage.htm.

OEH Estate - Wollemi National Park

Wollemi National Park is located within the Greater Blue Mountains World Heritage Area. This area is made up of a large contiguous group of protected areas which combined provide unparalleled opportunities for the maintenance of biodiversity and ecological processes in the state.

The Wollemi National Park Plan of Management states that:

- The outstanding scenery and natural features of the park will be protected; and
- Features and sites of geological, geomorphic and/or pedological significance will be protected against damage from human activities.

As discussed above, the EA indicates that negative impacts to the Park are possible if the project proceeds. Any impacts either on or under the surface of the Wollemi National Park that impact on the scenery or natural features of the Park must be avoided.

Similarly any adverse impacts on alluvium and surface water flows, Aboriginal cultural heritage sites, native flora and native fauna within the Park as a result of impacts arising from this project must be avoided. OEH requests that the proponent provides details of mitigation measures to ensure that there will be no impacts to Wollemi National Park.

References

NSW NPWS (2001) Wollemi National Park Plan of Management.

Threatened Species Assessment

The depth of cover to longwall mining panels varies from 45m (in the north east) to 340m (in the south west) and a maximum subsidence of about 1.7m is predicted in the northern part of each longwall panel. The modification would reduce the extent of the approved open pit by about 50 ha and thus protect the existing North Wambo Creek Diversion.

There is the potential that mine subsidence may harm Central Hunter Grey Box – Ironbark Woodland Endangered Ecological Community (EEC), Hunter Valley Foothills Slaty Gum Woodland Vulnerable Ecological Community (VEC) and/or threatened species habitat over the project area. FloraSeach (2011) has mapped about 10.4 ha of EEC and 80 ha of VEC over the project area.

OEH notes that the proponent does not predict harm to occur to any endangered community or significantly affect any threatened species. The EA states (e.g. Appendix D, pg 48) that ‘...no scientific evidence of adverse surface effects (i.e. surface cracking) on terrestrial vegetation is known from underground mining anywhere in Australia...’ No details are provided in the EA of where the surface cracks described could occur in relation to the underlying longwall panels, or of any associated land surface changes (that is, subsidence, upsidence or tilting).

OEH is aware of subsidence induced changes to vegetation communities as a result of changes to water table levels. For example, lowered water tables led to a change from wetland shrubland to dryland Eucalyptus woodland along Lambs Creek above the Angus Place Colliery in the Western Coalfields (Muir 2010). OEH is also aware that water tables have risen and led to flood plain Eucalypt forests becoming permanent Cumbungi (*Typha* species)-dominated swamps along and beside Diega Creek at Barnsley and Killingsworth, near the Westside Coal Mine.

For this project, derived native grassland occurs over the areas of maximum expected subsidence impact. However, OEH in applying the precautionary principle considers that there is still a risk that mine subsidence (that is, surface cracking, subsidence, upsidence and tilt) could cause damage to EEC and VEC vegetation over the project area, particularly above the axis of each longwall panel where ponding is most likely. OEH intends to recommend conditions which will require the proponent to monitor the impact of mine subsidence on threatened biodiversity. OEH will also recommend that adaptive management is implemented if any harm from mine subsidence is found to occur to threatened biodiversity and that any such harm is offset according to OEH’s biodiversity offsetting principles (OEH 2011a) or the implementation of BioBanking (OEH 2011b).

OEH also considers that this project has the potential to destabilise the Wollemi Escarpment and rock outcrops in the adjacent Wollemi National Park and lead to an adverse impact on threatened species, populations, ecological communities and their habitats; such as Hunter Valley Foothills Slaty Gum Woodland Vulnerable Ecological Community (VEC). While the longwall panels will stop 330 m from the park boundary (outside the 26.5° angle of draw), the EA still indicates that strains and tilts from the longwall mining operation will extend into the National Park and that some rock outcrops on the steep slopes associated with the Wollemi escarpment will likely fracture (MSEC 2011: pg. 54) and that there is uncertainty over the actual subsidence impact on the Wollemi escarpment that would result from the proposed longwall mining operations (MSEC 2011: pg. 23). Therefore, OEH recommends that the

proponent monitor the Wollemi escarpment during the mining operations. If any harm is found to occur to threatened biodiversity on the escarpment then they must implement adaptive management to prevent any further harm and that all harm caused must be appropriately offset.

