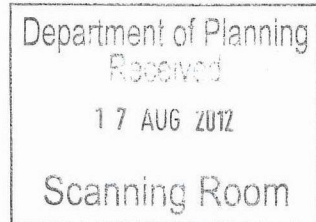




OUT12/19702

Mr David Mooney  
Major Development Assessments  
NSW Department of Planning and Infrastructure  
GPO Box 39  
Sydney NSW 2001

15 AUG 2012



Dear Mr Mooney

**Proposed water storage dam and associated infrastructure  
(DA 305-7-2003 MOD 11) – Wambo Coal Mine**

I refer to your separate referrals of the Environmental Assessment for the above matter to the NSW Department of Primary Industries, and to the NSW Office of Water and Agriculture NSW (both agencies within the Department of Primary Industries). It is understood that the former legislative provisions under Part 3A of the *Environmental Planning and Assessment Act 1979* apply to this proposal.

The NSW Office of Water has reviewed the Environmental Assessment (EA) for the modification proposal and provides the following advice for consideration of recommended conditions of approval.

Management and impact assessment of the water taken up by Peabody Wambo Coal is regulated under both the *Water Management Act 2000* and *Water Act 1912* (WA 1912).

The Office of Water notes the proposal will mix differing sources of water with dilution of salinity from the mine workings. This will create a larger volume of water for management on site. A general requirement to accurately report on the source and volume of extracted surface water and groundwater under the development consent incorporates the proponent's obligation to meter and report on volumetric limits established in its access licences and groundwater licences under Part 5 of the WA 1912.

Measures to address salinisation of the underlying porous unconsolidated materials and prevention of migration of high salinity stored water through or beneath the dam wall toward North Wambo Creek and post-use rehabilitation of the site should be required through conditions of approval for the modified consent.

The Office of Water defers assessment of disposal of potentially contaminated groundwater to the Environment Protection Authority (EPA) which will enforce its regulatory powers under the provisions of the *Protection of the Environment Operations Act 1997* and any requirements of the EPA.

For further information please contact Fergus Hancock, Senior Planning and Assessment Coordinator (Newcastle) on (02) 4904 2532 or [fergus.hancock@water.nsw.gov.au](mailto:fergus.hancock@water.nsw.gov.au)

Agriculture NSW advise that the proposal is low risk in terms of impact on agricultural resources and as such an Agricultural Impact Statement is not required. Further advices are as follows:

It is noted that the proposed water storage will have a footprint of approximately 24 hectares, and the soils in this location are of limited agricultural productivity and significance. The site is located within the existing mining lease and as such is excluded from current agricultural use. Hence the proposal will have no direct impact on agricultural land use in the short to medium term.

The structure is required to support ongoing minerals extraction and would be used to store water from the mine workings. This creates some risk of contaminating adjoining water systems. Proposed measures to minimise the potential impacts on natural water systems and other agricultural users downstream include: diverting clean water around the dam and utilising materials and methods to minimise seepage, maintaining adequate freeboard.

The EA leaves open the option of what happens to the dam at end of mine life, noting that it could either be decommissioned and the area rehabilitated to native vegetation (biodiversity values) or retained as part of the water management infrastructure for future land uses. These options would depend on the residual soil and water characteristics of the site and should be clarified as part of the mine operational and mine closure plans.

For further information contact Glenda Briggs, Acting Manager, Resources Planning and Development (Paterson) on (02) 4939 8942 or [glenda.briggs@dpi.nsw.gov.au](mailto:glenda.briggs@dpi.nsw.gov.au).

Fisheries NSW raises no issues with the proposal on the basis that it is "off-line" to existing watercourses with no habitat involved.

Yours sincerely



Phil Anquetil  
**Executive Director Business Services**