OEH will provide its recommended conditions of approval in relation to threatened species when issues in relation to the Aboriginal cultural heritage impact assessment and impacts to OEH estate have been addressed.

References

- FloraSearch (2011) *Appendix D: Montrose East Underground Modification – Flora Assessment*. Prepared for Wambo Coal Pty Limited. January 2011. In Peabody (2011) *Wambo Montrose East Underground Mine Modification: Environmental Assessment, May 2011*. Wambo Coal Pty Limited.
- MSEC (2011) Appendix A: Wambo: Montrose East Underground Mine – Longwalls 1 to 3: Subsidence Predictions and Impact Assessment for the Natural Features and Surface Infrastructure in Support of the Environmental Assessment for a Section 75W Modification Application. Mine Subsidence Engineering Consultants. In Peabody (2011) *Wambo Montrose East Underground Mine Modification: Environmental Assessment, May 2011*. Wambo Coal Pty Limited.
- Muir K. (2010) *The Impact of Coal Mining on the Gardens of Stone*. The Colong Foundation for Wilderness Ltd.
- OEH (2011a) Principles for the use of biodiversity offsets in NSW. Updated 23 March 2011. NSW Office of Environment and Heritage, Sydney. <http://www.environment.nsw.gov.au/biocertification/offsets.htm>
- OEH (2011b) BioBanking. Updated 24 May 2011. NSW Office of Environment and Heritage. <http://www.environment.nsw.gov.au/biobanking/index.htm>
- University of New South Wales (2007) Longwall Mining Subsidence Species Project: Elouera. School of Surveying and Spatial Information Systems, The University of New South Wales.

OEH May 2011



OUT11/9857
7 June 2011

David Kitto
Director Mining & Industry
Department of Planning & Infrastructure
GPO Box 39
SYDNEY NSW 2001

Attention: Naomi Nelson

Dear Mr Kitto

**Wambo Coal Mine
Modification No DA 305-7-2003 MOD 10 & DA 1177-8-2004 MOD 2**

I refer to your letter dated 9 May 2011 regarding the Wambo Coal Pty Ltd application to modify the development consent for the Wambo Coal Mine for an additional 3 longwall panels and the construction and operation of a rail refuelling facility.

Department of Trade & Investment, Regional Infrastructure & Services (DTIRIS) has reviewed the "*Wambo Montrose East Underground Mine Modification Environmental Assessment May 2011*". DTIRIS has no objections to the granting of development consent modification and recommends approval with the inclusion of the conditional requirements for a Mining Operations Plan, a Subsidence Management Plan and an Annual Environmental Management Report to the satisfaction of the Director General of the Division of Resources and Energy. The granting of any development consent modification should be subject to the following provisions:

1. The Applicant shall amend the Mining Operation Plan, to include the proposed modification, to the satisfaction of the Division of Resources and Energy.
2. The Applicant shall review the proposed modification activities in the Annual Environmental Management Report to the satisfaction of the Division of Resources and Energy.
3. Integrated rehabilitation and environmental management reporting is to be captured in the existing Mining Operation Plan and Annual Environmental Management Report to the satisfaction of the Division of Resources and Energy's Director Environmental Sustainability.

Department of Trade & Investment, Regional Infrastructure & Services
Division of Resources and Energy
PO Box 344 Hunter Region Mail Centre NSW 2310
516 High St Maitland NSW 2323
Tel: 02 4931 6666 Fax: 02 4931 6776
ABN 72 189 919 072
www.industry.nsw.gov.au

4. The proponent should ensure that the impact of the proposed activities on the functioning of the North Wambo Creek Diversion and various drainage lines in the area are minimal.

Should you have any enquires regarding this matter please contact Julie Moloney, Principal Adviser, Industry Coordination on (02) 4931 6549.

Yours sincerely



David Agnew
A/Director
Industry Coordination

for



Office of Water

**Major Development Assessments
Department of Planning
GPO Box 39
SYDNEY NSW 2001**

c: Fergus Hancock
t: 02 4904 2532
f: 02 4904 2501
e: Fergus.Hancock@water.nsw.gov.au

Our ref : ER20556
Your ref: DA 305-7-2003 MOD 10
DA 177-8-2004 MOD 2

16 December 2011

Attention: Naomi Nelson

Dear Naomi

Wambo Coal Mine Montrose East modification of consent

The Office of Water has reviewed the Environmental Assessment (EA) to the above application to modify Peabody Wambo Coal's development consents. The Office of Water response to the application to undertake longwall mining within the Whybrow Seam beneath the North Wambo Creek alluvial water source is based on previous experience of connective fracture drainage of the South Wambo Creek in 1996-97. In addition, the Office of Water refers to geophysical survey work conducted by Peabody Wambo Coal in 2008, for verification of alluvial groundwater connectivity to North Wambo Creek, and quantifying interference with the alluvial water source by the Wambo open cut operation.

The Office of Water considers the risk of connective fracture between the North Wambo Creek alluvium and the proposed Montrose East longwalls, leading to permanent inflows to the mine site from the alluvial groundwater source as inevitable, should mining in the Whybrow Seam proceed as proposed.

The Office of Water does not consider the groundwater impact assessment as adequate in terms of the level of risk to the long term impacts to the alluvial water source. The lack of assessment of the depressurisation limits in the alluvium caused by current mining operations (apart from the northern limit to the alluvium at GW16 and GW17) undermines any comment on displacement of alluvial groundwater within the alluvial materials in proximity to the North Wambo Creek diversion.

As the EA does not incorporate information related to groundwater levels, groundwater quality and yield, and there has been no assessment of surface water/groundwater source interactions, the Office of Water does not have confidence in the groundwater impact assessment claims that minimal additional drainage from the alluvium will occur as a result of connective fracture drainage.

The Office of Water disagrees with the assertion that Peabody Wambo Coal has adequately assessed the level of risk associated with further mining beneath the North Wambo Creek alluvium. Wambo has failed to install piezometers along the general alignment of the diversion, as recommended by GHD in 2008, and instructed to do so by the Office of Water. As such, Wambo has been made aware of its obligations with regard

to extension to monitoring and adaptive management, in order to arrange mining operations in such a way as to minimise impacts to the alluvial resource.

The Office of Water regards the application to permit extremely shallow longwall operations beneath the North Wambo Creek alluvial water source is in conflict with the outcomes of previous approvals for mining on the site. Condition 35 of Peabody Wambo Coal's current development consent, as modified in January 2007, requires the applicant to:

- determine and implement measures to mitigate loss of surface water flows in North Wambo Creek
- determine and implement measures to mitigate the long term hydraulic connection between the backfilled open cut pit and North Wambo Creek alluvium
- determine and implement measures to address the decrease in throughflow rates caused by mining excavation downstream of the open cut pit
- determine and implement triggers to the relinquishment of water extraction rights to compensate for surface and ground water losses from streams, channels or alluvials to open cut and underground mining operations

The proposed modification fails to address any of the above requirements of the current development consent. As these reflect General Terms of Approval granted by the Office of Water predecessor, it is recommended that Peabody Wambo Coal be required to demonstrate its current compliance with this condition, and its proposed measures to ensure ongoing compliance.

Under certain circumstances alluvial inflows may be accounted for under water access licence(s). The ability to obtain licences is a function of monitored inflows versus the market depth of water entitlement. However PWC have not demonstrated an ability or preparedness to determine, minimise, mitigate or avoid alluvial drainage.

The Office of Water recommends the Department of Planning and Infrastructure consider a restrictive approval to mining, which prohibits subsidence-induced drainage of the high permeability sandy alluvial resource identified by GHD on behalf of Peabody Wambo Coal and the Office of Water in 2008. This should require either re-alignment of the longwall layout to avoid subsidence within 40 meters of the saturated alluvial materials, or a risk-based approval conditioned accordingly to avoid drainage of the saturated alluvial materials.

The Office of Water further requires a re-evaluation of mining-induced drawdown in the North Wambo Creek alluvium resulting from the cumulative impacts of mining

Yours sincerely



Mark Mignanelli
Manager Major Projects, Mines and Assessments